

Jobs To India: 250 More Jobs To go By End Of 2005

In March we reported on C&G's intention to pilot the transfer of work to India. At that stage the pilot was expected to start in October and involve 50 staff. We said then that we expected this pilot to simply lay the ground work for a substantially bigger transfer of work to India beyond 2004; eventually affecting many hundred if not thousands of C&G staff.

Despite the fact that the pilot has not even started yet C&G has told LTU that a further 250 roles in addition to the 50 involved in the pilot will be transferred to India during 2005. The pilot itself is now expected to start in February next year and the additional 250 jobs will start to be transferred in the 2nd Quarter. It is expected that it will take until December 2005 to complete the transfer of all 250 additional roles.

LTU has been told by C&G that it has made its plans for the further transfer of work based on the experience of other business units in the Bank that have transferred work and completed their own pilots.

According to C&G the competitive pressures it now faces and the fact that its costs are now increasing faster than its income means it has to take immediate steps to redress the situation. The measures it intends to take include growing the business by building on its distribution advantages as part of the Lloyds TSB Group and developing its e-commerce capability, but reducing costs is the main driver. Central to its strategy for reducing costs is taking advantage of the much lower staff costs that transferring work to India provides.

LTU does not agree. Whilst we support the other measures C&G intend to take, transferring UK jobs abroad is unacceptable and will of course

be opposed by LTU. C&G's arguments also fail to address the reality that the biggest players in the mortgage market, HBOS and Nationwide have declared that they will not be moving work abroad.

The further 250 jobs C&G intend to transfer will comprise, 50 from Tatchbrook Park, 100 from Barnwood and 100 from Mortgage Unit, Scunthorpe.

C&G has made a commitment to LTU that all reductions will be achieved through natural wastage. In Scunthorpe for example we are told that the annual turnover for agency staff, of which there are 237 Full Time Equivalents (FTE), is 170 and for permanent staff, of which there are 266, turnover runs at 40 FTE.

Only LTU saw the danger signals and has been campaigning against the Bank's policy of exporting jobs from day one. LTU can be relied upon to keep up the pressure and not simply posture once announcements are made. LTU is campaigning for Lloyds TSB jobs to be kept in Britain, but we need your support. If you are not already a member of LTU then join today to help our Campaign.

NICK HOLT

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