

Project Libra Impacts AXA Life

Through Company announcements and briefings Project Libra will have become much more real to many employees in AXA Life this week. It is important to realise that the project is scheduled to run for two years and there will be announcements and developments throughout the entire period. This only constitutes the first wave of announcements, although AXA have estimated that the maximum number of redundancies over 2006 and 2007 will be 350. The major benchmark for Libra is in 2008 and it is clear that the intention is for there to be a substantial overall reduction in the number of employees by the end of the project.

Libra is driven by the cost challenge faced by AXA Life for the Company to meet the targets set by Paris. The purpose of this newsletter is to state the position of Amicus, not to comment on the Company arguments about the need to cut costs. As a Union our concern is the long-term job security of our members.

Amicus has been involved in a series of ongoing meetings with the company over the impact of Project Libra on staff. We have been clear that AXA must demonstrate robust business cases for any changes they wish to make and any proposed changes must be sustainable and not just short term cost cutting.

The Amicus strategy is to keep our members in a job. The main tools for achieving any reduction in headcount must be in line with the Seven Principles previously agreed with Amicus and include natural attrition and the use of retraining and redeployment to suitable alternative employment within AXA. It was on this basis that Amicus proposed a Voluntary Redundancy scheme and we are pleased that the Company have agreed to implement the scheme. Hopefully this will enable us to ensure that any compulsory redundancies are the last resort and are kept to the absolute minimum.

We have also made it clear that we expect the Company to "walk the talk" when it comes to "One AXA" and look for opportunities to provide alternative employment for AXA Life employees in the other AXA UK operating companies. In particular it makes no sense for AXA to be incurring costs recruiting new employees at the same time they are looking to reduce existing staff numbers!

I Don't Believe It!

Amicus accept that the Company have put time and effort into preparing the business cases for the changes they wish to make under Libra. However, it is important that the views of affected employees are also taken into account. If you believe a mistake has been made and that a proposed change simply won't work you should raise this with your line manager. Alternatively, if you are not comfortable with this route you can provide the details to an Amicus representative.

Why Volunteer?

There will always be some staff whose personal circumstances mean that moving on could be an attractive option, particularly with a redundancy payment behind them. The Voluntary Redundancy scheme is confidential and enables employees who would be interested in taking redundancy to put themselves forward for consideration. This could include employees who are not directly affected by Libra if someone else who is at risk can fill their job. The scheme is at the discretion of the Company so there is no guarantee that any particular applicant will be accepted. However, it is hoped that wherever possible both those who want to stay and those who want to leave will be accommodated.

Offshoring

The union-company AXA BS Action Team has been set up to investigate the quality of work transferred to AXA Business Services and the impact on customers. This team is currently reviewing data on existing migrations and will obviously take a keen interest in any work offshored under Project Libra.

The Amicus Position

The number one concern is to protect jobs for our members. We are opposed to compulsory redundancies and will only accept them as the absolute last resort after all reasonable options of redeployment or identifying volunteers who wish to leave have been exhausted.