

Jobs To India: Only 50 Jobs In 2005 ...But Offshoring Key To Future Plans

In February we reported on Insurance's intention to transfer up to 150 jobs to India by the end of this year. We said then that we expected this to simply lay the ground work for a substantially bigger transfer of work to India beyond 2004. Insurance itself has said that it expected the pace of transfer established this year to continue in 2005.

However, Insurance will today announce that due to the scale of other developments taking place, such as Claims Re-engineering, its plans for 2005 will be scaled back and only 50 jobs will now be transferred.

Whilst this is sensible in the circumstances it does not mean that there is no longer any risk for Insurance staff from the Bank's plans. On the contrary, Insurance has made clear that it is still central to the Bank's offshoring strategy and that moving work to India to take advantage of lower staff costs is a key part of its future plans.

At best therefore this a stay of execution and our campaign to keep Lloyds TSB jobs in the UK will continue.

With staff costs in India one-sixth of those in the UK it is not surprising that work can be done cheaper offshore. **But the obvious question which we posed in February and repeat today, is why stop at a few hundred jobs if the savings are that great? Why not move 500 or a thousand? We**

believe this is exactly what the Bank intends. The reality is that the savings to the Bank from exporting only a few hundred jobs is a drop in the ocean to an organisation that makes annual profits in excess of £4 Billion.

Whilst Insurance has made a commitment to LTU that all reductions caused by offshoring will be achieved through natural wastage, the fact that any UK jobs should be affected in the first place is unacceptable.

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
Assistant General Secretary

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