



Update



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in this issue

Employee Bonus – Managers to Get DOUBLE Payouts! Pay 2008 Claim Delayed

MANAGERS TO GET *DOUBLE* BONUS PAYMENTS???

The decision not to pay the annual bonus from the Employee Profit Share Scheme understandably angered staff when the announcement was made recently. And this was made all the worse when news filtered out that those managers whose contracts include participation in the Management Bonus Scheme would receive payments rumoured to be anywhere from 10% to 40% of their annual salaries!

Now PCS has been informed that in fact managers will receive **DOUBLE** payouts from their scheme. Managers covered by this scheme will receive anywhere from 20% to 80% of salaries if these reports are correct. If we assume managers' salaries range from £50,000 to £200,000 (conservative estimates when you see the salaries of senior managers from most companies published in the media) then that means whopping payouts of anywhere from £10,000 to £40,000 for the lower 10% rate. And the figures could be as high as £40,000 to £160,000 for those on the higher rate of 40% of actual salary.

Union Will Pursue Unfair Treatment of Staff

PCS will raise these rumours with senior managers at this week's special meeting of the Employee Forum to be held in Frimley on Friday. If true it is not far short of indecent that managers can reward themselves so handsomely – yet claim that staff who delivered the success deserve nothing.

As stated earlier it is the union's intention to call on senior management to look again at the decision not

to pay the employee bonus. We will point to the gross unfairness and to the negative impact this will have on staff who feel so badly let down by their employers. Our case is clear in that:

- *Staff find it hard to understand a logic which says that no bonus will be paid in a year when the company has made a massive profit yet in previous non profitable years a bonus was paid*
- *Staff find it hard to comprehend how it is fair to pay senior managers massive bonuses yet it is they and not staff who have the ability to directly influence profit delivery*
- *Staff feel it is unjust to change the rules to their detriment two thirds of the way through the financial year.*
- *£20 is poor reward for the excellent performance of all staff including over half of whom who have received awards Recognising Excellence*
- *Staff have worked extremely hard with reported productivity increases - some as much as 143% of target*
- *Staff have received awards and plaudits from customers and external bodies*
- *The company led staff to believe that they would receive at least half of the bonus in a communication issued during our industrial action ballots in June*

Unions Pressing For High Level Meeting

PCS and BECTU are also seeking an urgent meeting with Clark MacFarlane the MD to review the decision and to discuss the massive increase in profitability targets for 2007-8. Obviously to seek to double the record profits of a company who until this year had never declared a profit will place massive pressure on the company and its managers. Our fear is that as staff costs are the biggest single element of expenditure then the

pressure may be pushed down onto staff with cuts in jobs and conditions following.

We will keep you up to date with developments.

2008 PAY 2008 CLAIM FACES SHORT DELAY

The fiasco over non-payment of a bonus this year highlights the need for a fair and decent pay settlement in 2008. That's the only way to ensure staff get a fair recognition for their contribution to the company's achievement of a record £15.9 million profit.

Normally PCS would have consulted members on a draft pay claim in December with negotiations kicking off soon afterwards. However as a result of last year's two-year pay there will be a delay in the 2008 pay review.

That's because the deal includes provision for a review of the payments due if the January inflation rate exceeds 3%. Current trends suggest that this will be the case. But until we see the actual figure in February we won't be able to determine our detailed claim for next year.

However the GEC are currently working on the two key issues which members identified last year.

Finishing the Work On Progression

We are working on developing a pay system which will build on the advances made on progression for the lowest paid last year. We will want to confirm how this arrangement is to be taken forward for PB 5 and above as agreed last year. Our other key objective is to develop arrangements which will guarantee progression from target salary to the range maximum within 5 years for all paybands,

We also want to hear from members about what you feel are the key issues to be addressed in pay negotiations in 2008.

When the GEC have signed off the proposals for a new progression system these will be presented at members meetings early in the New Year along with other elements of our claim for 2008 Pay.

Get protected - Join the Union!

The decision to withhold staff bonuses while managers receive fat payouts (rumoured to up to 200% of the minimum payout under their scheme and probably in excess of five figures in most cases) shows the need for a strong union to fight unfairness at work. But we still have much to do in the year ahead as SIS seeks to double this year's record profits – with all the threats that brings to staff. And we want to ensure fair pay awards for all in 2008

The more of us who are in the union the stronger all of our voices will be.

IF YOU ARE NOT A PCS MEMBER JOIN TODAY AND HELP US CAMPAIGN FOR A FAIRER DEAL AT WORK FOR ALL!!!

You can contact the following for further details:-

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