



Union request the 1/2%

Unite has requested that the company pay out the deferred 0.5% pay award in September, regardless of AXA's claim that they have failed to reach their half year target. Since the pay negotiations in February, economic factors have worsened considerably making day-to-day living for many staff that much harder. Unite feel that making the gesture in awarding the additional 0.5% would clearly demonstrate AXA's ambition to be the 'Preferred Employer'.

The April pay award comprised of two main elements, an immediate spend of 3.5% on pay awards and a potential additional 0.5% to be paid in September if:

- the average of RPI (January to June) was 4% or more and;
- AXA UK achieved its Underlying Post Tax Earnings target for Half Year 2008.

Since union members voted on the pay offer inflation has consistently remained over 4%, averaging at 4.2%.

	Jan	Feb	Mar	Apr	May	Jun
RPI	4.1%	4.1%	3.8%	4.2%	4.4%	4.6%
CPI	2.2%	2.5%	2.5%	3.0%	3.3%	3.8%

AXA say that have failed to reach the target (although they never published the target and have not advised Unite how near or far their underlying earnings are to this target), but despite this they have increased profits by 13% (more than Aviva). Unite feel that this coupled with the pressing economic situation should be enough for AXA to be proactive and give consideration to making the award regardless of profit levels.

Unite Official Hugh Jones-Glass commented; "AXA repeatedly states that it wants to be the 'Preferred Employer'. AXA's profits are up whilst inflation is at its highest in 11 years with many staff facing real hardship due to rising petrol, food and utility bills. Now is the ideal opportunity for the senior management at AXA to deliver on this promise to employees. Henri de Castries has said AXA should move from the 'land of promises' to the 'land of proof', Unite want to see that happen in the UK."



UK's Economic 'Horror Film Plot'

