



London Calling

Special Edition

Pay & Olympics Rewards

News From The London Transport Regional Council

www.rmtlondoncalling.org.uk

September 2011

Pay: Why You Deserve better

While our employers expect us to accept pay "rises" that are in some cases below inflation, and in others just fractionally above, TfL, London Underground and Crossrail bosses are "earning" huge Salaries :

	Submitted Pay For Claim 2011	Agreed PAY 2011	Unagreed Pay Offer 2011	Length of Deal	Due Date	RPI Based On
LU	Yes		5%	5 years (Y2-4: RPI+0.25%. Y5 RPI+0.5%) Min 2% Y2-5	1 April 2011	Feb
TfL	No (3 rd year of 3-year deal)	6%		This is last year of 3-year deal	1 April 2011	Feb
EDF	Yes		4.5%	5 years (offer Y2-5 = RPI + 0.25%)	1 April 2011	Feb
Tube Lines SDM Ex Alstom	Yes	5.6%		2 years (Y2: RPI+0.5% / min. 0.5%)		Jan 5.1%
CBS Outdoors	Yes	1.3%		1 year	1 April 2011	
Alstom	Yes		4%	2 yrs- 4% Yr 2		
Serco Docklands	No (2 nd year of 4-year deal)	5.3%			1 Jan 2011	1 Jan
Tube Lines	No (2 nd year of 3-year deal)	5.6%		3 years (Y3: RPI+0.5%)	1 April 2011	Jan
London Overground	No (2 nd year of 3-year deal)	6.25%		3 years (Y3: RPI+1%, min. 2%)	1 April 2011	Feb

Alstom Pay Referendum: Vote to Reject-Deadline 29 Sep

Olympics

RMT has not accepted the 'Deal' for LU Drivers



- No to 9-hr turns @weekends
- No to 6 Tunnels on Bakerloo Line
- No to any Deal without proper consultation with Drivers
- No to Framework changes which set a precedent for permanent changes after the Olympics

Fat Cats Pay



- Peter Hendy, Commissioner: £332,276
- Steve Allen, Managing Director, Finance: £268,982
- Mike Brown, Managing Director, L U: £285,230
- Howard Carter, General Counsel: £219,156
- Vernon Everitt, Managing Director, Group Marketing and Communications: £230,310
- Sarah Atkins, Commercial Director, Tube Lines: £188,476
- Howard Collins, COO, LU: £202,281
- Frank Douglas, Group Human Resources Director: £192,387
- Gerald Duffy, Director of Employee Relations, LU: £174,067
- Philip Hufton, Asset Performance Director, LU: £284,626
- Richard Parry, Strategy and Commercial Director, LU: £217,859
- Peter Regan, Corporate Finance Director: £220,877
- David Waboso, Director of Capital Programmes, LU: £203,592
- Terry Morgan, Non-executive Chairman, Crossrail: £251,632
- Rob Holden, Chief Executive, Crossrail: £857,134
- Andy Mitchell, Programme Director, Crossrail: £326,981

Join

■ Get a form from your local RMT rep ■ Phone 0800-376-3706 ■ www.rmt.org.uk/join

The Rising Costs of Living

Your pay rise should at least keep pace with and preferably exceed the rising cost of living.

The fact is that the cost of living regularly rises beyond the rate of inflation and living standards suffer as a result. Below is an example of increases:

- On 1st January 2011 the government increased the VAT rate to 20%, an increase of 2.5%. This means that from 1st January 2011, the cost of most goods and services increased by a minimum of 2.5%, having also increased by 2.5% at the beginning of 2010. It will cost the average household £275 a year. Lower income households pay a higher proportion of their income in VAT.
- Grocery prices continue to rise, price of tea increased by 3.8%, milk by 2.6%, butter by 3.1%, and bread by 2.2%, cereals by 2.5% and beef by 3.5%.
- Utility bills also continue to rise. In the last 12 months the cost of gas increased by 6.4% and cost of electricity increased by 4%;
- Housing costs continue to rise; the average UK home now costs £232,628. The price of houses in Greater London has risen by 7.5% over the past year to an average price of £437,062.
- Cost of childcare is continuing to rise. Typically, families requiring childcare would have to earn over 20 per cent more in 2011 than in 2010 to meet the shortfall.
- Impact of Public Spending Cuts resulting in Child Benefit frozen for 3 years – costing families; for the first child: around £50 in 2011, £100 in 2012 and £150 in 2013; for each other child, they lose £35 in 2011, £70 in 2012 and £105 in 2013.
- CPI not RPI increases; from April 2011 all benefits and tax credits will increase by CPI which is predicted to be 1.3% - 2% lower than RPI

Principles For 2012 Olympic Rewards Deals

- Reward increased productivity of staff
- Reward increase in passenger numbers
- Guaranteed payments
- Must not permanently water down Agreements
- Must not enable future casualisation of jobs
- Must not be used to set precedents for future attacks on

On The Rise



The Real Cost of Living Index (RCLI)

- London home Rentals -12% rise
- London Property prices-7% rise
- Household equipment-5.8% rise
- Scottish Power/ British Gas-19%+ in August
- Train fares 8%+ rise
- Groceries-5.2% rise
- Alcohol-9% rise

Transferred TFL Staff Get 6.7-7% Pay Rise

RMT General Grades Committee decision: We note the agreement from Transport for London that staff recently transferred from London Underground will receive the same pay award as other TfL employees, receiving a rise of between 6% and 7.5%. We endorse our Regional Organiser's recommendation that we accept this. This offer underlines the inadequacy of other pay offers in companies either owned or contracted/franchised by TfL, such as London Underground and Alstom Metro Trains. We therefore instruct the General Secretary to:

- Advise Transport for London of our acceptance of this offer.
- Include information about this pay award in the next letter sent to members in London Underground, Alstom Metro Trains and other companies under the auspices of TfL in which we continue to make representations for an improved offer.