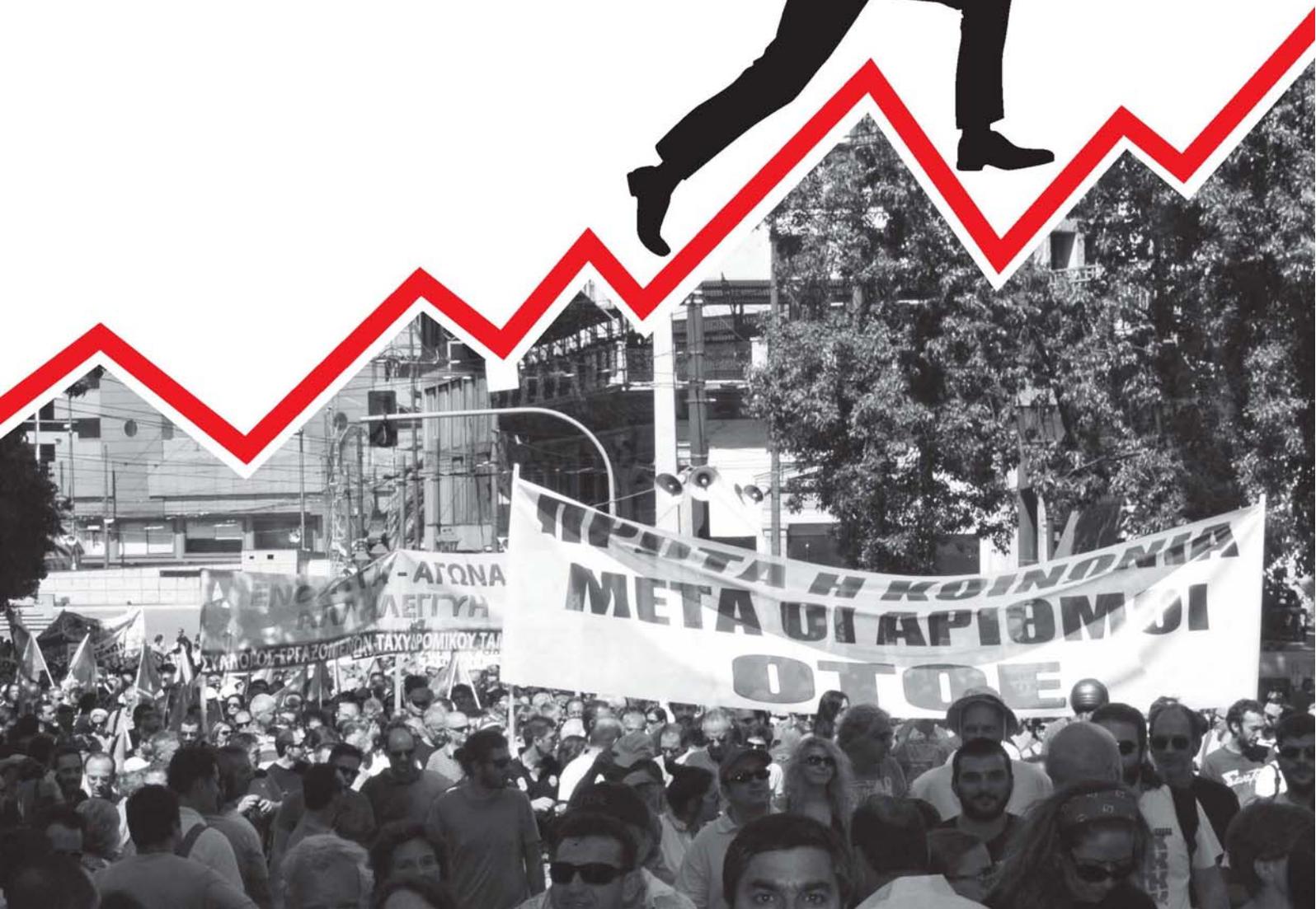


# BANKING: THE HUMAN CRISIS

**JOB LOSSES AND THE RESTRUCTURING PROCESS IN THE FINANCIAL SECTOR**

**UI** finance  
global  
union





# Job Loss Survey 2013

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Front page picture: Bank sector demonstration in Greece, with banner saying: «Society above numbers»



## Introduction

Banking – The Human Crisis is the second edition of UNI Finance Global Union’s worldwide survey on job losses and restructuring in the finance sector.

The survey was carried out with UNI Finance affiliate unions in 26 countries.

- **In Europe:** Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Romania, Spain, Sweden, The Netherlands, and The UK (16 countries)
- **In Asia-Pacific:** Australia, Fiji, Malaysia, Philippines
- **In Africa:** Burkina Faso, Ghana, South Africa
- **In the Americas:** Brazil, Grenada, Venezuela.

Compared to the previous edition, the 2013 survey goes further in identifying seven key trends taking place within the sector and includes first-hand accounts of finance workers and union members. This report presents these trends, alongside possible actions for the future.

## Seven Key Trends

### 1. Deep restructuring continues in the wake of the financial crisis

As the sector continues to adjust following the 2008 crisis, at least another 192’667 jobs have been lost in the finance sector in 26 countries since 2011, of which 134’051 were in Europe.

The job cuts continue in the wake of non-ending restructuring as a result of the financial crisis in Europe, Asia-Pacific, the Americas and Africa.

*“Now there is a race to lower costs”*

**FNV, Bondgenoten NL**

In some countries, the cuts are accelerating whilst in others the trend is leveling-off or even slowing down.

- The trend is still accelerating in 7 European countries: Austria, Belgium, Denmark, France, Greece, Luxembourg, Romania and The Netherlands.
- Responses from Asia/Pacific, the Americas and Africa show a clear acceleration, with the exception of Australia where job losses are levelling off at a high level.
- While levelling off or slowing down in the 9 other European countries, albeit from a very high level for some countries such as Ireland, Spain and the UK.

**Banks are still aiming for 10 to 15% ROE.**

**European Banking Authority**  
(Endnote 1)



Brazil bank sector strike: time to share profits

### 2. Finance workers are being put under pressure to sell financial products

The pressure to sell financial products is prevalent worldwide, and often sales targets do not take the economic environment into consideration. Performance related pay structures increase this feeling of pressure on workers.

*“Targets are unachievable and training is mostly e-learning”*

**- Pro Finland**

The pressure to sell is reported to be especially strong in Austria, Ireland, Italy, Spain, the UK, Australia, Fiji, Malaysia, Brazil and Burkina Faso.

Performance related pay has been scrapped in Iceland, Ireland and Greece since the crisis. In many cases this has amounted to a salary cut but has not lessened the pressure to sell.

Some best practices are reported in Denmark and Finland with more consultation and negotiation on targets. Targets in these countries

Banking services to customers rank as the worst performing cluster.

European Commission  
(Endnote 2)

are reported to be linked to customer service, and the working situation is often described as manageable. Training funds have been set up in Denmark and Norway.



Italian campaign for a cap on top managers pay

### 3. Most job losses are affecting front line, back office and IT positions

Worldwide, front line and back office jobs are most often being lost. IT jobs follow but these losses are only half as prevalent as the previous two.

Highly qualified jobs are also being cut in Denmark, Finland, Greece, Spain, and UK as well as in Venezuela and Ghana.

Legal and compliance jobs are being cut in Ireland, Spain and Venezuela. They are being created in The Netherlands, Luxembourg, Denmark, The United Kingdom, Iceland and Sweden.

*“Front line workers suffer extremely strong pressure and disciplinary measures with strong impacts on health.”*

**- Fesbaci, Burkina Faso**

Older workers are being laid off or given early retirement while new workers are hired on less favourable conditions, such as positions with one-sided flexibility.

Women very often still suffer from unequal representation in function and salary.

*“Women are in lower paid functions and in the same function their payment is lower. This has not changed in the last 4 years.”*

**- GPA, Austria**

### 4. Offshoring and the domino effect

Offshoring has reduced jobs in Australia – with Asia, particularly Philippines and New Zealand benefiting. Australia and Malaysia have both seen call-centre job losses.

The UK, France, Italy, Finland and Denmark are sending jobs offshore, and, with the addition of Spain and Iceland, off-shoring is meaning call centre job losses too.

Open economies require strengthened social protection and institutions in the face of increased instability.

Pr D.Rodrik Harward  
(Endnote 3)

### 5. Active union campaigns outside of Europe compensate for the absence of collective agreements.

In Europe most job losses at large companies are dealt with under a collective agreement. Negotiations are in place in nearly all large companies as well as EWCs in 50% of cases. Union campaigns are taking place in 2/3 of companies.

In the Americas and Asia, union campaigns dominate as there are mostly no collective agreements or negotiations in place, except for some in Australia, Malaysia and the Philippines.

In consequence, in Europe, collective bargaining is more affected than workers participation (1/2 versus 1/5) while worldwide worker participation is more affected.

*“Reaching the target is not enough. Supervisors send emails to all giving the names of those who failed. I am looking for free psychological counselling, I fear I will have a heart attack soon.”*

**Employee at international bank Call Center, Brazil**

### 6. The poor health of finance workers is becoming the next phase of the financial crisis

Worldwide, workers' health is the most affected due mainly to strong pressure to sell, the fear of unemployment and having to face angry clients.

*“There is a loss of know-how as older workers leave, anxiety in the 44-55 age range. A report showed that psychological harassment is highest in the banking sector, hurting 12% of employees.”*

**- OGBL, Luxembourg**

More than 80% of affiliate unions in Europe are reporting health problems. Half said their personal life is also taking a blow.

### **7. Restructuring is having a negative impact on business risk and productivity**

Restructuring is backfiring onto business and productivity in some respects with over one third of affiliates in Europe and all in Asia reporting that productivity at work is being negatively affected.

*“There is a problem with clients’ trust in banks”*

**- Verdi, Germany**

Business risk is increasing due to the loss of first-hand information. One third of European respondents, and all Asian ones, say workers’ confidence to report issues to management is being affected for fear of losing their jobs.

## **Policy Recommendations and Real Banking**

### **Policy recommendations 5 years into the restructuring of the financial sector.**

UNI Finance is advocating for a well-run and sustainable banking system that can support the real economy, social welfare and job creation within and outside the banking sector.

Banks have a crucial role to play by providing a service to society: “Real Banking” is the financial intermediation between economic actors. This real function of banks has a very high economic and societal value but has been pushed aside by speculative investment banking.

**The disconnect between wages and productivity can be traced back to shareholder pressure.**

**International Labour Organization (Endnote 4)**

The 2008 financial crisis and the ongoing restructuring and regulatory changes have led UNI to adopt a position on three aspects of the workings in the financial industry, building a framework for action in the financial sector:

1. Real Banking: the core business of Sustainable Finance - UNI Finance Position Paper. (<http://bit.ly/15UQeoS>)

2. Restructuring processes in the Financial Industry - UNI Finance Position Paper (<http://bit.ly/1cuxJJV>)
3. Charter on Responsible Sales of Financial products - UNI Finance Model Charter (<http://bit.ly/15mC79o>)

**Within this framework we flesh out our policy recommendations with more specific union actions taking into account the results of this year’s job loss report:**

### **Restructuring**

➔ Banks are still restructuring due to deleveraging, de-risking in order to comply with regulation but also to persistent sector culture where investors demand high ROE targets.

As a trade union we cannot accept the arguments of the banking sector leaders that restructuring and job losses are a consequence of tighter regulation. This standpoint is then used to argue for weaker regulation.

**Fair restructuring: If banks retain their earnings, equity will build up with little negative impact on the economy.**

**Pr. A.Adnati. Stanford (Endnote 5)**

In line with the position paper above on Restructuring, we argue for unions, employees, customers and employers to work together through continuous dialogue, timely and proper information towards a successful and sustain-

able finance industry while safeguarding core labour standards.

### Sales & Advice: under pressure to sell financial products

→ Based on our Responsible Sales of Financial Products Charter, we need a sustainable customer-oriented finance sector



where customers have the right to good advice and high-quality products and finance employees have the right to give good advice in a safe and healthy environment which includes sufficient paid time, resources, training and realistic incentive systems based on long-term sustainable targets.

*“There is some shift to service-based targets from sales targets”.*

**Unite UK**

### Jobs lost in back office, front line - older workers and women require attention

→ In addition to the general rules on dealing with restructuring, we advocate for more collective agreements and organizing as restructuring puts major pressure on working conditions and terms of employment.

Special attention is required in the case of older workers pressured

into early retirement and women in getting access to better roles and pay.

### Offshoring and the domino effect

→ The survey has revealed a trend in offshoring jobs. As these are lost in certain countries but gained in others, the main action for unions is to work towards maintaining or raising standards in recipient countries through GFAs (Global Framework Agreements) and to work with ongoing competence development to ensure that workers have the right skills and competences for the new jobs.

Raising standards in recipient countries should also slow offshoring decisions motivated mainly by very low labour costs.

### Active union campaigns out of Europe compensate for the lack of collective agreements

→ The survey has shown a clear need for more organizing and more agreements between unions and management, especially in Africa, Americas and Asia.

Leveraging upon international agreements on union rights is one way to achieve this.

### Poor health of finance workers as the next stage of the crisis?

→ A major finding of our survey this year is the worldwide effects on health as workers suffer from excess pressure to sell, fear of unemployment and having to face

angry customers. Trade unions need to raise the issue as a major consequence of the non-ending culture of restructuring based on cutting labour costs.

*“There is not enough security for employees. Sadly, clients who feel financially abused are turning against basic front line employees instead of staging a protest in front of bank managers’ houses”*

**– Comfia, Spain**

### Backfiring on Business: risk and productivity

→ Unions need to raise management’s awareness on increasing business risk. This is due to the loss of first-hand internal information as a result of employees being scared to report to them. Major problems can be avoided when nipped in the bud. To this end, both internal and external whistleblowing systems are instrumental. Unions play an important role to ensure the efficiency of internal whistleblowing systems.

Non-ending restructuring and cost-cutting can run into side-effects which result in productivity loss and lower quality of service which are reported in the survey.

A sustainable financial sector should deal with these issues.

Pressure for earnings per share is so strong that it has led to a focus on cost cutting and away from real investment for future growth.

Financial Times report  
(Endnote 6)

Fighting tax evasion is an international priority so that governments can serve their citizens.

OECD  
(Endnote 7)

## Conclusion

Many banks and insurance companies have returned to profit in 2013. Large banks in particular are making vast profits, with senior employees paid more than 100 times the lowest paid employees. Meanwhile workers continue to lose their jobs or have great pressure and stress placed upon them through the pressure to sell.

### Put simply:

Finance sector employers must:

- Do the utmost to preserve jobs and working conditions
- Treat workers properly and
- Pay them fairly

## Data summary tables

We include below a summary table presenting the data and comments received from the 26 countries during the 2013 survey in addition to some figures collected by UNI Finance.

Since mid 2011, as the sector continues to adjust after the 2008 crisis, **at least another 192'667 jobs were lost in the finance sector in 26 countries, of which 134'051 were lost in Europe.**

This is a minimum as some of our affiliates did not have an estimate for 2013 yet or did not cover the whole financial sector in their country. The numbers of job losses are those known to our affiliates upon which they can comment usefully, they do not claim to represent a comprehensive statistical analysis.

In addition to the information received from UNI Finance affiliates, UNI Global Union also collected some data for a sample of 23 banks, including the largest top 5 banks in the world (ex China), as well as the companies we are working with from the top 50 banks.

In total, in 23 banks which account for over 3 million workers, **105'950 jobs were lost** in 19 banks and **7'872 were created** in 4 banks, for a net loss of 98'450 jobs in 2012. At the same time, the same banks made some enormous profits, in the range of 1 to 28 billion dollars. Crédit agricole and Uni Credit are the only banks that lost money last year.



## Data Summary: Profits and jobs in large Banks

(Source: Thebanker Database, company annual reports)

Country	Company	Assets (\$ Millions)	2012	Employees end 2012	Job losses % job / increases cuts	
			Profits (\$ Millions)		2012	2012
<b>TOP 5 Banks ex China</b>						
USA	JP Morgan	2'359'141	28'917	258'965	-1192	-0.5%
USA	Bank of America	2'212'004	3'072	267'190	-14601	-5.2%
UK	HSBC	2'692'538	20'649	270'000	-18316	-6.4%
USA	Citigroup	1'864'660	7'497	259'000	-7000	-2.6%
Japan	Mitsubishi UFJ	2'709'402	15'642	80'900	2100	2.7%
<b>Other Banks</b>						
USA	Wells Fargo & Co	1'422'968	28'000	269'200	5000	1.9%
France	BNP Paribas	2'516'214	13'683	190'000	-10000	-5.0%
France	Crédit Agricole	2'649'277	-1989	79'282	-8169	-9.3%
France	Société Générale	1'649'995	2'034	154'000	-5616	-3.5%
Spain	Santander	1'674'971	4'674	186'763	-3003	-1.6%
UK	Barclays	2'350'664	388	139'200	-1900	-1.3%
Japan	Sumitomo Mitsui	1'718'045	12'294	64'600	400	0.6%
Germany	Deutsche Bank	2'654'788	1'034	98'219	-2777	-2.7%
Italy	Uni Credit	1'222'727	-671	156'354	-4006	-2.5%
Italy	Intesa Sanpaolo	888'485	3'850	96'170	-5029	-5.0%
Netherlands	ING	1'102'992	5'712	84'718	-3148	-3.6%
Switzerland	Crédit Suisse	1'007'939	2'378	47'400	-2300	-4.6%
Brazil	Banco do Brasil	554'962	7'460	114'182	372	0.3%
Brazil	Itaú	495'566	9'817	98'041	-10351	-9.5%
Australia	ANZ	667'941	8'315	45'900	-1625	-3.4%
Denmark	Danske Bank	615'865	1'514	20'308	-1012	-4.7%
Sweden	Nordea Group	1'609'351	9'083	31'466	-1602	-4.8%
Togo	Ecobank	19'950	384	18'564	-4303	-18.8%
<b>Total</b>		<b>36'660'445</b>	<b>183'737</b>	<b>3'030'422</b>	<b>-98078</b>	<b>-3.1%</b>

## Data Summary: Job cuts in the Finance sector (Source:UNI Finance Survey)

Country	Union	Company	Job cuts	Period	Additional information		
Austria	GPA		580		Accelerating. Industry forecasts the loss of 2200 jobs by 2018. Largest jobcuts to start in 2013-14. Younger workers with more targets and more variable salary replacing older workers. Strong selling pressure, whatever the economic environment. More and more employees leaving the financial industry. Effects on health and productivity.		
		UniCredit Bank Austria	316	2012	Or 191 full-time equivalent.		
		Many other	264	2012			
		Erste Bank Group		2012	Job cuts in Romania and Slovakia with EWCs		
Belgium	ACLVB - LBC-NVK/CNE/BBTK-SETCA		3890		Accelerating. From 644 losses in 2011 to 1690 in 2012, and 2200 expected for 2013. More expected til 2015. Much lower hiring. Pressure on working conditions. Worker participation affected.		
		ING	1250	til end 2015	Non replacement of retirees. Negotiated job security for those who stay.		
		BNP Paribas	1800	til end 2016	Non replacement of retirees. Negotiated job security for those who stay.		
		KBC	1200	til end 2015	Non replacement of retirees. Negotiated job security for those who stay.		
		Belfius	900	til end 2014			
Denmark	FSU		3045		Numbers represent the registred job cuts by FSU Denmark. The real figures could be higher. Difficult to predict if the trend is levelling off as the rest of 2013 is unknown. From 755 losses in 2011 to 1703 in 2012, and 587 to date but 2400 expected by the Danish Finance Employers for 2013. Compliance jobs are increasing. Higher skills in demand. Sales pressure is increasing. Workers leaving the sector. Effects on health and productivity.		
		Danske Bank	570	Jun11-Jun13	Outsourcing of 360 jobs to Lithuania		
		Nordea Denmark	119	Jun11-Jun13			
		Jyske Bank	199	Jun11-Jun13	Union negotiated extra resources for competence development fund		
		Sydbank	160	Jun11-Jun13	Union negotiated extra resources for competence development fund		
		Nykredit	128	Jun11-Jun13	Union negotiated extra resources for competence development fund		
	DFL	Spar Nord Bank	172	Jun11-Jun13			
			191				
		Insurance Tryg	72	2012-2013	Large companies are still firing, small ones have finshed. Targets are feasible. Job creation in legal and compliance.		
		Insurance SOS	31	2011-2012			
		Insurance Nordea	23	2011-2012			
Finland	Pro Finland Vvl Finnish Insurance Pro		2040		Big banks may have already done their cuts, which might continue in smaller banks. From 750 losses in 2011 to 670 and 320 offshored in 2012, to 200 for 2013 without collective agreements. Not much hiring expected.Older workers replaced by new worker on a much lower salary and shorter holidays. Sales targets unfeasible and training mostly through e-learning. No collective agreements. Collective bargaining affected. Effects on health and confidence to report to management.		
		Nordea	750	2011			
		OP - Pohjola Group and Pohjola Bank	990	2012	670 cuts and 320 jobs offshored. Hiring of new workers on much lower salaries before firing older workers		
		Danske Bank	300	2012-2013	Former Sampo Pankki		
	Union of Insurance employees - vvl		350		2011-2013	Slowing down. No collective agreements.	
		Pohjola Insurance	170	2012	Stress due to same workload with less people as well as fear of job loss. Effects on workers' heath and productivity at work.		
		SVT	17	2012			
		Nordea					
		Vahinkovakuutus	11	2012			
		France	CFDT + FO Banques	BNP Paribas, Société Générale, LCL, HSBC, + other	9000	2012-13	Accelerating. 4000 for commercial banks, 650 for financial firms (same in 2013, i.e 9000 for both years). Negotiations on safeguarding employment took place in each bank.Generalized management by targets across banks. Effects on health and confidence to report to management.
				BNPP	1200		
Société Générale	700						
Germany	Verdi		12100		Slowing down in 2013 from 5250 in 2011 and 6850 in 2013. Problem with clients' trust in banks. Pressure is put on workers through work organization, leading to medium term degradation and loss of loyalty of employees. Effects on health and confidence to report to management.		
		Deutsche Bank (without Postbank)	382	2012			

					Dialogue leading to reduction to 3900 redundancies and 1000 job creation instead of 5000 redundancies and 600 outsourcing. Bank signed a fair advice policy and is advertising this publically. First results need to be analysed.
		Commerzbank	1617	2012	
		Hypovereinsbank	176	2012	UniCredit Deutschland
		Postbank (Deutsche Bank)	633	2012	
Greece	OTOE		3069	2011 - 2012	Accelerating in 2013. In the sector, there has been no major lay-offs but employees who leave for retirement of with voluntary packages are not being replaced. No performance related pay any longer. Effects on workers' health and productivity.
		3 local Cooperative banks	220		The liquidation of the cooperative banks strongly affected the local rural communities.
		BNP Paribas	100	2012	Closed commercial activity and left the country.
Iceland	SSF		300	2011-2013	Slowing down, with collective agreements, special tax for financial firms of 6,75% on all wages, no more performance-related pay since crises, compliance job creation. Effects on workers' health.
		Landsbanki islands	120	2011-2013	
		Íslandsbanki	65	2011-2013	
		Arionbanki	50	2011-2013	
		Others	65	2011-2013	
Italy	FABI		2975	2013-2015	Levelling off. With collective agreements. Targets often not feasible.
		IntesaSanpaolo	600	2013	
		Monte Paschi di Siena	1100	2013-2015	Outsourcing
		UniCredit	800	2013	Outsourcing 800 workers of invoice management, hiring 520 young people in 2013-14
		Goldman Sachs	25	2013	
		Carige	450	2013-2017	Volunteer exit
Ireland	IBOA		6500	2012-2013	Slowing down. With collective agreements. New contracts with lower earnings and 2-year fixed term contracts. Experience and skill leaving the organisations. No performance-related pay since 2009, unrealistic targets at all levels without consideration to the financial climate. Compliance considered key. Workers' health and confidence to report to management affected.
		AIB Group	2500	2012-2013	At Labour Court as bank only wants to pay those named in the test cases.
		Bank of Ireland	2000	2012-2013	Pension scheme beeing looked at.
		UBL	750	2013	Ulster Bank Ltd - Restructuring negotiations ongoing.
		NIB	500	2012	National Irish Bank - Negotiations ongoing
		IBRC	500	2012-2013	Company being wound down. Liquidator is in. Negotiation ongoing.
	Mandate	Ptsb Bank	200	2012-2013	Levelling off. Permanent tsb Bank. Machines introduced and the focus is now almost completely on sales only at the counter. Health, productivity and confidence to report to management affected.
Luxembourg	OGB-L		300	June 2012 - March 2013	Accelerating. However the sector is still job creating, attracting workers from France, Germany and Belgium. Number of banking institutions went down from 200 in 2000 to 140 now..Loss of know-how due to replacement of older workers, demotivation, anxiety in the 45-55 age range. Strong demand for compliance officers. Workers' health and productivity affected.
		Kbl	130		Kredit Bank Luxembourg
		RBC	200		Royal Bank of Canada
		UBS	20		
		Itau			
Netherlands	FNV Bongarden		19211	2011-2013	Accelerating. Race to lower the cost-income ratio. Workers' confidence to report issues to management is affected.
		Rabo Bank	7226	2011-2013	Accelerating with 3000 both in 2012 and 2013
		ABN Amro	3410	2011-2013	1000 in 2013 after a break in 2012
		Aegon	300	2011	
		ING	7475	2011-2012	Accelerating since November 2012 with 4750 job losses
		RBS	500	2012	
		SNS Real	300	2012	
Romania	FSAB		4000	2012	Accelerating
Spain	COMFIA-CCOO		35000	2011-2013	Slowing down from a very high level after major losses at the savings banks. Good relations with banks during job losses. All salaries lessened, large pressure on workers to sell. Increased jobs involved in recovering overdue fees. Health, productivity and confidence to report to management affected.
		Santander			
		BBVA			
		Caixabank			
		Bankia			
		Sabadell			
	FeS UGT a		11590	2013	Accelerating since December 2012 with the closing down of 1965 branches.

Sweden	Finansförbundet		1500		Slight decrease in jobs in the financial sector due to restructuring, job losses may still be accelerating. Many older workers leaving for retirement and younger workers have more difficulty getting permanent employment. Performance pay is more regulated than a few years ago. Collective bargaining is affected.
		Svenska Handelsbanken	0		
		SEB	2		
		Nordea	300		
		Swedbank	1000		
		Danske Bank	200		
Sweden	FTF-SE		0	2011-2013	No net job losses in the insurance sector in Sweden but restructuring with a shift in jobs towards more qualified professionals. Somewhat more pressure to sell. Job creation in the legal departments.
UK	UNITE		30000	2011-2013	Levelling off, slowing down. With collective agreements. Jobs are created and redeployed to compliance as a result of changes to regulation and mis-selling. Worsening working conditions with the removal of Mo-Fri contracts to 5in7 so as not to pay for week-ends, attack on final salary pensions, disciplinary use of performance management, reduction in redundancy terms. Unsustainable targets with clients in no position to take new products. Shift to service-based targets from sales targets. Demoralised workforce worried about job security. Workers health affected.
		HSBC	4800	July 2011	
		Lloyds	4000	July 2011	
		RBS	6000	July 2011	
		Barclays	2000	July 2011	
		Ins co - Royal Sun Alliance	400	July 2011	
		Ins co - Aviva	1200	2013	
		Ins co - Axa	2000	2013	
		Bank&Ins - Cooperative Group	900	2013	
		Ins co - Diligenta	470	2013	
		Ins co - Direct line	2000	2013	
USA			31000	2012	Wall Street Journal article, April 25 2013: "Wall Street cuts tens of thousands of jobs since 2008" U.S. banks slashed 31,000 jobs, or 3.5% of work force, in past year. Bank of America, Citigroup, JPMorgan Chase, Goldman Sachs and Morgan Stanley
Brazil	CONTRAF-CUT		16808	2012	Accelerating. Unrealistic targets are making workers ill mentally and causing much social security spending. Increasing pressure to sell. Workers health affected.
		Itaú	7935	2012	
		Banco Bradesco	1299	2012	
		Banco HSBC	1002	2012	
		Banco Santander	572	2012	
		Bradesco, Itau, Santander	6000	2013	6000 new job losses at the three largest private banks by mid 2013
Grenada	Gtaw		66	2011-2013	Levelling off
Venezuela	FETRABANCA		N/A	2012	Accelerating.
		Banco Federal			
Australia	FSU		6076	2012-2013	Levelling off. 4400 cuts in 2012, 1700 to-date in 2013. However many more expected in 2013. Campaigns to stop offshoring predominant. Stress due to unrealistic sales targets. Health, productivity and confidence to report to management affected.
		ANZ	1475	2012-2013	Collective agreement end 2012. Campaign on to stop offshoring of call centre jobs.
		Westpac (WBC)	1443	2012-2013	Collective agreement end 2012. Campaign on to prevent perf pay being introduced to one part of Westpac's business St-George Bank. Only group in Australia that does not have it.
		NAB	1527	2012-2013	About to negotiate new collective agreement. Campaign to secure Our Jobs Our Future, on restructuring and offshoring, plus collective bargaining. Negotiations on new coll agreement in 2013 after they broke down in 2012. Union campaign to secure jobs and pay, improve company culture with "positive Agenda4Change".
		CBA	320	2012-2013	Hostile approach to union, aggressive offshoring agenda. Collective agreement in place. Campaign against offshoring in 2011-12.
		Suncorp	540	2012	
		Other 7 banks	771	2012-2013	AMP 84, AON 70, AXA 153, BUPA 4, HSBC 135, MEBANK 7, QBE 309

					Accelerating. Union prohibited from negotiating under the military dictatorship's decrees. The Bank largely ignores input and requests from the inhouse bargaining unit representatives. Government has imposed compulsory retirement at 55 in the government. Performance-related pay the trend. Ever moving sales targets, workers work unpaid overtime to reach unrealistic targets. Participation in unions and collective bargaining are suffering, while workers' health and confidence to report to government is affected.
Fidji	Bank & Finance Sector Employee Union		90	2012-2013	
	ANZ		90	2012-2013	
Malaysia	NUBE		1557	2011-2012	Accelerating. Bias against unionized non-executive jobs through automation, outsourcing and artificial promotions of executives still performing non-executive functions. The Ministry of Human resources are not reporting to the union even though they receive reports from the banks. Banks only notify the union in the eleventh hour. Increasingly strong selling pressure. Participation in unions and collective bargaining are suffering, while productivity, workers' health and confidence to report to government are affected.
	CIMB		9	2011	
	SCB		10	2011	
	RHB		23	2012-2013	
	HLBB		5	2013	
	ABMB		136	2013	
Philippines	National Union of Bank Employees		265	2012	Slowing down. Offshoring the main reason. The 3 banks resorted to union busting. Non replacement of retirees. Unrealistic sales targets. Local contractualisation and not only offshoring. Workers' participation and collective bargaining suffering. Workers' health, productivity at work and confidence to report issues to management are affected.
	Hongkong and Shanghai Bank		200	2009-2012	
	Standard Chartered Bank		50	2009-2012	
	Bank of America		15	2007-2012	
Burkina Faso	FESBACI		1000	July 2012	Many more redundancies than hiring. Performance-related pay widely used. Extremely strong sales pressure for front office workers with disciplinary measures have strong impacts on health. Confidence to report to management is affected.
	UBA		160	July 2012	In court for unfair dismissal.
	BICIA-B filiale BNPP		25	July 2012	In court, waiting to see BNPP's reaction after their social audit.
	ECOBANK		100	July 2012	Do not want unions in their branches, workers work in fear.
	SOMITA		10	July 2012	
Ghana	ICU-Ghana		489	2011-2013	Levelling off. Losses due to non performance and stiffer competition due to proliferation of banks and financial institutions over the last few years. Restructuring and technology. With collective agreements. Productivity at work is affected.
	North Tongu Rural Bank		3	2011	
	Social Security and National Insurance Trust		57	2012	
	National Investment Bank		230	2012	
	Barclay's Bank Ghana Limited		40	2012-2013	
	SG-SSB		49	2013	Société Générale - Social Security Bank
South Africa	Sasbo		1000	2013	Accelerating. Mechanisation to have an impact on jobs. Performance-related pay, targets feasible but not adjusted to changes in the economy, sales prevail as many ordinary functions converted to sales roles. Problems with advisory regulation. Less job losses in finance than in more labour intensive sector. Workers's health and productivity are affected.
<b>TOTAL</b>			<b>192667</b>		
<b>TOTAL Europe</b>			<b>134051</b>		

## Words for Breaking Through in Finance

These statements come from prominent institutions or first-class academics and provide important support to workers' claims for changing the rules in the global workplace. Unions can use this support towards respect and dignity for workers.

### Endnotes and full references:

#### 1 - "Banks still aiming for 10-15% RoE"

EBA - The European Banking Authority - Risk Assessment of the European Banking System, January 2013.

"Most respondents consider a return on equity (RoE) value in the range of 10-15% as the target for the long-term viability of their business." p.13

#### 2 - "Banking services to customers rank as the worst performing cluster"

Consumer markets scoreboard 8th Edition: European Commission December 2012 – Table p.7.

"Banking services is clearly the worst performing cluster, with all four Markets in this group - including investment products and mortgages - receiving below average scores. These are rated consistently lower by the more disadvantaged socio-demographic groups, who are most likely to suffer from a lack of financial literacy", p. 6.

#### 3 - "Open economies require more buffers and more resources in the face of increased instability – not less."

Pr. D. Rodrik, Harvard University, Revised, September 2007, p. 10, *How to Save Globalization from its Cheerleaders*, on <http://www.hks.harvard.edu/fs/drodrik/index.html>

"Trade and financial openness are unlikely to lead to economic growth on their own, and may occasionally even backfire, ... Therefore, globalization requires ... a range of institu-

tional complements...In the advanced countries of the North, the complementary measures relate in large part to improved social safety nets and enhanced adjustment assistance. In the developing countries, the requisite institutional reforms range all the way from anti-corruption to labour market and financial market reforms."

#### 4 - On the widening disconnect between wages and productivity and the declining labour share of GDP:

"The switch in the 1980's to corporate governance systems based on maximizing shareholder value and the rise of aggressive returns-oriented institutions, ..., put pressure on firms to increase profits, especially in the short term." p.50

ILO Global Wage Report 2012/2013.

"Based on the wage data for 36 countries, we estimate that since 1999 average labour productivity has increased more than twice as much as average wages in developed economies. See Figure 36 p. 46. Global financialization (a measure of the role of financial motives,..., in the operation of domestic and international economies. p.50) may have been underestimated in previous research estimating the factors explaining the change in labour income shares over time. It has been found to explain 46% of the fall in labour income shares (while the usual suspects rank lower: 19% for globalization, 10% for technology, 25% for government consumption and union density) p.51.

#### 5 - Fair restructuring. "If banks retain their earnings equity will build up with little negative impact on the economy"

Pr. A. Admati, Stanford, p. 10 in *Coining it In*, July 2012, a report by A. Bibby for UNI Finance.

"If banks retain their earnings and use them to repay some of their debts or to lend, rather than to pay dividends or buy back shares, equity will build up with little negative impact on the economy and no reduction in lending capacity. Restricting equity payouts until financial institutions are sufficiently well

capitalised is the easiest, least costly way to transition to healthier and safer system."

#### 6 - "Pressure for earnings per share is so strong, that it leads to a focus on cost-cutting and efficiency rather than on risky investments that take time to pay off."

FT July 24 2013 article by R. Harding, "Experts are struggling to explain a great puzzle of the US Economy".

Can incentives for executives have such a drastic effect on the wider economy? Lack of investment from corporations and pressure on wages and jobs is shifting the argument from equality to economic damage by putting present and future growth at risk. "Private US companies invest nearly twice as much (6.8%) as those listed on the stock market (3.7%).... and when a private company goes public it changes its behaviour".

This disconnect between profits and investment since the late 80s is mirrored for workers in the falling share of GDP for wages "It would be time to stop thinking about corporate governance and executive pay as matters of equity only and to regard them instead as a macro-economic problem of the first rank."

#### 7 - Fighting tax evasion is an international priority so that governments can serve their citizens.

OECD report at the request of the G20, July 19, 2013. <http://www.oecd.org/tax/beps.htm>

"Closing tax gaps - International cooperation on equitable taxation is a priority"

"This Action Plan, which we will roll out over the coming two years, marks a turning point in the history of international tax co-operation."

"OECD's Action Plan on Base Erosion and Profit Shifting (BEPS) offers a global roadmap that will allow governments to collect the tax revenue they need to serve their citizens. It also gives businesses the certainty they need to invest and grow."



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