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UNI Finance

Bulletin

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International News in the Finance Sector

Unite calls on bank bosses to follow Antony Jenkins' example

Unite, Britain's biggest union, says the decision by Barclays' chief executive Antony Jenkins to waive his bonus is 'refreshing' and is calling on Lloyds CEO Antonio Horta-Osorio and HSBC CEO Stuart Gulliver to follow suit. Unite says the waived bonuses should be used in a socially responsible way which could include tackling low pay in Britain's banks where many low paid staff have to claim government tax credits to supplement their income. Unite national officer Dominic Hook said: "It's refreshing to see Antony Jenkins waive his bonus. It should send a message to the high rollers in banking that bonuses are unacceptable while ordinary people suffer the austerity forced on them by the colossal errors of the banking elite.

"We urge Lloyds CEO Antonio Horta-Osorio and HSBC's Stuart Gulliver not to think too long about their bonuses and follow suit. "Innocent bank workers in call centres and branches up and down the country are having their jobs cut, pensions slashed and terms and conditions eroded. Many of these banks have been embroiled in scandals concerning their business practices. The bonuses should be redistributed and used in a socially responsible way including tackling the appalling low pay of the ordinary workers in Britain's banks."



ANZ job cuts



ANZ's proposal to offshore 131 jobs brings the total number of finance jobs offshored in 2013 to 500, said the Finance Sector Union. 131 ANZ employees have been advised that their jobs will be offshored to India in coming months. This latest announcement comes hot on the heels of Westpac's announcement last week that 134 jobs are heading offshore to India and the Philippines. "We are not even two months into the year, and already 500 finance jobs have been offshored. Is it any wonder that finance workers are feeling increasingly concerned about their future?" said FSU National Secretary Leon Carter. Most of the jobs caught up in the latest offshoring announcement are located at ANZ's Wealth and Private Banking business in Sydney. The jobs targeted for offshoring involve administration of the pension funds of high net worth individuals. "When these jobs are performed in Australia, the data that workers access is subject to Australian privacy laws. Offshoring these jobs may put customer data at risk," said Leon Carter. A recent Essential Poll found 85% of Australians want banks and other businesses to obtain consumer consent before offshoring their data. The poll also highlighted significant public concern over the loss of jobs associated with data storage and administration, with 73% supporting government intervention to protect jobs in the services sector.

Successful general strike in Tunisia



The General Union of Tunisian Workers had declared a general strike and a day of mourning on February 8th, after the assassination of the political leader Chokri Belaid. 1,400,000 people joined the strike, making it a historical day of action for social progress and democracy. The UGTT is actively fighting for political freedom since the start of the revolution.

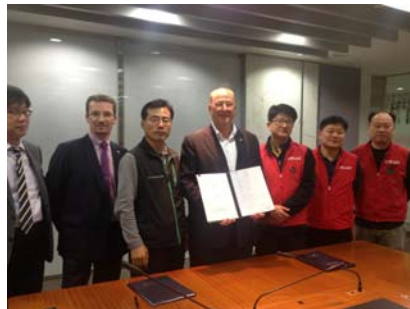
Victory for ING Life Korean union

UNI congratulates ING Life Korea union for winning a significant agreement, securing workers' jobs with the company after a successful campaign. UNI and its Korean affiliate then launched a solidarity action asking all of the UNI affiliates to sign and send a solidarity letter to ING management. The action was a huge success, thanks to the support of various unions in the Americas, UK, Holland and Asia. In less than two weeks, more than 2,000 people had signed and sent the letter to ING top management. A new agreement was negotiated. According to this agreement, the company is committed to securing employ-

ment even in case of sale. If the new company, within 36 months of the take over, decides to implement a redundancy plan, this must be agreed with the union. When the company sale is done, a special bonus of two month salary will be paid to all employees.

It was also agreed that the same level of working conditions should be maintained.

We thank all of you for your support to the ING Korea campaign, which was crucial to make it successful !



Union busting in the Philippines

The Bank of America Merrill Lynch-Philippines, a large multinational bank, has effectively trimmed the size of its rank-and-file employees to only six (6) clerks. This is an incredible feat since the BA, which started doing business in the Philippines in 1957, was once utilizing the services of no less than 400 employees. This can only mean one thing: union-busting! In the early 1980's, the Bank of America Employees Association (BAEA) was originally in the fold of the National Union of Bank Employees (NUBE) as one of the latter's founding unions. The size of the regular rank-and-file employees – all union members – went up to a high

of 400 at one time. However, with the BA's clandestine activities, the local union leaders were replaced with the BA's own chosen leaders, eventually resulting in the union's disaffiliation from NUBE. The BA Employees Association (BAEA) has filed complaints against the BA Merrill Lynch for illegal labor practices with the Philippine Government's National Labor Relations Commission (NLRC). It has also brought its case to the attention of various Senators.

Wage pressure in Holland

In the finance sector in Holland, wages and working conditions are under public scrutiny, in the media, at the Parliament and in the general public opinion. The new Minister of Finance threatens to challenge the Collective Labour Agreements, signed by the trade unions and the employers. People assume that all finance workers earn extremely high wages. Although the wages are relatively good, they are nothing compared to the salaries of the CEO's who took the decisions which lead to the financial crisis. The government and the tax-payers then had to rescue several companies that took too much risk. For example, SNS REAAL Bank has been taken over by the state just some weeks ago, due to a bad property finance acquisition some years ago.

In this context, trade unions are already diminishing their demands in the CLA-negotiations and by now the total packages are declining.

Update from Spain



The process of restructuring and consolidation of the financial sector in Spain is still going on. Some financial institutions such as UNNIM, CAM and Banco de Valencia have been totally dismantled, to the point of being allocated to other entities for the symbolic price of one euro. Meanwhile, the Government Labour reform of 2012 has brought about the elimination of more than 10,000 jobs.

The most affected entities in this phase have been Bankia, Nova Galicia Bank and Banco de Valencia. Thanks to the massive support of the workers to the demonstrations and strikes organized by the trade unions, various agreements have been reached, and the number of affected workers has been reduced and a large part of the job losses will be covered by early retirement schemes.

FSU Sweden: benefits should go to employees

FSU Sweden has recently been engaged in a public debate on the dividend to the shareholders in the biggest banks in Sweden. A study conducted by FSU at the end of 2012 showed that the staff only receives a small

portion of profits, compared to shareholders who receive the largest portion. Secondly, when the dividend is low for one year, there are some job cuts the following year. On the long term, the dividends paid to shareholders are rising dramatically while the investments in human capital are only increasing very slowly.

The major Swedish banking groups are very profitable again after the crisis. SEB's dividend to its owners came up to 52 % of its total profit; the dividend of Swedbank: 75%.

For the president of FSU Sweden, Ulrika Boëthius, "bank employees should get their share of the profit in good times, especially since the opposite seems to be natural in bad times!".

Social dialogue in Croatia



UNI Europa Finance met with its Croatian affiliate SBF to prepare the workshop which took place on 28 February in Zagreb. The European Banking Federation as well as the Croatian employers' association and the Croatian Banking Association joined the meeting. The workshop is part of a EU funded project on Life Long Learning and the promotion of Social Dialogue

in Central and Eastern European countries. Social partners want to follow up on their joint declaration on life long learning of 2003 and focus on Croatia, Romania and Bulgaria. The workshop in Zagreb is the first of three workshops. Croatian social partners highlighted their interest in this project as they will soon be able to join the European Social Dialogue, once Croatia joins the EU in summer this year. The project is financially supported by the European Commission.

New Working Time Rules in Denmark

FSU Denmark and the Danish Employers' Association for the Financial Sector agreed to change the working time rules for all employees in the financial sector. The changes are substantial and aim at rendering working time more flexible for employees as well as for employers. All employees now have a right to arrive at and leave work within a span of 2 hours in the morning and 2 hours at closing time. Furthermore a "Time bank" has been set up. A local agreement can determine the maximum and minimum balance in the account as well as which elements can be deposited in the account. If no such local agreement has been made the max/min. balance is +481 hours and -21 hours and the deposits are a number of elements such as overtime hours and supplements for additional working hours, system-dependent additional work, compensatory time-off in lieu for Saturdays, Sundays and weekday public holidays, etc.

EU state of play



Crisis Management

The directive on a framework for bank recovery and resolution sets out steps and powers to ensure that bank failures across the EU are managed in a way which avoids financial instability and minimises costs for taxpayers. It is currently being discussed in the European Parliament's ECON committee, scheduled to vote 20 March. From the trade union side, 17 amendments have been tabled, focusing on respect for collective bargaining and employee involvement. The original proposal from the Commission contained almost no wordings on the employee dimension despite this being an issue that affects the core of our members' reality.

Insurance Mediation

The IMD II aims to address the fragmentation of the insurance market, the inconsistencies regarding information requirements imposed on sellers and customer confusion. From the trade union side, six amendments have been tabled, focused foremost on training and whistle-blowing structures. The debated issue around transparency on pay remains, something which will have to be followed closely. The European Parliament's ECON committee is scheduled to vote 26 March.

Capital Requirements

CRD IV has meant that the Basel Committee changed the so-called LCR (liquidity coverage ratio) rules to allow banks to include also other instruments than government bonds in their ratios. This has been done against a background of the euro crisis, but also heavy lobbying from the industry. The trade union movement had several amendments adopted in the European Parliament last year and the directive is currently in the trialogue stage between the Council of Ministers and the European Parliament, with the latter expected to vote in plenary in March at the earliest.

Markets in Financial Instruments

MiFID II addresses issues like conflicts of interests, provisions of information and advice, and suitability and appropriateness of products to consumers. The trade union movement had eight out of ten amendments passed in the European Parliament. However the Council of Ministers' latest compromise text shows worrying signs of weakening some of this agreed language, a worry shared by the European Parliament where we will push to ensure that our passed amendments are defended once the legislative process enters the trialogue stage this summer.

Upcoming meetings

- 4-5 March: MENA meeting in Algeria
- 14 March: Social Dialogue- Banks
- 20 March: Social Dialogue - Insurance
- 8 April: UEF Presidium
- 23-24 April: Social Dialogue project meeting in Romania
- 29 April: UEF Steering Group

Coming up soon !

Vigeo report on CSR banking

UNI Finance and its affiliates are collaborating with Vigeo to ensure that the trade union voice is represented in the work of the Rating Agencies. A new report on CSR banking is coming out soon.

WTO negotiation on financial regulation

The WTO is meeting with governments on the 20th of March. The WTO rules would need to be revised to allow national governments to implement effective regulation. Contact your government about this !

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