

A Passage To India For Group IT Jobs

The economic enticement to Lloyds TSB of a worker who earns £2.85 an hour in India compared to over 6 times that amount for an IT Developer in the UK is obvious. Such a simple act of economic exploitation is the sole motivation for the announcement today that Group IT is to set up a Strategic Development Centre in India.

In his letter to staff, Igor Andronov, Director of Group IT, says "The decision has been made to source these skills [Application Development skills] offshore where highly skilled developers are available at once. They are also lower cost than if contractors were recruited in the UK ...". He also said "There will be no reduction in staffing levels in the UK as a result of the new SDC.". However, such warm words are not going to be any comfort to those hundreds of staff in Group IT who are currently involved in the kind of development work which could quite easily be switched to the new SDC in India, whenever it suits the Bank. LTU and Group IT staff will be looking for firm guarantees about what will happen in the future.

Group IT will try and play down the significance of the announcement today. They will want staff to focus on the issue of contractors, lack of available skills and increased demand. IT staff should not be seduced by the Bank's news management operation. LTU's fear is that the massive costs of restructuring Group IT, and staff shouldn't forget that AD contractors come much cheaper than Accenture Consultants, will be paid for by expanding the SDC operation in India and setting up new operations which could eventually lead to hundreds of IT jobs being sacrificed on the altar of profitability.

IT staff will be aware that LTU is the only Union in Lloyds TSB opposed to the transfer of jobs to India. We are campaigning up and down the country seeking the support of Lloyds TSB customers against the transfer of work abroad. Details of our campaign are set out in this Newsletter.

Members with any questions on today's announcement can contact the Union's Bedford Office on 01234 262868 or they can contact us by email at 24hours@ltu.co.uk.

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LTU Campaign For Lloyds TSB Jobs

We have been vehemently opposed to the Group exporting jobs to India since we first learnt what it was planning through leaked information.

LTU has been a lone voice in recognizing the very real threat that exporting such work to India poses for every member of staff throughout the Group who has a non-customer facing role.

The closure of Newcastle Contact Centre if it is allowed to proceed would not be the end, indeed it would give the green light to further closures.

Have we been scare mongering? Look at the facts:

- **"We have no plans to outsource work to India."** Lloyds TSB June 2002.
- **"Only a toe in the water."** Lloyds TSB on its plans to pilot the transfer of 250 non-customer facing jobs to India September 2002.
- **"Only new not existing work will go to India."** Lloyds TSB September 2002.
- **"Up to 1,500 jobs from 5 Business Units by end of 2004."** Lloyds TSB September 2003.
- **"All other parts of the Bank to review which work can be done in India."** Lloyds TSB September 2003.
- **"Complete closure of Newcastle Contact Centre by end of 2004 with the loss of 960 jobs."** Lloyds TSB October 2003.

Sadly, but not unpredictably we have been proved right all along. The loss of any job, be it Group IT, General Insurance in Newport or the Newcastle Contact Centre, is one too many in these circumstances and only LTU can be relied upon to oppose the Group's decision.

Staff need to be in no doubt, if the Bank does not drop this policy then there will be no end to the work that will go to India or any other country which can do processing and administrative jobs for a fraction of the cost.

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.**

Customer Support

LTU's campaign against the transfer of work abroad is winning overwhelming support from customers.

The Union has established teams across the country to approach customers outside branches. Customers have been invited to sign a petition stating that:

"I am a customer of Lloyds TSB and I object to any aspect of the management of my account(s) being transferred to India or any other overseas location. To do so would be bad for Customers, Staff and the UK economy."

The support of customers could not be clearer. **LTU estimates that around 90% of customers who have been asked to sign the petition have been happy to do so.** No-one can therefore be under any doubt that customers are overwhelmingly opposed to the transfer of work abroad.

Exceptional Media Interest

Because LTU is the only trade union to have successfully involved customers in campaigning to reject the transfer of work abroad, the Union's campaign has attracted substantial media interest.

In addition to national newspaper coverage, over 140 local newspapers, radio and television stations have also reported on LTU's campaign. On every single occasion, customer reaction has been reported as being fully behind the campaign to stop work being transferred abroad.

Typical customer reaction reported in the media has included:

"We need all the help we can with jobs in this country and the quality of service will definitely suffer if our calls are taken abroad" (Gloucestershire Echo)

"From my point of view I am against it. This country is short of jobs as it is; the last thing you want to start doing is palming them off to other countries" (Halifax Courier)

"It's taking jobs out of the country so it's bound to be a bad thing" (Bristol Evening Post)

"If Lloyds TSB does transfer its Worthing jobs to India, they can kiss goodbye to my accounts and, hopefully, millions of others who would also condemn such a shameless pitch for increased profit on the back of cheaper labour" (Worthing Herald)

On Target For 500,000 Signatures

LTU's campaign is already making excellent progress in its initial goal of collecting half a million signatures from customers opposed to Lloyds TSB transferring work abroad.

That the overwhelming majority of customers approached have agreed to sign the petition - at times queuing for the opportunity to do so - should leave the Lloyds TSB Group with no doubt whatsoever of the unpopularity and commercial risks of transferring work abroad.

Mark V Brown
Assistant General Secretary