



Amicus negotiate 4.7%

Amicus has recommended members in AXA Life, Insurance and Shared Service vote in favour of accepting a 4.7% package of pay and benefits enhancements that it has negotiated with AXA. The offer will see thousands of employees not only get the biggest pay rise they have in recent times, but also tangible improvements in their benefits package in what is one of the best deals in the financial services sector in this pay round.

The background to the pay talks was tough given the cost challenges faced by the UK operation but the negotiating team has persuaded the company to make a generous offer to its staff.

Key points of the offer are:

- 4% pay pot using laid down distribution matrix
- bonus equivalent payment for 496 'overscale' staff with agreed pensionable pay rise next year (and every third year following on from 2008)
- 3,200 staff gain 6,200 days extra holiday
- greatly improved sick and redundancy terms for 1,600 Life employees
- increased bonus for 555 Shared Services staff
- enhanced maternity benefits
- 'skills ladder' staff in Insurance to receive annual increase
- reviews of overtime payments, universal health insurance provision, regional pay and bonus inequities as requested by Amicus



This offer, coupled with the realisation of the bonus improvements negotiated last year by Amicus, is a very good deal for staff and is recommended to members as the best that could be achieved at this time.

Good deal for 'overscale' staff

With the various reorganisations and takeovers that have involved AXA in the last few years, a number of staff have found themselves being paid in excess of the published market-matched pay scales.

The common industry practice is to not give these staff any remuneration as part of an annual pay review, but last year we convinced AXA to provide these staff with a non-pensionable bonus payment equivalent to a pay rise. This year we have not only done this again but have negotiated that every third year these staff get a pensionable pay rise, the first in 2008. This is not an insubstantial cost item to AXA and sees 496 staff share £260,000 between them.

Big improvements in Life terms...

If you joined the Life operation after the 1st January 2002 you were no doubt shocked to find yourself a "second class citizen" with redundancy and sick terms not only considerably inferior to colleagues employed before that date, but worse than most other companies in the financial services sector. Our negotiations have led to 1,600 (over 50% of Life staff) seeing improvements in sickness and redundancy terms, harmonising them not only with their colleagues in Life, but also Insurance and Shared Services. Pre-1st January 2002 Life staff have seen a reduction in their long term (over 6 month) sickness benefit to AXA UK levels, but given the fact that only 3 staff had utilised this benefit in recent years, Amicus felt it a reasonable trade off to get 1,600 staff up to the better level (the sickness rate improvement alone will cost Life over £94,000 a year).

6,200 days more holiday...

Many of our part-time members were looking for increased benefits such as holiday instead of just pay for tax reasons and the big change here to switch to 28 days after five years service sees 3,200 staff benefit immediately at a cost of £600,000 to AXA. The offer also removes any possible threat resulting out of age discrimination legislation and protection of benefit for staff where existing benefit is higher than the new proposal.

Maternity benefits

Maternity benefit harmonisation is not generally 'top of the list' when it comes to talks but the higher 15 week paid Maternity is an increased benefit in all SBU's and will cost AXA almost £180,000.