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NAMA AND BEYOND

Miriam O'Callaghan (Photocall-Ireland)

SEPTEMBER 2009



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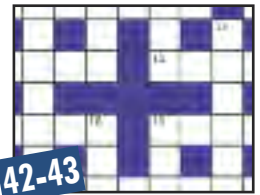
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with Stephen Malone



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short: cuts

Bank boards urged to challenge executives much more

The review of corporate governance in banking – commissioned by the British Chancellor of the Exchequer, Alistair Darling – has called for boards to be better informed; to spend more time on the business and to stand up to Chief Executives in order to prevent difficult situations reaching crisis point.

Conducted by Sir David Walker, the review has identified a key factor in many of the problems at Royal Bank of Scotland and HBOS as the lack of banking experience of the two chairmen and the inability of the two boards to manage risk effectively.

"Many boards inadequately understood the type and scale of risks they were running and failed to hold the executives to high standards of sustainable performance," said Sir David.

In his interim report issued in July (with the final draft due in November), Sir David also considered the role of board sub-committees – proposing that remuneration committees should be able to examine pay company-wide and urging the introduction of risk committees – with a different role from audit committees. These risk committees would play a far greater role in strategy, including vetoing a major transaction if it is deemed reckless.

"These proposals are designed to increase the challenge in the board environment," declared Sir David.



Sir David Walker: recommending overhaul of corporate governance in British banking sector.

"If this means that boards operate in a somewhat less collegial way than in the past, that will be a small price to pay for better governance."

As well as challenging management to a greater extent, non-executive directors should also spend up to 50% more time in their roles, according to the report, and should have a much better understanding of the business below board level, rather than relying on information passed to them by senior executives.

Although the report did not insist on all bank directors having banking experience, it recommended that the "fit and proper" criteria for potential bank directors should be applied more rigorously in future.

Some critics have argued that the current "fit and proper" guidelines are so loose that they could be met by virtually any adult who does not have a criminal record.

The report also identified the narrow short-term approach – incentivised by ill-considered bonus schemes – as a major contributory factor in the banking crisis.

"Bonus schemes contributed to excessive risk-taking by rewarding short-term performance. And shareholders failed to exercise proper stewardship," added Sir David.

Halifax cuts in Republic postponed?

Media speculation that Bank of Scotland (Ireland) was about to announce the closure of its Halifax retail banking division in the Republic while retaining its business banking operation may have been a little premature.

According to press reports at the start of the summer, Halifax had been instructed by the UK Treasury to cease lending in the Republic and repatriate £20bn of its £35bn in Irish assets.

The closure decision was supposed to be the culmination of an extensive review, called *Project Primrose*, undertaken after the recent merger between HBOS and Lloyds TSB, in which the British Government has a 43% stake.

However, Chief Executive, Joe Higgins, deferred the expected announcement due to a "significant development" – believed to be the possible acquisition of BOSI's loan book by a US private equity company or perhaps participation in the so-called "third force" in banking in the Republic in the future.



Beam Me Up, Chief O'Brien: Colm Meaney in the recent Halifax television and cinema advertisements



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More mums come from Iceland?

From banking bust to baby boom

In spite of the melt-down in its banking system, Iceland has seen a significant rise in its annual birth rate.

In fact, there have been more deliveries this year than in any of the previous fifty.

The Icelandic phenomenon defies the conventional wisdom that birth rates fall during economic down-turns. For example, in the 1930s women in the USA went from having an average of three children to an average of two.

While popular theories abound as to why Iceland is beginning to experience a baby boom despite an economic bust, the

professor of midwifery at the University of Iceland, Helga Gottfreðsdóttir, says that the increase in the birth rate had already begun in 2008 before the banking melt-down.

Rather than being an emotional response to financial disaster, the baby boom may have a rather more prosaic explanation, according to Gottfreðsdóttir – the generous parental leave available in Iceland. Parents are entitled to nine months' leave in total – three months for the mother, three months for the father, and three months' more for either one of the parents.



Irish Financial Services Regulatory Authority
Chairman, Jim Farrell



Irish Financial Services Regulatory Authority
Acting Chief Executive, Mary O'Dea

Financial regulator admits prior approach "inadequate"

The Financial Regulator claims to have "fundamentally changed" the way it regulates banks and is taking a more "hands-on" approach.

Chairman Jim Farrell said recently that the changes introduced since last September were necessary because existing measures to monitor the banks and cool the housing market were ineffective.

In hindsight he conceded that the action taken by the Irish Financial Services Regulatory Authority (IFSRA) had been too little too late. He said the Regulator had changed the way it regulated the institutions covered by the State guarantee from a principles-based approach that "has proved inadequate here and abroad" to a more in-depth hands-on approach.

"Our supervisory staff are now located on site," he said, "and attend certain credit, treasury, audit, board and other meetings to monitor and assess the strength of corporate governance and management of risk."

"Banks now provide more detailed information on key risks to the Financial Regulator. Chief Executives are expected to reform how banks are managed."

Boards of financial institutions had to completely overhaul their approach, he said, and "probe, question and challenge management."

"In particular non-executive directors must play a more active role and we are monitoring the effectiveness of bank boards in this regard."



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short: cuts

G20 agrees need to curb excessive bonuses for senior bankers

Finance Ministers from the G20 group of States reached a compromise on proposals to limit bonuses paid to senior bankers as well as other measures to stimulate global economic recovery.

At a recent meeting in London in preparation for a leaders' summit later this month, the Ministers managed to reach a compromise on a row over bankers' bonuses which had threatened to derail the talks.

France, Germany and other European countries were calling for a mandatory cap while Britain and the United States opposed such strong measures.

While the compromise did not include explicit provisions for capping, it did recognise that some action should be taken on the issue, which will be on the agenda for the G20 summit in Pittsburgh next week.

In their preliminary conclusions, the Finance Ministers agreed that reward systems should emphasise long-term rather than short-term success and should allow for the "effective clawback" of payments deemed to be excessive or disproportionate.

It is widely accepted that bonuses for senior bankers were a significant factor in the collapse of the world economy because they incentivised reckless behaviour and irresponsible decision-making in the hope of earning massive short-term windfalls.



New broom: Professor Patrick Honohan from Trinity College Dublin is to become the Governor of Ireland's Central Bank (Photo: James Horan/Photocall-Ireland)

New chief for Central Bank

Trinity economics professor, Patrick Honohan, will take over as Governor of the Irish Central Bank when the present incumbent, John Hurley, retires at the end of this month.

The announcement of the appointment by the Minister for Finance, Brian Lenihan, signalled a break with tradition, which has usually seen such vacancies in the past filled by the retiring Secretary General of the Department of Finance.

The move has been interpreted as a sign of a new independence for the Central Bank and as an attempt to restore confidence in the body following its failure to take effective

action to rein in the excesses of the credit and property boom.

The new Central Bank chief will have a pivotal role in the future development of the financial services sector in the Republic – especially with the imminent reconfiguration of regulatory responsibilities from the financial regulator, IFSRA.

Mr. Honohan will actually be returning to the Central Bank, having worked there as an economist from 1976 to 1981, and again from 1982 to 1984.

After a decade at the World Bank as a senior adviser on financial sector policy, he became professor of international financial economics at Trinity College in 2007.

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FTB to sell NI branch premises

AIB's Northern Ireland subsidiary, First Trust Bank, is to dispose of three branch premises on a sale-and-leaseback basis.

The three premises – which are located in Ballymena Co. Antrim; Bangor, Co. Down; and Newry, Co. Down – are to be secured by long-term leases for 20 years with a tenant-only break option after fifteen years.

Although AIB has sold and leased back around 50 branches in the Republic of Ireland since 2006, this is the first time properties in Northern Ireland have been put up for sale on this basis. None of AIB's properties in Britain have been put up for sale.

First Trust has 47 branches in Northern Ireland and employs 1,700 staff.



For sale – only one previous owner: The First Trust branch in the Mall, Newry, is one of three AIB properties on the market in Northern Ireland for sale and lease-back.



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Britain's asset protection scheme may give tax-payers even bigger bank shareholdings

British taxpayers may soon own an even bigger slice of the country's banking system as the price for providing State-backed insurance cover for the banks' toxic assets.

Negotiations are continuing between leading British banks and the Treasury over the terms under which they will participate in the UK's Asset Protection Scheme (APS) – the British Government's alternative approach to the Irish Government's NAMA proposal.

Last month, RBS Chief Executive, Stephen Hester, said announced that the size of the troublesome assets his bank would be seeking cover for had been reduced from UK£325bn to UK£316bn and that he would "haggle" for further changes.

Meanwhile, there is growing speculation that Lloyds-HBOS may revisit its original estimate of needing to insure £260bn of its bad debts under the APS. Since the cost of the premium for this level of coverage would be £15.6bn, this would take the taxpayers' stake in the banking group from its current level of 43% to over 60%.

With Lloyds-HBOS believed to be keen to keep the Exchequer shareholding below 50%, it could either seek to cover most of the cost of the premium by raising funds from private investors or reducing the amount to be covered or perhaps a combination of both approaches.

The recent claim by Lloyds-HBOS Chief Executive, Eric Daniels, that the group's bad debt charge has now peaked has fuelled speculation that Lloyds-HBOS will try to reduce its dependence on the APS.



Meet the Press: IBOA President, Margaret Browne, and General Secretary, Larry Broderick, at a press conference last week to announce the Union's attitude to the creation of the National Assets Management Agency (Photo: Eamonn Farrell/Photocall-Ireland).

NAMA: yes – with conditions But banks must clean up their act as well as their balance sheets

In the wake of the recent round of members' meetings, IBOA's Executive Committee decided last week to give qualified support for the Irish Government's NAMA approach on the grounds that, of the various options proposed so far, it offers the best prospect for protecting the jobs, pay and conditions of our members in what will undoubtedly be a very difficult period for the industry – provided that a number of complementary measures are taken to reform the culture, governance and regulation of the financial services sector.

While IBOA recognises that there are no easy answers to the unprecedented crisis in the banking industry, the Union considers that, if taken in conjunction with the measures outlined below, the NAMA approach has the best chance of any of the solutions proposed so far of repairing the banking system and restoring both domestic and international confidence in the economy.

In order to ensure that the financial services sector is not only repaired but also reformed, IBOA considers that the NAMA initiative must be accompanied by a range of complementary measures, including:

- the implementation of an agreed framework for the management of change in the participating institutions after the transfer of assets to NAMA – which would provide for negotiated settlements on the basis of no compulsory redundancies; the maintenance of established pay rates and terms and conditions of employment; with full trade union representation for all workers in the financial services sector;
- a major change in the culture of banking which would be reflected in the governance structures, a new approach to remuneration and new human resources policies and practice – as well as the introduction of a Whistle-blowers' Charter for staff working in the financial services sector underpinned by legislation;
- the development of a comprehensive strategy for the future direction of the financial services sector – which would take account of the role of Irish-owned banks; foreign-owned banks; and any State-owned institutions;
- the introduction of an expanded and more effective regulatory regime – which would include a greater emphasis on prudential issues and would also provide for representation for the regulatory authority on the boards of financial institutions;
- a public inquiry into the banking crisis in order to learn the lessons to avoid a recurrence of the same mistakes;
- the introduction of a suitable mechanism to monitor the provision of credit by the participating institutions – either as part of NAMA's remit or of another agency such as the regulator; and
- appropriate protection for home-owners in default.



A word of advice: Ireland's Minister for Finance, Brian Lenihan (left) and Peter Bacon, architect of the NAMA proposal (Photo: Sasko LazarovPhotocall-Ireland).

Restoring the Banking System: Reclaiming the Future

Background

Although undoubtedly exacerbated by the global credit crunch, the present financial crisis in Ireland was inevitable.

The abandonment of the traditional prudential approach to lending for property – which fuelled the current crisis – was the latest in a series of unedifying experiences in the financial services sector – including the ICI debacle, the DIRT inquiry, the loans to politicians scandal, the NIB investigations, overcharging complaints, the Rusnak affair – all of which were symptomatic of an industry operating close to the edge, fixated with the maximisation of profits at any cost but primarily at the expense of customers and staff.

The movement away from the traditional customer-focussed banking culture to a

target-driven approach was accompanied by the introduction of performance-related pay; an emphasis on individual rather than team incentives; a focus on sales ahead of service; the introduction of human resource policies which prioritised naïve enthusiasm and bravado over experience and prudence; an environment which placed competition before compliance.

In contrast to the traditional model of banking which adopted an approach based on long-term objectives, the new imperative was framed within very short-term targets to create a culture dominated by fear and driven by the relentless pursuit of excessive paper (as it transpired) profits.

IBOA The Finance Union has consistently attempted to alert legislators and opinion

leaders to the dangers inherent in these developments: the Union made a submission to the Joint Oireachtas Committee on Finance in June 2004 highlighting many of these concerns. Unfortunately, our views seemed to be regarded as unnecessarily alarmist at that time – as if we were merely party poopers throwing cold water on the burgeoning boom.

We take no satisfaction from saying we told you so. The current crisis is unprecedented in its gravity – both for the financial services sector and for the wider economy. Unlike in the recent past, simply doing nothing is not an option. Indeed the recent recovery in the share prices of the major financial institutions is predicated on the anticipation that action will be taken soon.



Oversight: The Central Bank will have a key role to play in ensuring more effective regulation of the banking sector (Photo: James Horan/Photocall-Ireland)

More than NAMA

In launching the draft legislation on the creation of NAMA, the Minister for Finance said that he wished to encourage a wide-ranging debate on the future of the financial services sector in Ireland rather than a narrowly focussed discussion on the mechanics of NAMA, itself.

Such an approach is entirely consistent with IBOA's own perspective on the issue since we believe that the need to address the problems of liquidity and severely impaired loans which has given rise to the NAMA proposal is one element (albeit a significant element) of a much bigger picture relating to the role of the financial services sector in the wider economy and how it can best serve the public good, how it can and should be developed in the medium and longer term to ensure that it can play its part in stimulating the economic recovery which is so vital to our future prosperity.

We, therefore, believe, that no matter how the issues of liquidity and impaired loans are ultimately to be addressed, the following initiatives should also take place in parallel:

a) Learning the Lessons of the Past

It is important that lessons must be learnt from the past – not out of academic interest or not even for the sole purpose of pointing fingers or apportioning blame but rather to provide guidelines for the future of the financial services sector.

IBOA The Finance Union supports the call for an independent investigation – along the lines of the DIRT inquiry – into the recent collapse in our industry.

This investigation should aim to identify the interplay of factors which have contributed to the destabilisation of the Irish banking system and should seek to develop recommendations to prevent any future recurrence.

b) Effective Regulation

It is now generally recognised that the principles-based approach to banking regulation has not worked. Indeed, the "light touch slight touch" approach has been a significant contributory factor to the current crisis.

We believe fundamental changes are necessary along the following lines:

- merger between the Irish Financial Services Regulatory Authority (IFSRA) and the Central Bank to provide for a comprehensive and integrated regulatory structure which ensures that prudential issues are given due recognition while at the same time strengthening consumer protection by providing a more effective customer complaints mechanism;
- the proper resourcing of the regulatory function to ensure that sufficiently qualified professional staff are in post to carry out an extended legislative remit;
- the inclusion of professional staff from the regulator's office on the boards of financial institutions;
- the expansion of the role of the regulatory authority beyond simply reviewing capital requirements to include responsibilities to ensure that the financial institutions comply with enhanced standards of corporate governance and competence and guidelines on a new culture of banking;
- the creation of an appropriate oversight mechanism to monitor the supply of credit to the economy; and
- in light of recent events, the introduction of an effective mechanism for whistle-blowing to complement other measures to improve transparency in the financial services sector in the public interest.

c) Corporate Governance

The principles of corporate governance of banks must be reformed in order to reflect the critical role of financial services in the economy as a whole.

The new remit must address the issue of corporate social responsibility by acknowledging that while banks need to operate efficiently and profitably, the pursuit of excessive profits is not in the long term interests of either the institution or of the economy – as recent events have demonstrated. The provision of credit into the economy at reasonable rates should be recognised as the primary economic imperative of the financial services sector.

The boards of directors of financial institutions should be reconfigured to reflect a much wider diversity of experience and interests by including representatives of staff, customers, the regulatory authorities and the State – in contrast to the present arrangement under which directors are drawn from a small pool of business leaders – an arrangement which conveys the impression of a golden circle with interlocking cross-membership of key commercial and financial undertakings.

d) Culture

The culture of banking has changed quite dramatically in recent years in ways which neither the staff nor the customer has found acceptable. For both, the relationship has effectively been dehumanised.

For many staff the drive to meet sales targets imposes a relentless physical and psychological pressure: while for customers there is now a deep suspicion that they are no longer receiving objective advice from their financial service provider but a “hard sell” to buy a particular financial product.

For staff working in some parts of the industry, their interactions with customers are also monitored as to their length and frequency as well as content – with the result that customers often feel rushed or short-changed by the experience as staff are under time pressure to move on to the next customer.

In a recent survey of IBOA members undertaken by Red C Research and Marketing before the onset of the credit crunch:

- 87% of respondents agreed that profits appear to be the major driving force for most decisions made at senior level in their institutions with only 2% disagreeing; and
- 56% were worried that their bank was forgetting about customers in its drive for profits.

A review of culture is urgently needed to ensure that an optimum business model is achieved which reflects a much greater emphasis on customer service and satisfaction, supported by positive staff motivation and security, while at the same time sustaining the financial institution as a profitable business.

The development of this new business model to promote a new banking culture should be accompanied by an extensive overhaul of reward systems along with policies and practices in relation to appraisals, grievance handling, promotion and diversity.

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The national interest: Despite nationalisation, Anglo has needed further State support including a €4 billion recapitalisation plan approved by the EU Commission in June (Photo: Sasko Lazarov/Photocall-Ireland).

The Current Debate: The Good, the Bad and the Ugly

IBOA welcomes the current debate on the future of the financial services sector – even though on occasions it appears to have generated more heat than light. At times the tone of the debate has left much to be desired – particularly in terms of some of the attacks on bankers which do not distinguish between ordinary bank officials and the leadership of the institutions.

The vast majority of bankers are men and women of high integrity who bear no responsibility for the current crisis. Indeed despite the unjustifiable decisions taken by those charged with directing these institutions, the staff have continued to work in extremely difficult circumstances where they are often required to bear the brunt of public anger in person.

Nevertheless, we consider the debate around NAMA to be a useful opportunity for the ordinary staff working in finance to articulate their concerns about the development of the industry.

The unprecedented level of the crisis in the financial services sector in Ireland means that there are no easy solutions to the current difficulties.

Quite simply we are in uncharted territory – and while we can seek to draw on examples from the recent past in other

countries, none of these possible models replicates the current circumstances in this country – either in terms of the scale of the problem in financial terms relative to the size of the economy or in terms of the accompanying backdrop of a major crisis in the financial services sector worldwide.

IBOA has considered the various propositions advanced by politicians and others from the perspective of our members – both as employees working in the sector and as taxpayers concerned about the future well-being of the community.

Nationalisation

At face value, the proposal to nationalise the covered institutions appears to offer a simple and direct solution to the crisis. The most simplistic argument suggests that even after rallying during the year, shares in the institutions are still relatively cheap and could be picked up at relatively little cost to the State. But of course the true cost of the nationalisation option would be significantly greater than that.

The issue of recapitalisation would not be resolved by nationalisation – as the recent nationalisation of Anglo Irish Bank has

demonstrated. The question of repayments to the providers of senior and subordinated debt would also remain.

Of course, the State could default on these debts or try to negotiate very generous discounts, as some commentators have suggested, on the presumption that these international investors would take the hit, mark it down to experience and move on.

While there may be some prospect of this happening in normal times, we are concerned that in the teeth of a global credit crunch – where institutions and sovereign States are competing for scarce credit – Ireland's credibility among these lenders would be severely damaged by such an approach and Ireland would effectively be placed at the back of the queue for future investment at a time when borrowings are particularly critical to our economic survival.

The other crucial unresolved issue in terms of the nationalisation option is the toxic assets themselves.

Nationalisation would not remove the problem of managing and ultimately resolving those impaired assets. Indeed, by adding those impaired assets directly onto the balance sheet of Ireland Inc., the State would be forced to seek more funds from international investors to finance day-to-day Government spending at a higher rate of interest.

Since the State would now be the main conduit for the flow of credit to business within the country, the likely outcome of such a development would be increased charges for loans to business with the distinct possibility that in the best case scenario these businesses would seek to trim their own costs by reducing their pay bill or in the worst case scenario they could close down completely.

As for the future shape of the banking industry, with the cost of increased cost of borrowing from international lenders, it is likely that the State would be driven to seek cost reductions across the board – leading to widespread consolidation and significant job losses. It is virtually inevitable that six State-owned banks would be rationalised down to no more than three and probably two.

If the period under State ownership was extended beyond five years, it may even be difficult to sustain two State-owned banks in a phony kind of competition with each other.

Notwithstanding undertakings from the State to protect employment in this scenario, the inexorable logic of a fully nationalised banking sector would be substantial job losses accompanied by a significant erosion in pay and terms and conditions of employment as well as a tightening of credit and other services for customers at all levels.

Therefore, both for the sake of employment within the banking sector and within the wider economy, nationalisation in the current circumstances, is in our view, the least acceptable option currently on the table and should only be considered as the last possible resort.

The 'Good Bank'

While at first sight the concept of the "good bank" may have some merit as a device to ensure that credit is channelled directly into the economy and so provides a much needed stimulus to economic activity during these recessionary times, a detailed proposal on precisely how this concept could be implemented successfully has still to emerge. Given the urgency of taking action to address these underlying economic issues, it would seem that even this element of the Fine Gael proposal would take somewhere between six and twelve months to work out – time which, frankly, our economy cannot afford.

As for the other elements of the proposal which envisages dividing each of the covered institutions into two parts, these require extensive clarification before we could pass judgement on them.

It would appear that the proposal may include the effective establishment of a number of zombie banks – which would be a highly undesirable development both for the banking system, the economy and for our members' job security.

In so far as this proposal might also involve defaulting on either senior or subordinated debt or both, we have similar concerns as outlined in our view of the nationalisation option above – especially in terms of the potential impact on employment within the financial services sector and the implications for our members' living standards.

NAMA

The National Asset Management Agency (NAMA) has been described by some commentators as the "least worst" of the options proposed so far in this debate. While that may hardly sound like a ringing endorsement, it captures the fact that in the present situation, there are no simple solutions.

Each approach comes with a high degree of risk and will require a significant level of sacrifice. Furthermore, the success or otherwise of any initiative can only be truly measured in the fullness of time – whether that means five years or twenty years no one can say at this stage. Nevertheless, as we indicated earlier, doing nothing is not an option.

The banking system must be restored – not for the sake of shareholders or high-level financiers – but because without a properly functioning banking system with the capacity to provide credit, economic recovery becomes impossible. Indeed if this issue is not addressed, the recession will be even deeper and longer than we have experienced so far.

In order to ensure that credit is provided on the most competitive terms into the economy, it is important that a range of providers are available. In our view, the NAMA proposal offers the best prospect for survival of a competitive banking system – and with that, the best prospect for the protection of jobs in the industry.

Lobby group: A delegation from IBOA on its way to meet NAMA's Acting Chief Executive, Brendan McDonagh: (from left) Senior Industrial Relations Officer, Gerry Hanna; Bank of Ireland Group Officer, Dave Keane; AIB Group Officer, Claire Walsh; President, Margaret Browne and General Secretary, Larry Broderick.



IBOA acknowledges that all of the propositions advanced so far in the debate have implications for the employment prospects and for the terms and conditions of our members since they are all likely to result in consolidation and rationalisation within the financial services sector to a greater or lesser extent.

However, we consider that the NAMA proposal offers the best prospect for an orderly and well-managed process which would ensure the retention of the expertise which will be necessary at all levels in the industry for the recovery of the banking sector into the future – especially in maintaining effective relationships with customers.

In terms of the wider economic benefits – which will in turn generate ongoing and future business for the financial services sector, we consider that the NAMA project offers the best prospect for restoring international confidence in the Irish economy.

Indeed, as we indicated earlier, the improvement in Irish financial stocks since the spring has been largely attributed to the announcement of the NAMA scheme to deal with the impaired loans on the balance sheets of Irish banks.

The indications are that with their impaired loans removed, some at least of the covered institutions will become attractive to private investment from Ireland and abroad – thus reducing the degree to which State funds will be required to recapitalise these banks.

Even though after recapitalisation, the State's share-holding in some institutions may rise to a substantial level, it is important in our view that some proportion remain in private hands to ensure that these institutions maintain their stock market listings and thus continue to attract further investment – either in the form of equity or loans.

Furthermore, while we believe that the Irish banking sector is strengthened by as diverse a pattern of ownership as possible, the maintenance of AIB and Bank of Ireland as separate entities, as envisaged in the NAMA proposal, is of systemic importance

to the future of Irish banking and to the protection of the jobs of our members. We consider that of the options currently available, the NAMA project offers the best prospect of ensuring these objectives into the future.

By remaining as publicly quoted companies, these institutions should also have easier access to credit from international lenders than under any other scenario proposed so far – as well, of course, as receiving the State-brokered credit allocation from the European Central Bank under the terms of the NAMA arrangement.

In order to ensure that this delivers the necessary stimulus to the economy – which would justify the intervention by the European Central Bank – it is vital that steps are taken to ensure that the additional credit made available to banks through the NAMA project is not used for the sole purpose of repairing the banks' own balance sheets by reducing the loans to deposit ratios.

Regular monitoring of banks' lending practices is essential to ensure that credit begins to flow again within the economy in order to protect existing employment and, where possible, generate new employment opportunities to begin to redress the haemorrhage of jobs in the last eighteen months.

Furthermore, financial institutions should be required to ensure that repossession of houses where the mortgage holders are in financial difficulties as a result of redundancy or any other sudden drop in income is only considered as a last resort after all other approaches to reschedule and reconfigure the terms of the mortgage have been exhausted.

On balance, therefore, and recognising that there is no easy solution to the problem, IBOA considers that the NAMA project, if accompanied by the kind of measures we have outlined earlier in relation to regulation, governance and culture, offers the best prospect of all of the options proposed so far in both the national interest and in the interests of our members in all three jurisdictions – Republic of Ireland, Northern Ireland and Great Britain.



Ulster Bank has sought 1,000 redundancies since the beginning of 2009.
(Photo: Photocall-Ireland)

The 'C' word

Thousands of jobs may be at risk in consolidation of finance sector

IBOA The Finance Union is seeking clarification from the Irish Government on the likely impact of the creation of the National Asset Management Agency (NAMA) on the jobs of the Union's members in the financial services sector.

"We understand that, in and of itself, NAMA will not have a significant effect on employment in the sector since bank staff will continue to be involved in managing assets on NAMA's behalf. But, once the transfer of toxic assets from the financial

institutions to NAMA gets under way, it opens up the possibility for a major consolidation of the sector through mergers, acquisitions or closures," said IBOA General Secretary, Larry Broderick.

"The Minister for Finance already has significant powers in this regard under the legislation which extended the State guarantee last September. The draft legislation on NAMA confers additional powers on the Minister – which could greatly facilitate the consolidation process.

"We recognise that some reconfiguration of the financial services sector may be necessary after these toxic assets have been removed from the balance sheets of these institutions.

"However, IBOA is concerned that consolidation could be used as a pretext by senior managements to pursue an opportunistic cost-cutting agenda putting thousands of jobs at risk.

"750 jobs in the Ulster Bank Group are being sacrificed because of the reckless policies pursued by senior management in Ulster Bank's parent company, RBS.

"We are concerned that other institutions may be lining up to follow suit – either through further job cuts or through attacks on our members' terms and conditions," Mr. Broderick warned.

"Our members did not precipitate the culture of greed which is at the heart of the crisis. Indeed we have consistently warned against the harmful effects of performance-related pay and the excessive bonus culture which has prioritised short-term profit-taking at the expense of long-term stability.

"But ordinary bank staff could now be scapegoated by the same management philosophy which was behind the current crisis, unless the Government takes specific steps to prevent it.

Government must use authority

"By virtue of its shareholding in three major financial institutions, the Government has considerable financial – as well as moral – authority. We urge the Minister for Finance to ensure that the banking sector operates in the longer-term public interest rather than continue the short-sighted approach which created the crisis.

"In particular, we would ask the Minister to move quickly to address the need to change the culture of banking and to ensure that the boards of financial institutions are recast in order to promote this change.

"IBOA intends to take up the Minister's invitation to contribute to the debate on NAMA by considering its potential consequences for the future of the individual banks, the financial sector as a whole and the wider economy.

"Indeed, we believe that the Minister should go further by convening a Commission on Banking – with representatives from all of the stake-holders in the sector, including shareholders, senior management, staff, customers, the relevant State agencies and political parties – to try to achieve a consensus on the future direction of the sector and its role within the economy."

The Union has engaged in follow-up discussions with senior representatives of the Department of Finance, NAMA, the Financial Regulator and the Central Bank on these issues.

The possible impact of NAMA has also been discussed with Northern Ireland's Finance Minister, Sammy Wilson.

In August the Union held a series of members' meetings in the Republic of Ireland, Northern Ireland and Great Britain – which were followed by a special meeting of the Executive Committee.



Brendan MacDonagh, Acting Chief Executive of the National Asset Management Agency (Photo: Photocall-Ireland)

NAMA assets to be managed by bank employees

The draft legislation on the establishment of the National Asset Management Agency (NAMA) does not detail its day-to-day operational structures.

But following a number of meetings between NAMA's Acting Chief Executive Officer, Brendan McDonagh, and IBOA representatives, led by General Secretary, Larry Broderick, and President, Margaret Browne, there is a clear understanding that the daily task of managing the impaired loans will be undertaken by staff from the participating institutions – under the supervision of officials from NAMA.

Larry Broderick described this approach as the most sensible solution since it would not only ensure that this essential work would be undertaken by experienced staff but would also protect the current terms and conditions of these staff.

In a number of institutions, preparations have already begun on creating the internal structures to manage the assets under NAMA's control. These preparations have been the subject of intense consultation and negotiation with IBOA.

After NAMA

In order to ensure that the likely consolidation and reconfiguration of the Irish banking landscape proceeds in an orderly manner following the transfer of assets from the relevant banks into NAMA, IBOA is seeking an overarching framework to be agreed with the participating institutions and the Government.

The key principles of this framework should be as follows:

- the application of partnership principles so that the introduction of major change in any institution should be subject to full negotiation and agreement with their employees and their trade union

- representatives;
- the recognition of trade union representatives for those employees who have historically been denied such representation in order to ensure that they can negotiate on equal footing with their colleagues and with management;
- the implementation of any redundancies on a voluntary basis in order to maximise protection of employment; and
- the maintenance of established pay rates and terms and conditions of employment.

Alternative plans may add further threat to pension funds

Some of the scenarios – which have been advanced to deal with the banking crisis – have suggested that banks should default on their obligations to international investors including those which supply senior debt.

Senior debt is capital lent to a financial institution over the long-term at a relatively modest rate of interest. It is prized by the institutions precisely because it has been committed for the long haul.

But, some argue that even these highly valued investors should share in the pain of fixing the damaged banking system.

But who are these long-term investors? A large proportion of them are pension fund managers seeking an unspectacular but secure return for their scheme members – who are, of course, mostly workers rather than fat cat capitalists!

NAMA effect reaches beyond Republic

Although the creation of the National Asset Management Agency (NAMA) is ultimately a decision for the Irish Government and Parliament, its potential impact extends beyond the borders of the Republic.

It has been estimated that approximately one-third of the €90 billion worth of loans that are to be transferred from the participating institutions over to NAMA are for assets held outside the Republic – primarily Britain and Northern Ireland.

Furthermore, the prospects of workers employed in the subsidiaries of AIB and Bank of Ireland in Britain and Northern Ireland are inextricably linked with the fortunes of the parent institutions.

Some of the media commentary on the NAMA debate has wrongly assumed that all of the loans to be transferred to NAMA are impaired or non-performing. In fact around €30 billion worth are reckoned to be healthy performing loans.

nama: focus **How is NAMA**

Step 1

NAMA will buy loans from the participating banks at a significant discount – these loans will be from the riskiest part of the bank portfolios, the land and development loans, as well as certain associated loans.

This will take these riskier loan classes away from the balance sheets of the banks concerned and make the banks safer and more secure for depositors and investors.

Step 2

NAMA is to pay the banks concerned for these loans. It will do so on the basis of valuations carried out by experts and in accordance with pre-defined valuation methodology. The banks' book value of the loans will not be a factor and the banks will have to recognise a loss on their books at the time of the transfer for the difference between the book value and the amount paid by NAMA.

The payment for the loans is to be in the form of Government securities and/or guaranteed securities, and the principles of the valuation methodology are set out in the draft legislation. The Minister will make detailed regulations based on these principles. The valuation methodology along with all other State aid aspects of the NAMA initiative will be subject to approval by the EU Commission.

This method of payment is intended to ease pressures on the banks arising from the tighter liquidity conditions that have prevailed for the past year or so, giving them access to cash or near-cash assets in place of the much less liquid property loan assets they had before. Again, this is intended to make for more stable and secure financial institutions, better able to lend and support the domestic economy.

Step 3

NAMA is to manage these loans – either directly or indirectly – so as to obtain the best achievable return from them. In the meanwhile, it will collect interest due and pursue debts so as to ensure its own income stream and to recoup the Government investment over time.

NAMA is in effect intended to take the place of the bank that originated the loan, and is to have all the same rights to pursue debts, where necessary. Borrowers who continue to meet their contractual obligations, of course, have no reason to worry – their rights are fully protected.

What will NAMA look like?

It is intended that NAMA will be a separate body with its own Board appointed by the Minister for Finance, with staffing resources and management services provided by the National Treasury Management Agency (NTMA).

It is to have all necessary commercial powers of a financial asset management company to establish subsidiaries, to operate

The Treasury Building in Dublin – soon to be home of the National Asset Management Agency (NAMA).



through agents, to buy and sell assets, to manage loans and work with borrowers, and to take full and determined action in relation to debts owed.

NAMA is to maintain a streamlined organisational structure and to outsource work as appropriate. However, it should have complete control of the assets and make all the major decisions about them.

What level of assets will be transferred?

The preparatory work indicates that the level of assets to be transferred to NAMA is in the range suggested in the Irish Government's Supplementary Budget in April.

However, until the valuations are completed, the exact amount to be paid by NAMA will not be known. However, significant discounts are likely on the book values at which these assets are carried on the banks' balance sheets.

What are the next steps?

Legislation is to be debated in the Irish Parliament in September – following further consultation between the Department of Finance and the European Commission and the European Central Bank.

At a practical level, preparations are continuing on the organisational structure of NAMA to ensure that all the necessary steps are in place to begin the transfer of assets later this year. It is intended that assets will transfer in tranches, starting with the loans of the largest borrowers.

Will this have broader implications for the banking sector?

The Minister for Finance has already indicated that an intervention of this scale in the banking market is bound to have considerable implications both for the institutions individually and for the broader structure of the banking system. The Minister said that these implications are being considered and may include the need for further recapitalisation of some institutions.

HEALTH WARNING

This summary is based on the draft legislation published by the Minister for Finance.

It is possible – even likely – that further amendments will be made as the Bill makes it way through the various stages before being enacted into law.

supposed to function?



What's in the draft Bill?

- NAMA will buy the appropriate assets of the participating institutions. The price will not be the book value of the loans but will include an appropriate write down which the participating institutions will have to reflect in their books.
- NAMA will purchase the assets through the issue to the banks of Government securities and/or guaranteed securities issued by NAMA. The replacement of property related loans with Government bonds will strengthen the balance sheets of the banks and this will increase their capacity to access liquidity in the financial markets and, if necessary, through Euro-system liquidity operations.
- The principles of the valuation methodology are set out in the draft legislation and the Minister will be making detailed regulations based on these principles. The methodology will recognise that the current market for property backed loans and the underlying assets are very illiquid and will not require the banks to accept 'fire-sale' values.

But nor will it be guided in its pricing by the property prices and expectations regarding property prices that underpinned the original lending decision. It will aim to set a reasonable price having regard to a longer term perspective on the property market. Both the valuation

methodology and indeed the scheme as a whole will require EU State aid approval.

- NAMA will set the price it is prepared to pay for assets.
- In acquiring loans, NAMA will have all necessary powers to carry out full due diligence and acquire all necessary information.
- Participating institutions are obliged to act in good faith and comply with appropriate directions from NAMA.
- NAMA will have all the powers required to purchase, hold, and dispose of assets and, if necessary, complete developments with a view to achieving an optimum return to the State.
- NAMA will be accountable to Parliament in the usual manner. The agency will report to the Minister. Its reports will be laid before the Oireachtas and its accounts will be subject to audit by the Comptroller & Auditor General.
- Various legislative exemptions and amendments are to be provided to enable NAMA to complete its work as efficiently as possible.
- As a safeguard against persons trying to impede its operations in particular ways, NAMA is to be provided with limited powers to obtain property or interests on a compulsory basis.

- Where NAMA's operations become the subject of litigation, provisions are to be made to ensure that this does not unduly obstruct NAMA's operations and that any such litigation proceeds without delay.
- NAMA will be provided with powers necessary to enforce the security on loans – including the appointment of statutory receivers – and to be vested with ownership of the underlying asset where appropriate.
- The issue of the set-off of tax by the banks against losses is to be addressed by the Minister in the final text of the Bill to be published in September.

Participating Institutions

Institutions may apply to the Minister to be designated as participating institutions. The draft text includes objective and non-discriminatory criteria which must be taken into account for designation.

These criteria include the institution's systemic importance to the State, other State supports available to the institution, maintenance of financial stability and facilitating the flow of credit to the economy.

In volunteering for participation, an institution will have to confirm that it will accept the designation of eligible assets by NAMA and will accept the NAMA valuation of those assets.

Eligible Loan Assets

Eligible assets for transfer to NAMA will include the land and development books and associated loans.

Associated loans will be those loans which are not in the land and development category but which are held by individuals/companies that also have land and development exposures or the borrower may be a systemic risk to the financial system.

Associated loans will take account of cross-collateralisation and other associated loan exposures of borrowers.

Valuation

Valuations by NAMA are to be consistent with EU Commission guidelines and will be based on the current market value of the underlying collateral – *adjusted to reflect a longer-term economic value which the asset could reasonably be expected to attain.*

Detailed regulations on how the long-term economic value is to be calculated are being drawn up by the Minister and will be published this month. The principal factors to be taken into account in the Regulations are provided for in the draft legislation.

There will be an opportunity for institutions to seek a review of the price paid, and any review will be carried out by a valuation panel which will report to the Minister. But NAMA will not be required to take any asset and, if appropriate, it can refuse to take assets.



Lessons to be learnt

Broderick backs call for public inquiry into banking crisis



Public inquiry into banking crisis: IBOA General Secretary, Larry Broderick urges Minister to create special body (Photo: Photocall).

IBOA The Finance Union has welcomed the recent comments by UCD economist, Colm McCarthy, on the need for a public inquiry into what went wrong with the Irish banking system.

The Union's General Secretary, Larry Broderick, has urged the Republic's Minister for Finance, Brian Lenihan, to seek to establish a comprehensive inquiry under the auspices of a Joint Oireachtas Committee set up specifically for this task – pointing out that in assessing recent events, this investigation should also aim to draw important lessons for the future.

"Not only does the general public deserve a thorough explanation," said Larry Broderick in a letter to the Minister, "but thousands of ordinary bank employees also deserve to know how a substantial failure of leadership in the financial services sector has placed their jobs and livelihoods in jeopardy.

The Union leader backed Mr. McCarthy's suggestion that such an inquiry should be conducted by an Oireachtas committee along the lines of the DIRT inquiry. However, he cautioned against an approach which would be too obsessed with finding individual scapegoats, no matter how tempting that might be.

"The banking crisis has resulted from a widespread systemic failure – involving not

just the financial institutions, themselves, but also the public agencies charged with their supervision and regulation," he said. So, a more useful approach should aim to identify "the important wider lessons that must be learned to prevent a recurrence of these events in the future."

"It is clear to us, as the organisation representing the ordinary staff working in these institutions, that serious questions have to be answered about the culture operating throughout the banking industry in the period leading up to the crisis," said Mr. Broderick.

"IBOA is on the record for many years warning that the banking culture which had emerged in the last decade or so was a matter of major concern – not only for staff but ultimately for the public good. Indeed we made a presentation to this effect to the Joint Oireachtas Committee on Finance and the Public Service over five years ago.

"It is equally clear that many financial institutions have still to address this issue: the culture is still largely unchanged despite the unprecedented convulsions that have rocked the industry.

"There has also been a serious failure of regulation – not only in terms of the operations of the specific agencies charged with this task but also in terms of both the resources and the terms of reference underpinning their operations," he declared.

"As the financial crisis is the result of a collective failure, the complex interactions between the various elements which contributed to the failure deserve close scrutiny.

"Rather than approaching this task with the sole objective of assigning guilt, it would be far more beneficial to adopt a 'Truth and Reconciliation' model which could encourage all participants to provide the fullest possible testimony.

"Such an inquiry could serve an essential function in charting the future direction of the financial services sector – expanding the rather narrow focus of the current debate on NAMA and including consideration of the role of foreign-owned banks operating in Ireland as well as the activities of Irish-owned institutions," said the IBOA leader.

"IBOA has repeatedly called for such an inquiry. Indeed in our submission to the Joint Oireachtas Committee on Finance and the Public Service in 2004, we proposed the creation of a Commission on Banking to try to achieve a consensus on the future development of our industry.

"Perhaps if that proposal had been acted upon five years ago, some of the present difficulties could have been averted. However, our experience since then makes us all the more determined to seek a comprehensive framework for a sustainable future for the financial services sector in Ireland," he added.



Round Table Talks: Northern Ireland's Minister for Finance, Sammy Wilson, meets representatives of the financial services sector – including Gerry Hanna of IBOA (second from the left) at Government Buildings in Stormont (Photo: Aaron McCracken/Harrison Photography).

IBOA joins high-level banking forum in Northern Ireland

A new high-level forum on the banking sector in Northern Ireland has been established by Finance Minister, Sammy Wilson.

The members of the Cross-Sector Advisory Forum's Banking Finance and Lending Sub-group include senior figures within the industry including the Chief Executive Officers of the major banks' Northern Ireland networks and IBOA Senior Industrial Relations Officer, Gerry Hanna, as well as the Minister and his senior advisers.

At its first meeting last month, the sub-group discussed a range of issues – including the potential impact of the Republic's National Asset Management Agency (NAMA) on Northern Ireland; business lending – including the take-up of the British Government and European Investment Bank schemes; the state of the local housing market; and lending to the community and voluntary sector.

"There is no doubt that the banking sector has a crucial role to play in helping Northern Ireland's businesses in this difficult climate," said the Minister. "A confident local financial sector is a prerequisite for a return to economic growth and prosperity."

"Today's meeting was a useful engagement where all parties put forward their

assessment of the local financial environment," he continued. "As we move forward, I believe it is important that lending at affordable rates to our local businesses and consumers is available. We must remember that improving liquidity in the economy was a key factor in the UK Government's decision to invest billions in sustaining the banking industry."

At the meeting the Minister outlined his concerns about the state of the local economy, the local housing market and the role of the banking sector in assisting economic recovery.

"The outlook for the Northern Ireland economy is one of slow recovery," said Sammy Wilson. "There is no doubt that there are still difficult times ahead. This meeting gave me an opportunity to listen to the local financial community and gain a better understanding of its concerns."

"Ensuring that our local businesses and consumers have access to finance at reasonable terms will be important in terms of ending the recession and stimulating economic growth. This was a very constructive meeting that I intend to follow up with further discussions through this forum."

The Minister has also agreed to meet an IBOA delegation for separate talks this month.

Encore...



GIVE US A BREAK

IBOA's *Breakaway* programme offers short holiday breaks at leading hotels in Ireland at special discounts to IBOA members. For a full listing of all hotels taking part in the scheme, check the IBOA websites at either www.iboa.ie/services/discount/hotelbreaks.html or www.iboa.org.uk/services/discount/hotelbreaks.html

Dare 2 Care 2

Union to put on glitz for two essential health charities

With health services under particular pressure during the current economic crisis, members of the IBOA The Finance Union aim to counteract the gloom by raising funds for two major health projects with a night of glamour and entertainment.

St. Luke's Hospital in Rathgar and St. Francis Hospices in Raheny and Blanchardstown will be the beneficiaries of a spectacular fashion show to be held in IBOA House on Wednesday, October 14.

Models from the Compton Modelling Agency will be showing a wide range of clothes – from the practical to the glamorous from a number of fashion designers.

"High fashion is usually about fantasy – but in these difficult times, consumers have to focus more on the practical. Outfits have to be multi-functional – suitable for everyday wear as well as special occasions," said modelling agency director, John Compton.

"The show will reflect this new realism but at the same time indulge some highly imaginative whims."

IBOA President, Margaret Browne, who is taking a close personal interest in this project, points out that the Union has a long tradition of donations and fund-raising for a number of charities working in health and community development.

Hosted by Miriam O'Callaghan, the Dare 2 Care fashion show takes place in IBOA House on Wednesday October 14 at 8pm.

Tickets for the show are available – priced €30 – from Anna or Louise at IBOA House (Tel: 01-4755908 from the Republic or 02890-200130 from Northern Ireland and Britain).

Places are limited so book now.



"The two organisations we have chosen to support with this event are doing wonderful work which – though absolutely necessary – is not at all secure in terms of their State funding. Both St. Luke's Hospital in Rathgar and St. Francis Hospice in Raheny have well deserved reputations for the commitment of their staff and the excellence of their care.

"However, reputations alone will not be enough to protect these two institutions in the present climate of stringent cutbacks.

"Since 1989 St. Francis Hospice has provided a free service of specialist palliative care to people in North Dublin in advanced stages of cancer, motor neuron disease and HIV/AIDS, as well as support for their families and friends, through hospice day care, out-patient clinics, a 19-bed in-patient unit and bereavement support services.

"In July the Hospice began a major development of a second facility in Blanchardstown which is to include a hospice day care centre, a base for a community palliative care team and the building of a 24-bed in-patient unit.

The €19.4m construction project is due to be completed in early 2011. But funding for the new Hospice will be very much dependent on the ongoing support and generosity of the community. While the Hospice receives some support from the Health Service Executive for its daily running costs, funding for capital costs will not be available in the foreseeable future," she said.

"St. Luke's is highly regarded throughout Ireland for its radiotherapy and oncology services – treating over 20,000 patients a year. St. Luke's is at the forefront of cancer treatment in Ireland – caring for patients, managing their symptoms and curing the condition on an increasing basis.

Running in parallel with this treatment is the vital research and education work undertaken at St. Luke's. The Friends of St. Luke's Hospital Appeal Fund is aiming to raise over €2m in 2009 to enable the Hospital to continue this work.

"IBOA will be encouraging members to contribute to this work by supporting the fashion show and by making further donations," added Ms. Browne.



Financial journalist and broadcaster, Colm Rapple, with IBOA President, Margaret Browne, and Pensioners' Committee Chair, Brendan O'Donohue.

Financial planning for pensioner members

The prospect of giving financial planning advice to an audience of retired bank officials might sound like carrying coals to Newcastle.

But financial journalist and broadcaster, Colm Rapple, was more than up to the task at a special briefing organised by the Union's Pensioners' Committee last month.

The author of the annual *Family Finance* guides outlined the impact of recent Budget changes for pensioners.

He also offered practical suggestions on how to improve their financial position by availing of little-known tax allowances.

The final question and answer session cleared up many areas of personal concern – with

the assistance of Pensioners' Committee chair, Brendan O'Donohue.

Copies of Colm's latest book, *Family Finance 2009* were available for everyone in the audience, who were welcomed to IBOA House by Union President, Margaret Browne, and Union General Secretary, Larry Broderick.

For many, this was their first visit to IBOA's Dublin headquarters and to the Irish Bankers' Club since the relocation from St. Stephen's Green. They lingered on long after the meeting to chat and avail of the sandwiches and coffee on offer.

Cecil Barron



Tom Dineen

New chair for IBOA Youth

The Union's Youth Committee met earlier this month to consider a wide range of issues of particular concern to younger staff working in the financial services sector – including the negative culture of target-induced stress and bullying; low pay levels, non-payment of overtime; and job security.

The Committee also elected a new chairperson, Tom Dineen who works for National Irish Bank in Waterford. Tom succeeds Michael Ryan who was elected to the Union's Executive Committee in April.

Tom will now fill the seat on the Executive Committee reserved for a representative of IBOA Youth.

IBOA tweets

Members who have signed up to the messaging site, Twitter, can now keep in touch with IBOA by following [iboauinion](#).

IBOA 'tweets' generally take the form of brief alerts for new important content posted on the Union's websites – [www.iboa.ie](#) or [www.iboa.org.uk](#).

Broderick holds seat on ICTU Executive

IBOA General Secretary, Larry Broderick, was re-elected to the Executive Council of the Irish Congress of Trade Unions at the recent ICTU Biennial Delegate Conference in Tralee.

Small Ads Big Choice

Holiday Apartments to Rent

Check out the IBOA websites:
www.iboa.ie/services/smallads.html
 or
www.iboa.org.uk/services/smallads.html

Adverts placed for IBOA Members by IBOA Members



Ulster Bank Chief Executive, Cormac McCarthy (Photo: Photocall-Ireland)

Ulster Bank seeks another 250 job cuts

Ulster Bank has announced that it is to seek a further 250 voluntary redundancies on top of the 750 job cuts already agreed with IBOA and SIPTU as part of the One Bank restructuring programme – which involves the merger of First Active into its parent.

While the first round of redundancies were sought across the group, the latest round is to be focussed on two areas: Central Functions and Corporate Markets.

Although the Union is disappointed that further cuts are being sought so soon after the earlier ones, IBOA has welcomed the Bank's statement that the new redundancies will again be voluntary and on the same terms and conditions agreed as part of the One Bank structure.

But the Union has told the Bank that before an agreement on the new programme is concluded, the Bank must clarify job security for members in the future as well as finalising pay talks with IBOA.

In the meantime, the Union continues to monitor the One Bank restructure. Management are due to make presentations to staff in a number of areas about proposals for change. None of these proposals has been agreed with IBOA: they are all subject to negotiation. So the Union welcomes any feedback from members on these proposals.



IBOA's Ulster Bank Executive Committee: (from left) front: Jaynette Stirling, Kerry Christie and Catherine Maher; and back: Tommy Kennedy, Fergus Reynolds and John Burns.

Ulster Bank proposals on pay and pensions totally unacceptable – Mediation process now under way

Ulster Bank's surprise announcement that it wanted significant changes to the staff's Defined Benefit Pension Scheme and a pay freeze for 2009 was rejected as totally unacceptable by Union General Secretary, Larry Broderick.

"We consider that our members in Ulster Bank are once again being scapegoated for the profligate lending policies of senior management in Ulster Bank and its parent company, RBS.

"Despite huge sacrifices already, staff are being asked to bear the brunt of this mismanagement.

"In conditions where the relentless drive for unachievable targets continues unabated, this can only exacerbate the difficulties already being experienced by customers," he said.

"Our members are also outraged that senior management is proposing a major assault on the value of their pensions in the wake of the revelation that former Chief Executive, Sir Fred Goodwin, was awarded an annual pension of UK£700,000 despite bringing RBS to the brink of collapse.

"The Bank's proposal to make no pay award to ordinary bank officials for 2009 is similarly unacceptable."

Since it was issued a week before a scheduled meeting with the agreed independent mediator, Kieran Mulvey who is the Chief Executive of the Labour Relations Commission in the Republic, the Bank's announcement may be regarded as its opening position for those mediation talks.

While the process is continuing, the IBOA has invited Ulster Bank staff to express their attitude to management's statement by signing the *Declaration of Decency* (see opposite) – a petition addressed to Chief Executive, Cormac McCarthy and his colleagues.

Staff can download the declaration from the IBOA websites (see below) and send it back to IBOA by post or fax no later than September 25, 2009.

Alternatively staff can text support for the declaration to 00-353-(0)-86-8095288; or e-mail support to ubg1@iboa.ie or even sign up directly online at either www.iboa.org.uk/ulster-bank/ or www.iboa.ie/ulster-bank/

ULSTER BANK 'DECLARATION OF DECENCY'

We, the staff of Ulster Bank Group, wish to place on record our extreme disappointment at the Bank's recent announcement of its intention to change the Defined Benefit Pension Scheme, impose a pay freeze and unilaterally amend our terms and conditions of employment without discussion, negotiation or agreement with IBOA The Finance Union.

As loyal staff in Ulster Bank, we have co-operated with significant change – unprecedented in our industry – in recent years and have worked strenuously to enhance the reputation and success of the Bank. However, the response to our efforts from senior management has been to:

- break established agreements with IBOA;
- treat us less favourably than other staff in RBS in relation to pay and profit share for 2009; and
- seek to disadvantage us still further in terms of our pension entitlements;

at a time when one thousand job cuts are also being sought.

This chain of events has resulted in a significant lowering of staff morale in Ulster Bank Group.

We believe that – no less than customers – staff deserve to be treated fairly. We, therefore, call on you, as Chief Executive, to set an example in this regard and to enter into immediate discussions with IBOA The Finance Union. In particular, we urge you to reconsider the senior management's position on the issues outlined above so as to take proper cognisance of the interests of the Bank's staff.

Furthermore, we call on you to conduct an immediate review of the culture operating throughout the Bank with a view to developing a more positive framework which will offer the best possible protection for customers and staff in these uncertain times.

By making this declaration either by letter or by electronic communication through IBOA The Finance Union, we strongly encourage you, your colleagues on the senior management team, the Board of Ulster Bank and Mr. Stephen Hester, Chief Executive of RBS Group, to take heed of the staff's view.



RBS IT staff win right to union representation

Last month the Labour Court recommended that Royal Bank of Scotland Technology Services, (RBS TS) based in Parkgate Street, Dublin should recognise IBOA for collective bargaining purposes and that the two sides should conclude a framework agreement.

IBOA is now seeking that this recommendation be implemented.

The recommendation is the culmination of an ongoing campaign by RBS TS staff for recognition lasting almost two years.

As well as thousands of staff in two other RBS Irish subsidiaries – Ulster Bank and First Active – IBOA now represents almost 70% of staff in RBS TS Parkgate Street – with a well established committee which meets regularly to raise staff concerns, and participate in Union activities including training courses. But still the local management had claimed that staff were not entitled to representation by IBOA.

The Labour Court agreed with the Union that such a position was untenable.

IBOA is now keen to negotiate a comprehensive agreement covering pay and terms and conditions.



IBOA seeks direct talks at Lombard Finance

The Union is seeking a meeting with management at Lombard Finance to discuss a range of important issues – including pay and pensions as well as some operational matters.

Union General Secretary, Larry Broderick, said: "This is a critical time for the industry and for staff in Lombard.

"It is important that any remaining non-members in the company should join IBOA to ensure that the Union can exert the maximum influence in our representations to management."

HICKEY'S PHARMACIES

10% discount for IBOA members on all products

(excluding medicines
and prescriptions)

from Hickey's Pharmacies in Arklow, Cork, Drogheda, Dublin (O'Connell Street, Henry Street, Grafton Street, Harold's Cross, Crumlin, Terenure, Tallaght, Coolock, Phibsboro, Santry, Finglas, Ongar and Tyrrelstown), Dundalk, Gorey, Maynooth, Navan and Newbridge.

Staff at NIIB Finance expect IBOA representation soon

Staff at NIIB Finance – which is part of the Bank of Ireland Group – are seeking the right to be represented by IBOA for collective bargaining.

Although in Northern Ireland the Union could opt to pursue mandatory representation rights through the Industrial Court, IBOA has sought to achieve its members' objective through a voluntary agreement which would outline procedures for joint dispute resolution as well as the facilities to be made available to IBOA representatives.

If, as expected, there is a positive outcome to this process soon, IBOA members should then be in a position to resolve concerns far more effectively.

"By sticking together solidly, our members in NIIB Finance are now close to securing the right to be represented by IBOA. If they continue to stick together, I am confident that they can achieve real progress with the support of the Union," said IBOA General Secretary, Larry Broderick.

Further changes in prospect at HP/EDS

Some employees in HP/EDS are once again facing the prospect of a transfer to yet another employer.

Although the integration process following the recent merger between HP and EDS is still ongoing – with a number of operational issues still to be resolved – some staff who have been working on the Xerox account have been informed that, as this account has been lost to an Indian-based company, HCL, they are now in scope to be transferred along with the account to this service provider under the Transfer of Undertakings and Protection of Employment (TUPE) legislation.

IBOA has written to the relevant parties seeking positive engagement in order to clarify the situation and resolve our members' concerns.

Technology Services

Meanwhile IBOA has also engaged with senior management at HP on behalf of members in the technology services division, HP TSG, who are facing the prospect of a transfer to HP CDS – a service provider within HP Group.

IBOA is seeking the resolution of a number of issues of concern to members – as well as pursuing the right to represent them for collective bargaining purposes.

As the challenges facing employees in a number of areas in HP continue to grow, staff are increasingly seeking the protection of IBOA – giving further momentum to the Union's campaign for full representation rights so as to ensure that members' concerns are addressed as effectively as possible.



Mediator: Senior Counsel, Mark Connaughton (Photo: RTE)

Mediator to consider pay, job security and other issues in BOI

The first in a series of meetings on pay, job security and a range of other issues took place earlier this month between senior representatives from IBOA and the Bank of Ireland under the auspices of the agreed independent third party, Mr. Mark Connaughton SC.

In his opening presentation, IBOA General Secretary, Larry Broderick, put

forward comprehensive arguments on pay for 2009 in the Republic of Ireland, Northern Ireland and Great Britain; the need for a job security agreement; and union representation for managers and other categories.

In addition, IBOA's Bank of Ireland Executive Committee also sought a commitment to change the culture in Bank of Ireland; a new agreement on profit share/ESOP; and a commitment to resolve outstanding pensions issues.

The senior management representatives said that the Bank is not in a position to concede any pay increase for 2009 or to give a commitment on job security even though it has no current plans to engage in any redundancies.

The Bank also rejected IBOA's claim to represent managers or other groups on a collective basis. However, the Bank is prepared to consider issues such as culture and profits/ESOPs but preferably not until the Bank has returned to profitability. Senior management also highlighted the need to review existing pension benefits throughout the Group.

After the initial presentations, the mediator arranged to meet both sides for separate talks before reconvening further meetings between the parties during the coming weeks.

Preparing for NAMA

Senior management in Bank of Ireland has engaged with IBOA on its plans for a Specialist Property Group (SPG) in response to ongoing discussions with the Irish Government on NAMA.

The Bank has proposed that the SPG will manage challenged property and associated lending in excess of €5 million and also handle challenged loan books in Business Banking requiring focused management.

The Bank has given a general outline of the SPG's overall operational structure and has also committed to negotiate an Enabling Agreement with IBOA to address specific staff concerns and protect their terms and conditions of employment.



Switching?: Are the terms of MCR being changed and, if so, by whom? Consultation is needed (Photo: Photocall-Ireland).

Changes in approach to MCR alarm bank staff

The prospect of substantial changes to the implementation of the Minimum Competency Requirement (MCR) being introduced unilaterally in both Bank of Ireland and AIB has been greeted with alarm by many members in both institutions.

Of particular concern is the suggestion that staff who were previously held to be "grandfathered" on the grounds that they had sufficient depth of experience not to need further training may not now be accepted as such.

Equally alarming is the rumour in some areas that all staff regardless of role will be required to achieve QFA status.

Hanging over all of these threats is the most serious of all – that failure to achieve QFA status by the end of 2010 could result in dismissal.

The cumulative effect of this apparent change in approach to MCR has been to create a suspicion that

the banks' attitude may have been a ploy to cut staff numbers by stealth.

IBOA has held separate meetings with the managements of the two banks, with the Financial Regulator and with the Institute of Bankers in order to identify what, if any change, is being sought and who, if any, is seeking it.

While some clarity has been achieved (and communicated to members in each bank), the Union still believes that a round-table discussion should be convened with senior representatives from all the parties with an interest in the Minimum Competency Requirement so as to achieve an acceptable resolution.

IBOA meets AIB ROI

At a meeting between members of the IBOA's AIB Executive Committee and the recently appointed Managing Director of AIB in the Republic of Ireland, Robbie Henneberry said he was committed to the partnership principles as the basis on which he would work with the Committee to meet the many challenges facing AIB in the Republic.

At the meeting, the IBOA team – led by General Secretary, Larry Broderick – highlighted a number of issues of immediate concern for staff – including the need for further clarification in relation to MCR, AIB's future plans for the Republic, the need for a new operating culture, recognition of managers' right to IBOA representation and the forthcoming roadshows.

Managers' Committee

The IBOA Managers' Committee – which represents manager members in the Republic of Ireland, Northern Ireland and Britain – met recently to consider a number of issues including the need to secure their right to be represented by the Union for collective bargaining purposes as well as in individual grievances.

The Committee also discussed the future role of managers within AIB Group against the likely backdrop of further major change in response to the current climate.

IBOA meets AIB UK

IBOA raised a number of key issues at a meeting with senior management of AIB UK in Belfast last week. The Union team highlighted the need for a job security agreement beyond December 2009 – when the current deal expires.

IBOA also sought confirmation that First Trust Bank and AIB GB will remain as integral parts of the AIB Group.

The Union wants to discuss a business plan for the UK division in the likely event that assets held by First Trust Bank and AIB GB are transferred to the National Asset Management Agency (NAMA) in Dublin.

The issue of collective bargaining for managers was also tabled by the Union. The Bank has agreed to revert to IBOA with a response on these issues in due course.

AIB UK signals intent to change pensions

Under the procedures covering workplace pension schemes in the UK, AIB UK has given sixty days' notice that it intends to seek changes in the scheme.

As individual members of UK pension schemes are entitled to express their views on any proposed change, the Union has advised members in First Trust Bank and AIB GB to formally notify the Bank that any proposed change to the AIB pension scheme must be negotiated and agreed with IBOA – The Finance Union.

IBOA has also advised members to inform the Bank that any proposed change must take account of the fact that their financial circumstances have disimproved arising from loss of profit share, share save scheme, bonus and the impact of Bank's decision on salaries for 2009.

Finally the Union has urged members to notify the Bank that any proposed change must take into consideration their expectations for pension when they took up employment with the Bank.



IBOA Executive Committee member,
Eileen Gorman

No complacency on health, safety at Northern Bank

The recent Well-being survey undertaken among staff at Northern Bank received a response rate of over 80%, according to IBOA Danske Group Officer, Robert Thompson.

This results of the Work-Life section of the survey – which focused on the Health and Safety Executive's workplace management standards – clearly indicated that although the Bank is ahead of the benchmarks determined by the HSE, there is need for improvement in some areas.

Northern Bank's senior management has agreed to work in conjunction with IBOA to develop an action plan through the Well-being Committee, whose members include IBOA Executive Committee member, Eileen Gorman.

IBOA views this as a very positive development and fully supports the Bank's continuing endeavours to improve the well-being of all staff.



IBOA Danske Group Officer,
Robert Thompson



Danske Bank Group Chief Executive, Peter Straarup

Danske remains committed to Irish operations

IBOA has welcomed Danske Bank's unequivocal commitment to its Irish businesses – Northern Bank and National Irish Bank – which accompanied the recent publication of the half-yearly results for the two institutions.

"With the major downturn in the economy, the intentions of some financial institutions headquartered outside Ireland have been called into question in recent months amid fears of a possible retrenchment back to their home markets," said IBOA General Secretary, Larry Broderick.

"So it is heartening both for the economy and for consumer choice – and specifically for staff working in the financial services sector – that a major international banking group like Danske has re-affirmed that it is here for the long haul."

Turning to the half-yearly results, Larry Broderick noted that both Northern Bank and National Irish Bank had posted positive results in terms of their operating profits.

"Operating profit at Northern Bank was maintained at its 2008 level of £35 million while at National Irish it was up 34% to €38 million – with income up by 6% and costs down by 6%. Furthermore, while Northern Bank made a provision in its accounts for bad debts of £104 million, actual losses have only amounted to £3.1 million.

"Considering the state of the economy in the first half of this year, these are encouraging results," said the IBOA leader, "which underline the significant contribution being made by our members in these institutions in difficult circumstances."

NIB to meet IBOA for discussion on future plans

An IBOA delegation is scheduled to meet National Irish Bank's senior management team led by Chief Executive, Andrew Healy, at the end of this month to discuss the Bank's plans for the next twelve months and to offer the Union an opportunity to highlight members' concerns.

In preparation for this meeting, IBOA Senior Industrial Officer, Gerry Hanna, has urged members to provide feedback on any issues of concern by contacting their IBOA reps, Bank District Secretaries, Executive members or by e-mailing him directly at gerry.hanna@iboa.ie



National Irish Bank chief, Andrew Healy

NIB managers want IBOA to represent them

IBOA is to pursue the right to represent managers within National Irish Bank following a recent poll of manager members in the Bank which indicated virtually unanimous support for the Union being recognised for collective bargaining on their behalf.

IBOA already engages in collective bargaining on behalf of managers employed by another Danske Group subsidiary, Northern Bank.



New leader at Nationwide: Chief Executive of Irish Nationwide, Gerry McGinn.

Improved career break options likely in National Irish

Negotiations between National Irish Bank and IBOA are nearing completion on an enhanced career break scheme for NIB employees.

Although some details remain to be confirmed, it is expected that the new scheme will provide a substantial once-off lump sum for staff taking a career break of at least two years' duration. The payment – which could be as much of half of the employee's current basic annual salary – would, of course, be subject to income tax.

It is expected that the enhanced scheme will be launched later this month once the full terms and conditions have been finalised.

The Union is seeking clarification on a number of points – including the terms under which staff who avail of the scheme will return to work after the break as well as the impact of the scheme on their pension entitlements.

Apart from clarifying the terms of the scheme for those who avail of it, the Union is also anxious to ensure that the extended absence of staff on career break does not impose unacceptable pressures on their colleagues who remain in work.

IBOA seeks to open talks with Irish Nationwide

IBOA is seeking direct talks with the newly appointed Chief Executive of the Irish Nationwide Building Society, Gerry McGinn.

Since the change in the senior management positions at the Society following the introduction of the State guarantee a year ago, a majority of employees have now joined the Union which is keen to achieve formal recognition and secure a collective agreement.

"With the likelihood of major change in the banking sector following the establishment of NAMA, our objective is protect the jobs of our members in INBS. We want to ensure that Irish Nationwide remains an independent entity," said IBOA's Larry Broderick.

"We are seeking engagement with management to put in place a collective agreement covering the pay, terms and conditions of our members," he added.

The Union will be holding a members' meeting for INBS staff shortly to set up an appropriate representative structure.

The new Chief Executive, Gerry McGinn, is the former head of Goodbody Stockbrokers in Northern Ireland.

Before joining Goodbody's, he spent almost two decades with the Bank of Ireland in Dublin, Belfast and London – where he was chief executive of Bank of Ireland's UK operations.

Irish Nationwide recently declared that it can only continue as a going concern provided it is supported by the Irish Government.

Last year the Society lost almost €250m – after setting aside €460m to cover potential losses on its loan book from distressed development loans.

THE Carphone Warehouse

Your phone, your way.

10% discount on any mobile phone or mobile accessory for IBOA members in the Republic of Ireland.

sports: social

Eddie retains IBOA Golfer of the Year

The annual golf tournament for Union members took place last month at Glasson Golf Hotel and Country Club near Athlone. The Stableford format produced a very exciting and entertaining competition which saw Eddie Rouiller clinch the top prize again among the men topping his excellent score of last year with a magnificent 41 points. The ladies' section was a cosely contested affair with Carol McGrath eventually emerging victorious.

The prizes were presented by IBOA President, Margaret Browne.

Prize-Winners:

Men:

1. Eddie Rouiller 41pts
2. Chris Murphy 38pts
3. John McGrath 37pts

- Front 9: John O'Neill 21pts
Back 9: Liam Ross 20pts

Ladies:

1. Carol McGrath 33pts
2. Angela Veldon 31 pts
3. Paula Needham 30 pts

Nearest to Pin: Keith Feehily



It's that man again!: Eddie Rouiller (left) who can't stop winning picks up the trophy from IBOA President, Margaret Browne.



Blessed amongst women: Retiring Sports and Social Co-ordinator, Fergus Reynolds, with some of the ladies.



Ladies champion: Carol McGrath (left) receives the winner's trophy from IBOA President, Margaret Browne.



Saturday, December 5 - Sunday December 6 5.30pm-6.30pm

Tickets (Non-Refundable): €10 for IBOA Members (Normal Price: €16)

Limited to 4 tickets per application.

**Application forms are available from Anna or Louise at 01-4755908
or by download from www.iboa.ie/media/eventsdiary.html**

**REMEMBER: Tickets will only be issued on
production of an IBOA membership number!**

BELFAST BANKERS' CLUB EVENT GUIDE

31 MALONE ROAD, BELFAST BT9 6RU



HAWAIIAN NIGHT

September 18, 2009

A Hawaiian disco with late licence, Hawaiian food and cocktails served.



HALLOWE'EN NIGHT

October 30, 2009

A fancy dress disco with late licence. Prize for the best costume. Scary cocktails also available.



OPEN MIKE NIGHT

November 27, 2009

A night with live music providing an opportunity for everyone to get up and perform with a free drink for each completed performance.



THE 'REAL' CHRISTMAS EVE PARTY

December 18, 2009

A late night disco with a late licence, and good craic at the Bankers' Club Christmas Eve party.



THE 'OTHER' CHRISTMAS EVE PARTY

December 24, 2009

Doors open 1pm. Unwind with your colleagues before you head home for the Christmas break.



SPEED DATING AT THE BANKERS' CLUB

January 29, 2010

Three minutes to fly high or get blown out. Good craic and embarrassment guaranteed with music provided.



QUIZ NIGHT

February 26, 2010

A classic pub quiz with fantastic prizes. All proceeds to the Ulster Cancer Foundation. Voluntary donation to enter.

BELFAST BANKERS' CLUB

31 MALONE ROAD,
BELFAST BT9 6RU

BAR OPEN:

Tuesday-Saturday 5.30pm till late.
Sunday-Monday closed.

AVAILABLE FOR PARTIES:

Room Hire, Entertainment,
Big Screen.

Call 02890-382866 after 5.30pm. or
mail bankers.club@ntlbusiness.com

To join the Belfast Bankers' Club, download the application form from either of the two IBOA websites www.iboa.ie/services/sportsandsocial/bbc.html or www.iboa.org.uk/services/sportsandsocial/bbc.html, complete the form and return it to the club at the address above.

With a membership fee of £12.50 per half year, the Club offers excellent value for money.

Members' Monthly 400 Club Draw

First prize: £100
Second prize: £50

Fee: £1 per month (collected by direct debit on a quarterly basis).

As more members sign up to the monthly draw, the prize fund will be increased.

To join, download the application form from either of the two IBOA websites www.iboa.ie/services/sportsandsocial/bbc.html or www.iboa.org.uk/services/sportsandsocial/bbc.html, complete the form and return it to the club at the address at the top of this page.

sports: social



Record turnout for Dublin Zoo

The annual IBOA members' day at Dublin Zoo earlier this month saw the biggest ever turnout – since the Union began organising the day out in 1995.

Encouraged no doubt by the good weather, a total of 1,829 adults and 1,999 children availed of the opportunity for free admission courtesy of IBOA.

Demand for the free sweets and treats was so great that supplies were exhausted by 1.30pm – instead of the usual 4pm.

The team of volunteers who helped to organise the event deserve great credit – as do the staff of Dublin Zoo – led by co-ordinator, Mark Bowes – who provided good service with great attention to detail.

The Dublin Zoo day-out is the single most popular event organised by the IBOA sports and social team. So it is gratifying to see that it is so well supported by members even in these recessionary times.

The success of this event is also a fitting tribute to Fergus Reynolds, the Union's sports and social co-ordinator who leaves the IBOA Executive Committee at the end of this month when he retires from his employment in Ulster Bank's Arva Branch.

Union President, Margaret Browne, paid a special tribute to Fergus for his commitment to IBOA. "With his organising flair and his innate good humour, Fergus has been perfect for the role of sports and social co-ordinator. We wish him a well-earned retirement with his wife, Maura, and family."



Exclusive autumn offers for IBOA members from the Galway Bay and Hodson Bay Hotels

Midweek: 2 nights bed and breakfast with one dinner from €139 per person sharing.

Weekend: 2 nights bed and breakfast with one dinner from €169 per person sharing.

Terms and conditions apply. Subject to availability – not applicable during Bank holidays and mid-term break.

Hodson Bay Hotel, Athlone, Co. Westmeath. E-mail: info@hodsonbayhotel.com Web: www.hodsonbayhotel.com

Galway Bay Hotel, Salthill, Co. Galway. Email: info@galwaybayhotel.com Web: www.galwaybayhotel.com

HODSON BAY Hotel
CONFERENCE • LEISURE RESORT • SPA

GALWAY BAY Hotel
CONFERENCE & LEISURE CENTRE

00-353-90-6442000 00-353-91-520520

THE IRISH BANKERS' CLUB

BAR OPENING HOURS:

Tuesday-Saturday – 4.30pm till late.

IBOA HOUSE, STEPHEN STREET UPPER, DUBLIN 8

Sunday-Monday – closed.

ANNOUNCING

THE 24TH BANKERS' CLUB DRAW

- FABULOUS HOLIDAYS
- EXCELLENT PRIZES
- DON'T MISS OUT!
- ENTRY FORM ENCLOSED WITH MAGAZINE



UPCOMING CLUB DRAW NIGHTS

Friday September 25: 1st Prize – Two-week holiday for two to Iakynthos
Friday October 23: Grand Draw Night 2009
1st Prize – Two-week holiday for two to a choice of South Africa OR Hong Kong Singapore & the Maldives OR Highlights of Costa Rica
2nd Prize - €600
3rd Prize - €500
4th Prize - €400
5th Prize - €300
6th Prize - €200

Monthly draws take place at 9pm.
Bar food served 5pm-9pm

THE PLACE TO PARTY

- Reduced room hire rates
- 21st, 30th, 40th, etc parties.
- Going away nights, transfers
- Table Quiz Nights, Race Nights
- Christmas Parties and Christenings
- Catering and DJ facilities available
- We can cater for numbers up to 120
- Full bar licence – extension available
- Why not book or call in and look around?

Call 01-4758970 10am-12noon or after 5pm or leave a voice message any time.

THE PERFECT PARTY VENUE

CLUB MEMBERSHIP

New members welcome. Join now and enjoy free membership until September 2010 – cost then only €20 per annum. Facilities include:

- Special room hire rates
- Bar and meeting room facilities.
- Catering and DJ facilities available
- Big screen for all sporting occasions

Don't miss out – Join today!
Copy, complete and return the application form to Honorary Secretary, Michael Martin at the address above.

APPLICATION FORM

Name:.....
 Male/Female (*delete where applicable*)
 Employment:.....
 Branch/Dept:.....
 Bank Account Details
 Bank & Branch:.....
 NSC:...../A/c No.....
 I hereby authorise you to debit my account with the annual subscription for Club membership. I agree to be bound by the Rules of the Club and accept the appropriate annual adjustment when applicable. Notification will be forwarded in writing if I wish to cancel this mandate.
 Signed:.....Date:.....
 Please return to Michael Martin, Honorary Secretary at the address above.

Results of recent Bankers' Club draws are posted on the IBOA websites:
www.iboa.ie/services/sportsandsocial/bankersclub.html
www.iboa.org.uk/services/sportsandsocial/bankersclub.html



Join us for a magic carpet ride of pantomime adventure with a spectacular and magical production of Aladdin. May McFettridge leads the cast in the role of Aladdin's hilarious mum, Widow Twankey.

Produced by the same team that presented Cinderella and Mother Goose, Aladdin will have the Grand Opera House's hallmark of quality entertainment and value for money.

Tickets are available for IBOA members at a special price of £15 for the matinee (2.30pm) performance on December 28. Applications for tickets – quoting name, IBOA membership number, employment address, quantity and postal address where the tickets are to be sent – together with a cheque or bank draft made payable to IBOA – should be sent to Peri Mullan, c/o Belfast Bankers' Club, 31 Malone Road, Belfast BT9 6RU.

BOOK NOW TO AVOID DISAPPOINTMENT!

IBOA
AT THE PANTO
WE'RE BEHIND YOU!

IBOA ANNUAL CHILDREN'S CHRISTMAS PARTY DUBLIN

Bankers' Club – IBOA House Stephen Street Upper Dublin

Sunday 6th December 2009

Santa Presents, Face Painting, Balloon Making, Puppet Show and Surprises throughout the Afternoon

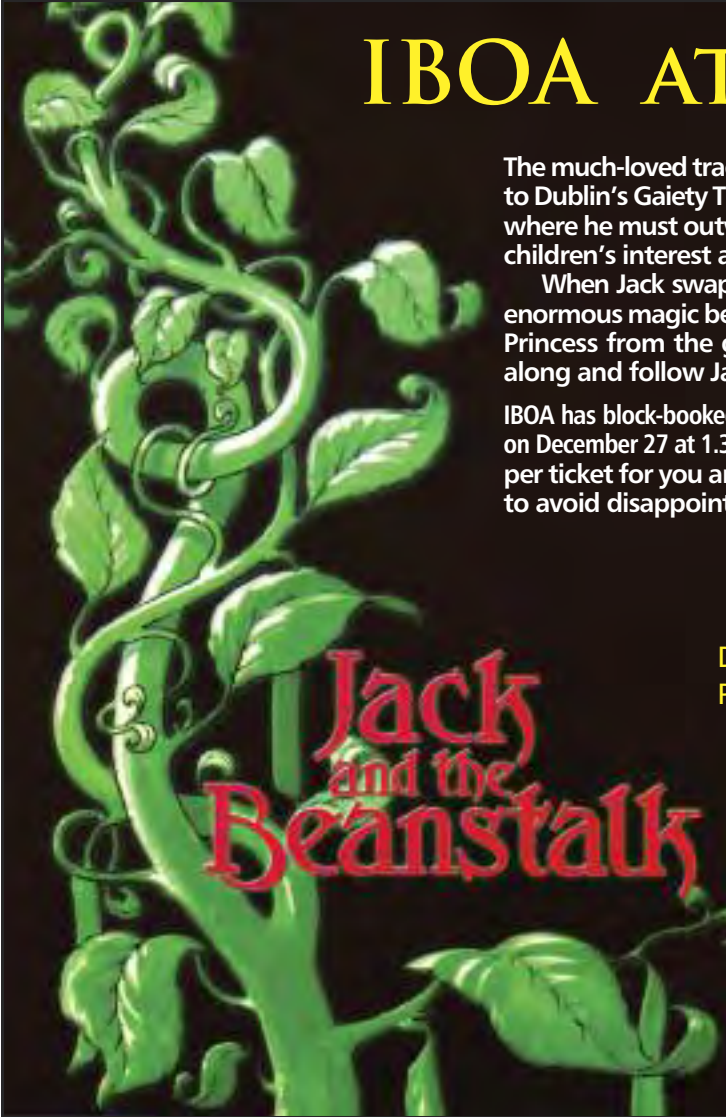
Please note **only** children up to the age of 9 years will be catered for and the presents will reflect this. Tickets are strictly limited and will be allocated on a first come first served basis with an allotted time to visit Santa between 12.30pm and 4.00pm. Tickets cost €8 per child and are not refundable.

Children must be accompanied by a parent/guardian who must remain on the premises at all times.

Applications for tickets – quoting name, IBOA membership number, employment address, quantity and postal address where the tickets are to be sent and indicating the age and sex of each child – along with a cheque or bank draft made payable to IBOA – should be sent to Anna O'Doherty, IBOA, IBOA House, Stephen Street Upper, Dublin 8.

REMEMBER NO MEMBERSHIP NUMBER – NO TICKETS

IBOA AT THE PANTO



The much-loved traditional pantomime, "Jack and the Beanstalk" returns to Dublin's Gaiety Theatre this Christmas. Join Jack on a giant adventure, where he must outwit and outrun the giant. This classic tale will capture children's interest and spark their imagination.

When Jack swaps his cow for some magic beans, they grow into an enormous magic beanstalk. Can Jack climb the beanstalk, save the lovely Princess from the giant and escape with all his arms and legs? Come along and follow Jack up the beanstalk to find out!

IBOA has block-booked the Gaiety Theatre for our members for two performances on December 27 at 1.30pm and 6.30pm so that we can offer a great saving of €10 per ticket for you and your family. Check the price below and book now to avoid disappointment!

Special Savings for IBOA Members

	Normal Price	IBOA Price
Dress Circle & Boxes	€34	€24
Parterre	€33	€23

No Membership Number – No Tickets

Only Postal Applications Accepted

Please Complete The Application Form Below



IBOA GAIETY PANTOMIME APPLICATION FORM

Name: *(BLOCK CAPITALS)* IBOA Membership/Staff No.

Employment Address:

Address where tickets will be sent:.....

I would like the following number of tickets:

Dress Circle & Boxes: Parterre:

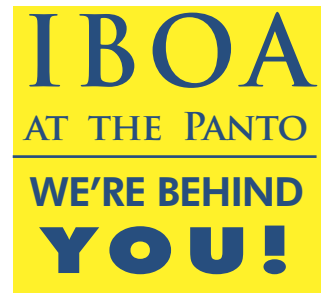
at the Matinee / Evening performance (*delete where applicable*).

Please note: this special offer is available to you and your immediate family. Applications for more than ten tickets per member will not be accepted.

I enclose a Cheque/Bank Draft for €..... Signed:

DISCLAIMER: IBOA ACCEPTS NO RESPONSIBILITY FOR ANY DELAY OR CANCELLATION OF THE PERFORMANCE OR FOR LOSS OF TICKETS, ETC.

Please copy, complete and return this form to: Sports and Social Department, IBOA The Finance Union, IBOA House, Stephen Street Upper, Dublin 8.



Safety policies at risk in recession

A UK-wide survey has found one in ten employees fears that the recession will result in lower health and safety standards in the workplace.

But the British Safety Council (BSC) study of attitudes in both boardroom and shop floor to the issue found a general air of confidence among bosses – 95% of those interviewed – that they were doing all that was required under legislation to safeguard their workforce.

Firms also claimed bosses' bonuses would be cut before there was a scaling back on work safe practices. But the survey also flagged up that about one in twelve workers claimed they felt under pressure to take risks with safety to cut costs.

Launching the findings, BSC chief Brian Nimick said: "No one should have to work in a situation where they fear for their safety because of unsafe practices.

"There needs to be a clearly defined 'safe to work' covenant between workers and bosses if we are to make the workplace in the UK and elsewhere as safe as possible.

"Even in the current challenging financial climate facing industry, now is not the time to make health and safety costs a casualty of cut backs."

While the majority of workers (70%) feel more inclined to be productive in an environment where their employer is attentive to their health, safety and well-being, only just over half of bosses (59%) now think that a proactive approach to health and safety enhances the bottom line compared to 72% in 2007.

In 2007/08 non-existent or inferior health and safety measures in British workplaces killed 229 men and women and injured 136,000 employees – costing industry £7.8bn.



Beating Swine Flu

The H1N1 Virus: Frequently Asked Questions

WHAT IS SWINE FLU?

Influenza is caused by a viral infection. A new strain of the influenza virus (H1N1) was identified in early 2009 and has spread to more than 100 countries around the world. Although the symptoms have generally proved mild for the overwhelming majority of patients, in a small number of cases patients have developed more serious conditions leading to death. Many of these fatalities have occurred in patients with other underlying health problems like lung or heart disease.

HOW DOES IT SPREAD?

Like all influenza viruses, the swine flu virus spreads when it becomes airborne. The

virus can be spread in the tiny particles in the spray that comes out of the nose or mouth of an infected person when he or she coughs or sneezes – especially if the nose and mouth are not covered by a tissue at that moment.

Putting a hand to the nose or mouth when coughing or sneezing may be better than nothing. But the germs in the spray left on the hand can be easily transferred by touch to any hard surfaces where they can live for some time. Common surfaces include desks, tables, computer keyboards, door handles and telephones

If other people make contact with these surfaces and then touch their faces, the germs can enter their systems and they can become infected.

health: safety

Big rise in workplace suicides in USA

The recession may be driving more people to take their lives at work, according to new statistics from the US. The number of people who killed themselves at work in the US rose by 28% to an all-time high last year.

Annual figures from the US Bureau of Labor Statistics (BLS) revealed that in 2008 'self-inflicted' deaths in the workplace rose from 196 to 251.

The rise is all the more remarkable since it has come in the context of a 12% drop in the overall number of workplace fatalities to 5,071 – the lowest total since records began in 1992.

A BLS spokesperson said the agency intended to research the surge in suicides more extensively. But anecdotal evidence has pointed to the financial crisis and job insecurity.

Lanny Berman, Executive Director of the American Association of Suicidology, said that although the statistical jump required a case-by-case investigation, it "clearly has potential implications related to the threat of unemployment and it has implications related to dissatisfaction and rage about the quality of the work experience."

He added: "When people do something in a public place, it tends to imply a suicide relative to something going on in that place."

HEALTH IMPACT OF UNEMPLOYMENT STRESS

Researchers at the London School of Hygiene and Tropical Medicine and Oxford University reported this year that soaring stress brought on by job losses could prompt a 2.4% rise in suicide rates in people under 64 years of age, a 2.7% rise in heart attack deaths in men aged 30-44 years, and a 2.4% rise in homicide rates.

Crying Shame, a report last year from Britain's *Hazards* magazine, warned that work factors could account for up to 250 suicide deaths in the UK each year.

WHAT ARE THE SYMPTOMS?

The symptoms of swine flu in people are similar to those of ordinary flu and include:

- Fever,
- Fatigue,
- Coughing, and
- Lack of Appetite.

Some people with swine flu have also reported:

- Sore Throat,
- Runny Nose,
- Vomiting and
- Diarrhoea.

HOW CAN I PROTECT MYSELF?

Prevention through proper hygiene standards is the single most effective way to slow the spread of diseases such as swine flu. You should always ensure that:

- you wash your hands thoroughly with soap and water on a regular basis;
- work surfaces are cleaned regularly to get rid of germs;
- you use tissues to cover your mouth and nose when you cough or sneeze; and
- used tissues are disposed of as soon as possible in a secure bin.

DO I NEED A FACE MASK?

Although in some countries some people have begun to wear face masks as a form of protection against the virus, the available scientific evidence shows that these basic masks offer little or no protection against infection. The preventative measures outlined above are far more effective.

SHOULD I GO TO WORK IF I THINK I COULD HAVE BEEN IN CONTACT WITH SOMEONE WHO MIGHT HAVE SWINE FLU?

Yes, as long as you do not have flu-like symptoms. If you are feeling well, you should go about your normal activities, including going to work.

Most people with the virus will start to be infectious from about a day before symptoms show. They will be most infectious in the first few days of their illness and will cease to be infectious after about seven days.

This article is intended to advise IBOA members and representatives about the possible impact of the H1N1 virus – often known as Swine Flu – and the precautions to be taken in the event that you come into contact with the virus.

If you have any queries about the virus, you should discuss them with your manager in the first instance.

If you do not get a satisfactory response, you should then contact your IBOA representative who should then raise any concerns with management. If reps need any further advice, then they should contact IBOA Head Office.

WHAT ABOUT PREGNANT WOMEN?

The health authorities have advised that there may be grounds for pregnant women to avoid crowds or unnecessary travel. If a pregnant woman is worried about the added risk of travelling to work by public transport in the rush hour, or if she has contact with a large number of people at work, her employer should consider any requests for making adjustments to her working arrangements – such as allowing her to change her travelling time, move from public duties on a temporary basis or even work from home, if it is feasible. Although the risk may not be serious, many pregnant women are understandably concerned about the possible effect on their health. Employers should be urged to look sympathetically at any such requests.

SHOULD MY EMPLOYER INFORM US IF A WORK COLLEAGUE GETS SWINE FLU?

Yes, your employer should tell you if someone at work has developed swine flu. Your employer has a duty of care to all staff and should consult with the IBOA reps on any health and safety issues affecting our members.

WHAT SHOULD I DO IF I DEVELOP FLU-LIKE SYMPTOMS?

The health authorities have advised employers to send home any staff displaying flu-like symptoms and to instruct staff who phone in complaining of flu-like symptoms to stay at home, if they have good reason to believe that they may have been exposed to the swine flu virus.

IBOA considers that in most workplaces employers should consider the following:

- *Absence management policies:* Employers who have strict absence management policies to discourage short-term absences will need to modify them. Workers should not fear that they will be penalised if they take time off with flu symptoms. Employers need to make it clear that they want sick workers to take the time off to reduce the spread of infection at work.

- *Parents' and carers' leave.* Employees may need to be able to take time off at short notice – for example if their children's schools are closed or if they need to care for a sick relative.

- *Impact on remaining staff.* There may be health and safety (or even disciplinary) concerns for remaining staff who have to cover for absent colleagues – for example, if someone is expected to carry out work or perform in a role for which they have not been properly trained.

- *Working time.* Employers may want remaining staff to work overtime to cover for absent colleagues. However, care should be taken to avoid unreasonable demands which would intensify stress and result in even more absence.



Laptops – the greener choice?

Yes Many offices have opted for laptop computers in preference to desktop machines on the basis that they are more energy-efficient.

Laptops generally use somewhere between 25% and 50% of the power used by desktops – especially desktops with separate cathode ray tube (CRT) monitors.

Computers are also a major source of heat – which may place heavier demands on air conditioning systems in the summer. As air conditioning is far less efficient than heating, it generates significantly more greenhouse gases.

So computers that use less energy will create less heat – cutting the cost of reducing temperature to acceptable levels.

No Switching over to laptops just to save energy may disguise another significant environmental impact – waste. ↓

Our demands most modest are...

We only want the earth

Trade unionists are driving workplace action on climate change, new research commissioned by the British TUC has revealed.

According to a survey of over 1,300 union representatives by the Labour Research Department (LRD), trade unions are now the real green champions in the workplace – with union reps engaged in a range of practical activities to reduce carbon emissions – including proposing, initiating and supporting measures to save energy and reduce waste.

The research found that reps are vital catalysts to ensure that low carbon measures are implemented across thousands of workplaces. Unions are negotiating agreements to meet sectoral and organisation targets to reduce emissions.

Hundreds of workplace committees have discussed the issues and made proposals. Union reps have carried out workplace audits and held green events.

The survey also found that most employers had failed to take the measures necessary, either to reduce their emissions, or to adapt their working conditions to climate change. Many reps have expressed frustration after their suggestions to reduce emissions at work have been ignored by employers.

“Most employers are not using renewable energy sources or implementing simple measures such as insulation,” said LRD’s Paul Hampton. “Some have introduced car parking charges, often justified as a green measure, without consultation or consideration for workers. Few employers have adaptation measures such as an upper workplace temperature limit, nor have the vast majority made preparations for extreme weather events.”

Some union reps have been obstructed from taking up climate change in the workplace. Three-quarters said they did not have facility time for environmental work and 49 reps said they had been refused time off for training.

The main recommendation from the research is that government should give union reps legal rights to tackle climate change at work, including time off for functions and training, through the ACAS code of practice.

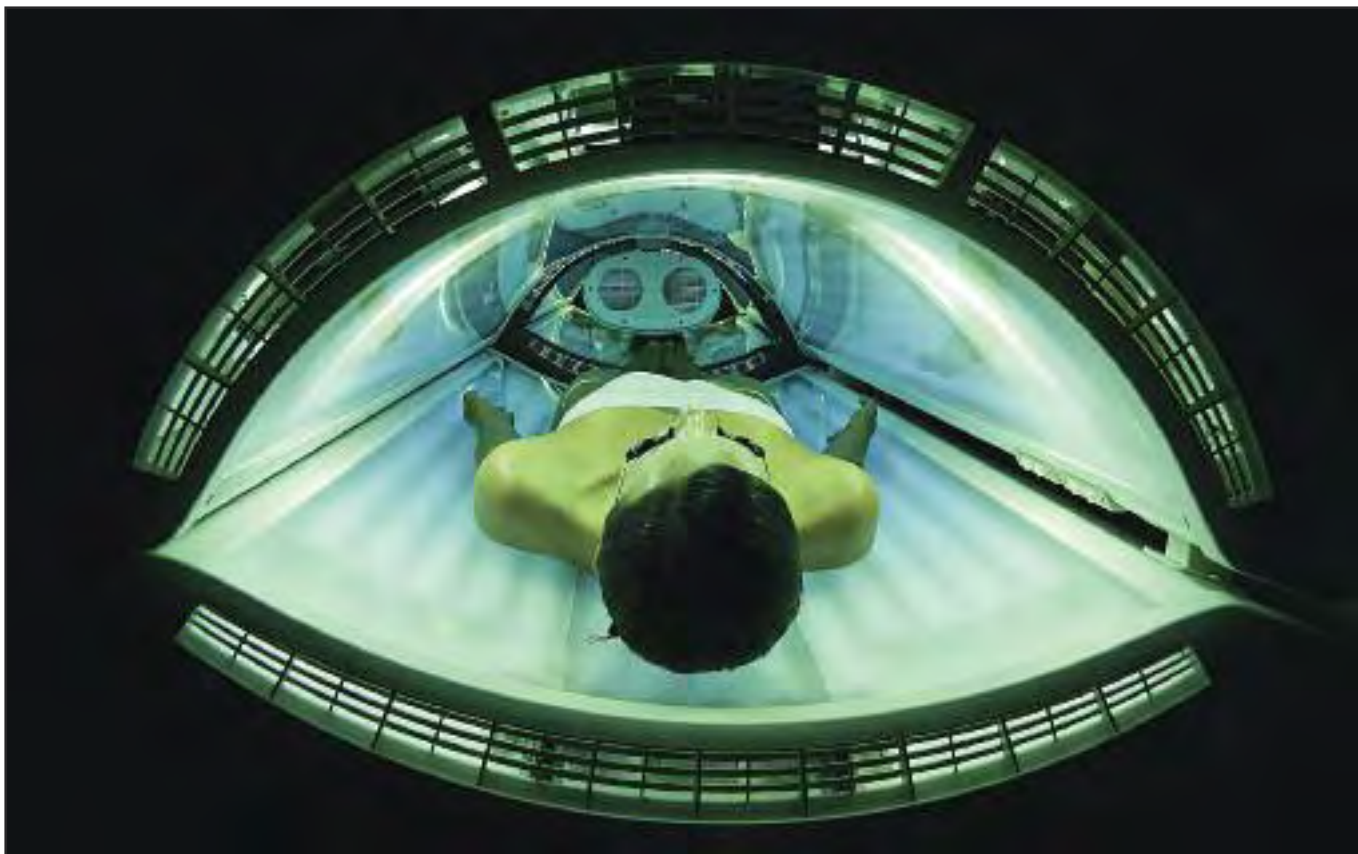
The results of the survey provides “mounting evidence that unions are taking action to tackle climate change,” said TUC General Secretary, Brendan Barber. “Unions have the proven ability to deliver progressive change on working conditions, safety and equality – and for tackling climate change. But to make such a contribution, union reps need a legally defined role.”

Laptops are designed for portability and therefore have highly compact integrated parts. Desktop computers are much more open inside, allowing users to upgrade and repair any broken or defunct parts. However, since laptops cannot generally be serviced by the user, this can result in greater amounts of electronic waste. This highly toxic waste is a growing concern because it is difficult to dispose of or recycle safely.

As laptop parts are also likely to be exposed to more difficult conditions – such as higher heat, vibrations and voltage fluctuations – over their lifetimes, this may lead to parts failing more quickly than in desktop machines.

Assigning desktops to employees may encourage them to take work home – which, while helpful to the business in terms of extra productivity, also results in extra energy usage.

Unless portability is vital, it is better to use smaller, lower-energy desktop machines which are more likely to be upgradable.



Sunbeds are toast: Time to fake it

The International Agency for Research on Cancer (IARC) recommended recently that sunbeds be moved to the "highest cancer risk category" as "carcinogenic to humans" after they had been found to be more dangerous than previously thought.

The ultra-violet (UV) radiation used in tanning beds is a concentrated version of the ultra-violet rays from the sun. According to some estimates, the potential energy delivered by a sun bed is up to five times that of the midday sun.

Eye cancers were identified as a particular problem by the IARC – which pointed out that the danger was greatest to children and young adults, as long-term exposure to UV radiation increased the risks involved.

The likelihood of developing a melanoma rises by 75% if tanning devices are used before the age of 30, according to the IARC.

In the UK, sunbeds are reckoned to cause around 100 deaths from skin cancer every year. The more you use a sunbed the greater your risk of skin cancer. Using a sunbed once a month or more, can increase your risk of skin cancer by more than half. So when the tan fades, the damage remains.

"The use of UV-emitting tanning devices is widespread in many developed countries, especially among young women. A comprehensive meta-analysis concluded that the risk of skin melanoma is increased by 75% when use of tanning devices starts before 30 years of age," according to the International Agency for Research on Cancer.

Sunbeds also cause premature skin ageing, which means that your skin becomes coarse, leathery and wrinkled at a younger age.

Burning or going red under a sunbed is a sign that you have seriously harmed your skin. UV radiation can penetrate deep into the skin's layers and damage the DNA in our skin cells. Cells damaged by UV rays are at greater risk of mutating into a cancerous form.

Some people argue that exposure to UV rays – either by sun-beds or by direct sunlight – helps to produce the levels of Vitamin D necessary for good health. In fact short exposures to the sun produce adequate amounts of Vitamin D. A sunbed is definitely not necessary to top up your vitamins!

You should NEVER use a sunbed if you:

- are under 18;
- have fair or freckly skin;
- burn easily;
- have a lot of moles;
- have had skin cancer in the past;
- have a family history of skin cancer;
- are using medication that makes you more sensitive to UV rays.



Light Tantastic

Clarins Self-Tanning Instant Gel has been consistently rated as the best self tanner by reviewers for its easy application and smooth, silky texture.

Although some consider it to be a little expensive, they agree that the results are worth the extra cost – especially since the gel is virtually streak-free and the odour is more tolerable than most self-tanners.

Although it may not be as convenient as some professional spray tanning, it is much more affordable to maintain.

Clarins Self-Tanning Instant Gel has got the thumbs up from Paula Begoun in her book, *Don't Go to the Cosmetics Counter Without Me*, as well as magazines, *Elle* and *Allure* whose reviewers and readers have put numerous cosmetic products through their paces.

global: eye

A matter of life and death



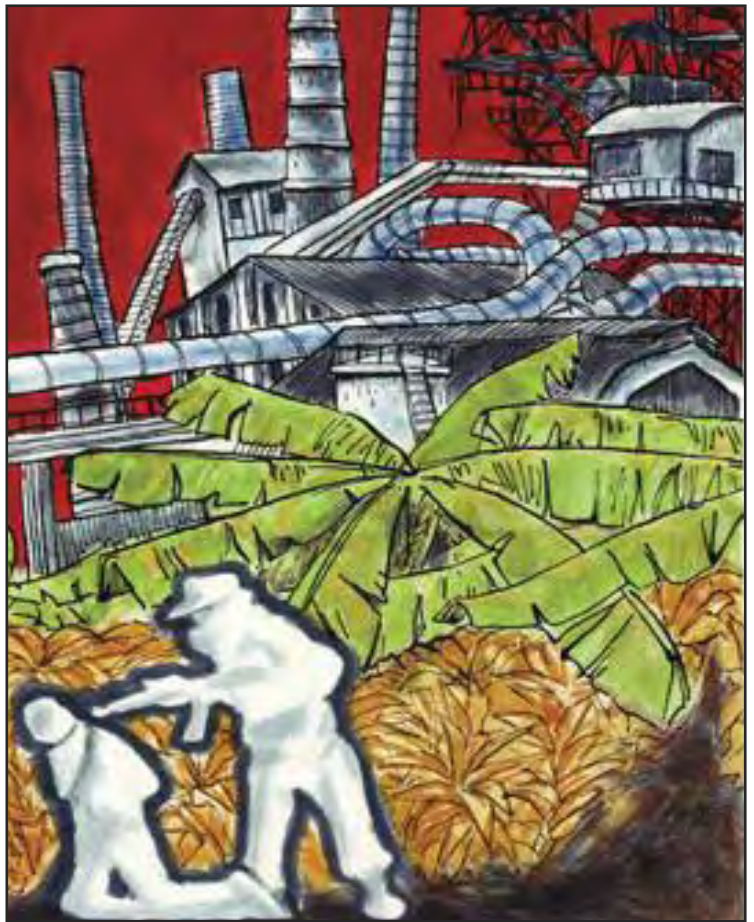
At least 76 people were killed around the world last year because of their involvement in trade union work.

The annual survey of trade union rights violations – carried out by the International Trade Union Confederation (ITUC) – also showed that many thousands more were attacked physically or subjected to harassment, intimidation and arrest because of their activities.

Although killings overall fell from 91 in 2007 the number of trade unionists murdered in Colombia climbed to 49 – 10 more than the previous year.

Nine activists were assassinated in Guatemala, four were killed in the Philippines with the same number

Luis Alberto Vanegas of the Colombian Trade Union Congress (CUT) was a special guest of the Irish Congress of Trade Unions at its Biennial Delegate Conference in Tralee in July (Photo: Kevin Cooper/PhotoLine).



in Venezuela, three in Honduras, two in Nepal and one each in Iraq, Nigeria, Panama, Tunisia and Zimbabwe – where the increasingly isolated Mugabe regime continued its reign of terror against the trade union movement.

In a number of cases governments were either directly or indirectly involved in the killings.

A total of 50 serious death threats were recorded in seven countries as well, along with some 100 cases of physical assaults in 25 countries.

According to the ITUC figures, governments in at least nine countries – Burma, Burundi, China, Cuba, Iran, South Korea, Tunisia, Turkey and Zimbabwe – were responsible for imprisoning trade unionists for engaging in legitimate activities in support of workers.

ITUC General Secretary, Guy Ryder, said: "Governments in every region are clearly failing to protect fundamental workers' rights, and in several cases were themselves responsible for heavy repression of these rights."

"The fact that certain countries, such as Colombia, Guatemala and the Philippines appear year after year on the death list shows that the authorities are, at best, incapable of ensuring protection and in some cases complicit with unscrupulous employers in the murders."

The ITUC report highlighted the trend towards increasingly harsh exploitation and attacks on workers' rights in the world's Export Processing Zones, or EPZs.

Some 34 countries are cited in the survey for inadequate or non-existent protection of EPZ workers, including Albania, the Bahamas, Belize, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Jamaica, Jordan, Mexico, Nicaragua, Oman and Poland.

A further 22 countries are singled out for the exploitation of migrant workers, who are often denied even the most basic of rights, and whose situation often means that they are more vulnerable to exploitation and abuse.

Mr Ryder said: "Hundreds of millions of working people in both developing and industrialised countries are denied the fundamental rights to freedom of association and collective bargaining."

"For many, especially those in precarious employment, this denial wreaks havoc on their lives, as they work extremely long hours in hazardous or unhealthy situations with incomes so low that they are unable to support themselves and their households properly."

"Lack of respect for workers' rights has increased inequality around the world, and that inequality helped trigger the global recession."

The motherhood penalty

Working mums in US are far more likely to suffer discrimination at work

While workplace discrimination on the grounds of gender has been highlighted on numerous occasions in Europe and the US, another more insidious form of discrimination has been revealed in a recently published study which found that employers in the US have a substantial bias against working mothers compared to working women without children.

In their study, *Getting a Job: Is There a Motherhood Penalty?*, three American sociologists, Shelley Correll, Stephen Benard, and In Paik, found that a working mother was 100% less likely to be hired when she applied for a position, than a childless female employee.

Employers consistently ranked mothers as less competent and less committed than non-mothers.

"They were also offered \$11,000 a year less pay, on average, than an equally qualified childless candidate," according to Correll.

The researchers used two fictitious CVs for two equally qualified candidates – one childless and one a mother (by implication).

The only difference between them was that in one CV, the candidate was listed as an officer in a primary school Parent-Teacher Association – while the other omitted this reference.

This one difference was enough to ensure that the non-mother was called back by employers 100% more often than the mother.

In another study, the researchers used more fake CVs to apply for 638 jobs during an 18-month period.

This survey also found that childless women were more than twice as likely to be called back for interview as mothers with similar credentials.

As for men, there was no difference in the call-back rates for fathers and childless men.



Mum's not the word for many employers.

"I was not surprised to find that mothers were discriminated against," said Shelley Correll, who is an associate professor in the Department of Sociology at Stanford University in California.

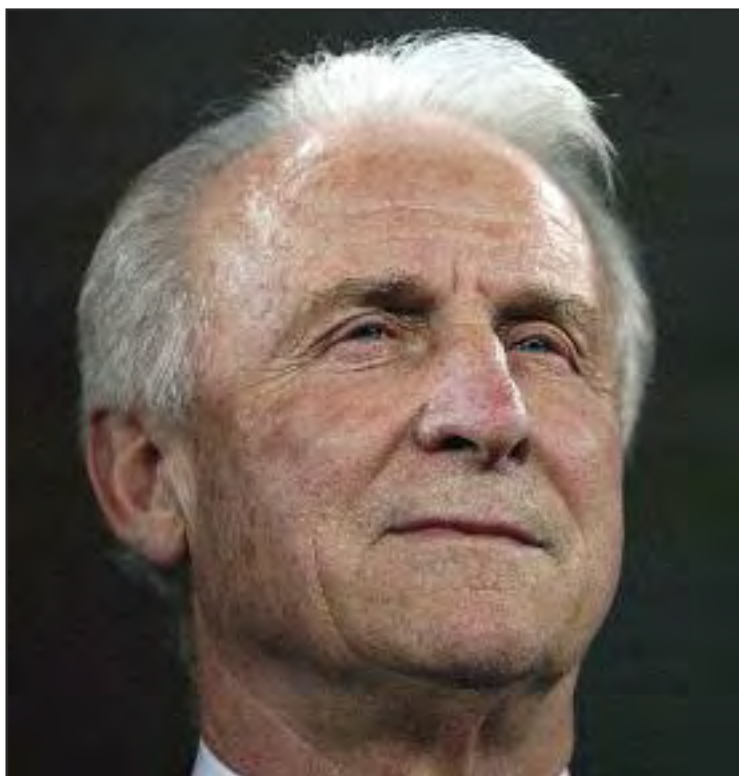
"But I was very surprised by the magnitude of the discrimination," she declared.

"With gender or race, we often talk about the subtle ways that stereotypes are disadvantaging," she said. "With mothers, the effects were huge, such as being about 100% less likely to be recommended for hire than childless women and being offered much lower starting salaries."

sports: life

On the brink

Can both sets of boys in green make it to South Africa next year?



In Cyprus, summer spreads its warmth across September days. The blue and white of the national standard of Greece flutters in the gentle breeze of evening that does little to disturb the mercury. On a hill above Nicosia, the island's capital, lights twinkle in the balmy night. They trace the shape of the flag of Turkey, an incongruous reminder that Cyprus is a place divided.

The two tribes who inhabit this corner of heaven have lived apart since 1974. The United Nations holds the line between Turk and Greek. It makes a visit in the company of an Irish football team all the more evocative.

In our own part of the world, the border has gone. You can buy the *Belfast News Letter* in Blanchardstown and order your Irish passport in a post office in protestant East Belfast. But there are still two sets of Boys in Green.

Until the September round of fixtures, both Irelands sat well placed for a ticket to the World Cup in South Africa. Now, the picture is in sharper focus.

Trapattoni's Republic will have to implode in the most spectacular fashion if they aren't to claim a play-off place.

Put simply, one win from the two remaining matches in Croke Park, against Italy, then Montenegro – or a draw in them both – will guarantee a two-leg knock-out tie in November to book that ticket for South Africa next summer.

Republic of Ireland soccer manager, Giovanni Trapattoni, looking to plot the downfall of his former charges, Italy (Photo: Inpho)

Northern Ireland's circumstances have suffered a setback. Yet, however remote the possibility, the historic simultaneous presence of the two at football's top table may still come to pass.

In their qualifying group, Northern Ireland have one game to go – away to the Czech Republic – and they've already drawn with the Czechs in Belfast. Unfortunately, their fate is in the hands of others.

Should second-placed Slovenia score a win in Bratislava, away to top-of-the-table Slovakia four days before the game in Prague, it'll be the end the road for Northern Ireland.

Trapattoni's team, though, are sitting pretty, a tribute to the management, of course, but most

especially to the players. For if ever the whole was worth more than the sum of its parts, it's this Irish team.

Trapattoni has moulded a unit – not unlike Jack Charlton did in the Republic of Ireland's most successful era – that makes the most of what it has, and does not try to be what it is not.

He's yet to lose a qualifying game – and with the draw in Bari, his team achieved what only four others have ever managed across all the years, and that is to deny Italy, the current World Champions, a win in a World Cup qualifying tie.

It's not all sweetness, of course. Though they've shown they can start strongly, and draw first blood, they have a tendency to lose their way when in front.

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Three times in this qualifying group, they have squandered winning positions, and only once re-taken the lead to claim the victory.

There was also the jittery performance which followed the fifth minute lead goal – from Robbie Keane – against Cyprus at Croke Park.

They held on for the win in that one, but the cost of failure to retain a lead on those two other occasions, both against Bulgaria, has been four points, points which would have put them level with Italy going into the big game at Croke Park on October 10th.

On the plus side, they never say die, and they did retrieve an awful situation against Georgia at Croke Park.

They'd struggled after going behind in the opening minute, and it took a lucky penalty – converted by Keane – to get them level with less than twenty to go.

But there was Keane again to score the captain's winner, just as he was to do seven weeks later in Italy. It kind of balances itself out, doesn't it!

So roll on Croke Park, and a real Dublin welcome for the champions of the world. They're infrequent visitors to these shores. The last time they came was for a friendly in August 2005, and before that, it had been on a February evening twenty years earlier when they'd graced the city as holders of the World Cup.

The game, in Dalymount Park, attracted an attendance way beyond

Main picture: Robbie Keane scores the vital late winner for the Republic against Cyprus.

Top right: Marco Tardelli and below: Liam Brady – former adversaries who are now working together on the Republic's qualifying campaign.

(Photos: Inpho)



the capacity, and only the quick thinking of Gardaí and stewards prevented a disaster, similar to what was to unfold at Hillsborough in 1989.

With the crisis averted, and a row of spectators now seated along the touchline, the game got under way. Mark Lawrenson conceded an early penalty, and injured himself in the process.

In his place, Paul McGrath came on to win the first of his 83 caps for Ireland.

Two members of the present Irish management team were involved – Liam Brady and Marco Tardelli who was shown the game's only yellow card by the Dutch referee.

Despite Italy's dominance – they were to win 2-1 – the mood was good, and the abiding memory is of a moment of pure comedy. When Paolo Rossi, who'd won the Golden Boot as top scorer at the World Cup, and had put away the early penalty that night, was substituted late on, he left the pitch to what certainly wasn't his first ovation.

It would surely, though, have been the first time that the touchline was thronged with fans, all of whom wanted to shake his hand as he made his way to the dressing room.

We've come a long way since then, and South Africa still beckons, and once again, the World Cup holders are coming to town.

A repeat of the result in Cyprus would do nicely. With a play-off, at the very least, thus secured – we wouldn't even miss the balmy breeze.

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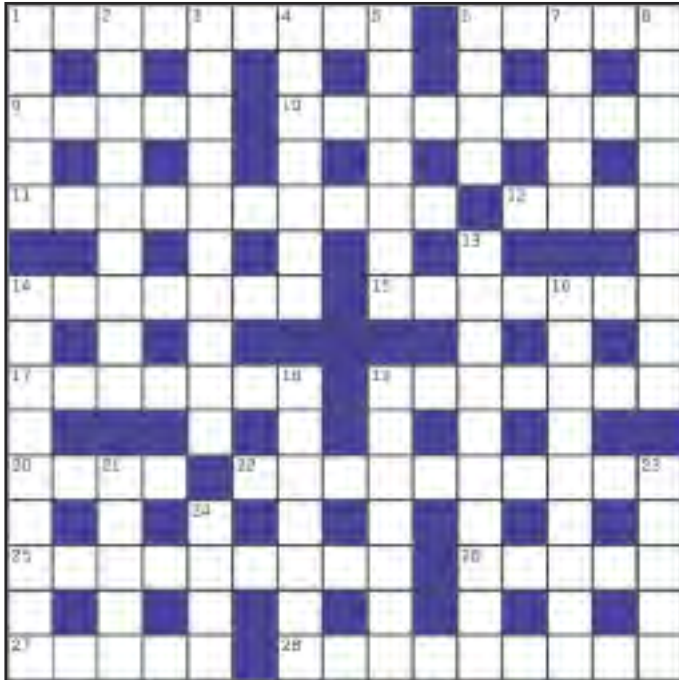
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iboa: quizzes

prizecrossword

A prize of €50 will be awarded to the first entry drawn from our post bag after the closing date.



Across:

- 1. Ultra-violet may be a form of this (9)
- 6. Even (5)
- 9. Implicit (5)
- 10. Pupa of moth in cocoon (9)
- 11. Commitment (10)
- 12. Small pond (4)
- 14. Knotted (7)
- 15. Japanese warrior (7)
- 17. Upper branches of oak or ash (7)
- 19. Stopping (7)
- 20. Not fat (4)
- 22. Decisively surpassed (10)
- 25. Evaluation (10)
- 26. Surprise (5)
- 27. Throw out (5)
- 28. Pact (9)

Down:

- 1. Considered (5)
- 2. Degeneration (9)
- 3. Put into words (10)
- 4. Encouraged (7)
- 5. On edge (7)
- 6. Fail to win (4)
- 7. Worth (5)
- 8. Paying attention (9)
- 13. Join together (10)
- 14. Excite (9)
- 16. Restore to previous condition (9)
- 18. Old state in the eastern part of Germany (7)
- 19. Relative (7)
- 21. Fruit (5)
- 23. Resided (5)
- 24. Quick (4)

PREVIOUS SOLUTION

Across: 1. Scrubbing; 6. Brush; 9. Begin; 10. Contender; 11. Enthusiasm; 12. Free; 14. Apostle; 15. Skaters; 17. Casinos; 19. Brigand; 20. Iota; 22. Coronation; 25. Edinburgh; 26. Image; 27. Today; 28. Nerveless.
Down: 1. Sable; 2. Righteous; 3. Banqueting; 4. Incline; 5. Genesis; 6. Beef; 7. Under; 8. Harnessed; 13. Capitalise; 14. Architect; 16. Eradicate; 18. Sporan. 19. Brother; 21. Triad; 23. Needs; 24. Ably.

The winning entry was submitted by Hubert Croghan of Blackrock, Co. Dublin.

Name Union No

Address

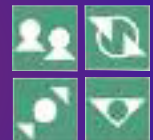
Employer Branch/Dept

A prize of €50 will be given to the sender of the first correct entry drawn from our post bag on October 30, 2009. Entries should be sent to Crossword, *Spectrum*, IBOA – The Finance Union, IBOA House, Stephen Street Upper, Dublin 8. Photocopies of the grid are acceptable if you prefer not to cut up the magazine.

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7						5	1	9
4	3				9		7	
1			5		8			
	6	7		8		3		
			9		6			
		4		3		9	8	
			2		4			1
	4		3				9	5
3	5	1						4

A prize of €30 will be awarded to the sender of the first correct entry drawn from our post bag on October 30, 2009.

All entries should be sent to Sudoku, *Spectrum*, IBOA – The Finance Union, IBOA House, Stephen Street Upper, Dublin 8.

A photocopy of the grid will be acceptable – if you would prefer not to cut up the magazine.

The winning entry for the Sudoku Challenge in the last issue was submitted by Mary Finn of Renmore, Galway.

Name Union No.....

Address

.....

Employer..... Branch/Dept.....

Are you due a refund?

If you have been a member of any of the following IBOA local area Sports and Social Club Draws then you may be due a refund.

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Midlands Region AIB Bank, Dundalk
NSC 93-24-50 A/C No 13881698

London District AIB Bank, Kilburn
NSC 23-83-95 A/C No 42023092

Although the monthly draws for these accounts finished some time ago, some monthly payments have continued to be made. IBOA is refunding all subscriptions back to the date of the last draw.

So, if you have been paying into one of these draws, please copy and complete the form below and send it – along with proof of your standing order payment – to Accounts Department, IBOA, IBOA House, Stephen Street Upper, Dublin 8.

For more information, contact Jessie Doherty, IBOA Honorary Finance Officer at 00-353-1-4755908 or at jessie.doherty@iboa.ie

It really doesn't take much to work out!

UNION YES!

Inspired physicist and inspiring teacher, Albert Einstein was also a trade unionist. He was a founder member of Local (Branch) 552 of the American Federation of Teachers at Princeton University.

I'M BETTER OFF ALTOGETHER!
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Address:.....

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Membership No.:

Contact No.:

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Rebuilding Trust in Banking

In this collection of essays on *Regulation, Corporate Governance and Ethics in Banking*, Ray Kinsella argues that the root cause of the present global financial crisis is an ethical 'black hole' at the heart of corporate capitalism.

Professor Kinsella makes the radical argument that the business model – based on maximising short-term shareholder value – is fundamentally flawed.

Equally, he argues that the prevailing political culture, with its emphasis on power – rather than on service to the human person – is incapable of rebuilding trust in banking either globally or within Ireland.

In this regard, he highlights the case for a new inclusive international financial architecture, at the heart of which is a global financial regulator.

He argues that the global recession, as it is being experienced in the lives of people and in businesses, is not something that can be solved by the 'old politics' and by expenditure 'cuts' in vital public services.

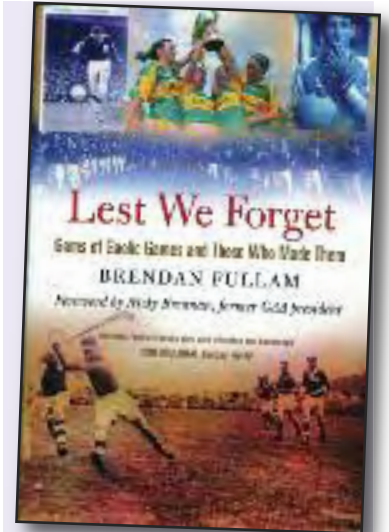
Instead, the emphasis should be on reducing the size of Government, and the 'cult of interventionism' in business and in the lives of people. State support for credit institutions should therefore be conditional upon a change in the business model.

Ireland, with its innate entrepreneurial abilities, its "golden demographics" and its rich renewable-resource base, has, he argues, the capacity to grow its way through the recession.

The key theme running through this book is that a sustainable recovery requires aligning the goals of politics and of business – including credit institutions supported by the State – to the common good as the single most important condition for transforming the lives of individuals, institutions and countries.

Ray Kinsella is on the Faculty of the School of Business and Law at the Michael Smurfit School of Business, University College Dublin, and is also visiting Professor at the Institute of European Finance.

Published by Vonier Press, Wicklow, priced €30, the book can be ordered online at: www.vonierpress.com



Brendan's labour of love

Lest We Forget is another delightful GAA book by retired bank official, Brendan Fullam.

It recalls epic games and outstanding hurling and football personalities from every decade of the GAA's history and makes fascinating reading.

Many of the photographs in the book have not been seen before and add immensely to the experience.

Ladies football is dealt with through the person of Maeve Quinn of Leitrim – and the game of camogie through sisters, Mary and Una Leacy of Wexford.

Interestingly, three of the outstanding exponents of the modern game of hurling featured in the book are also bank officials – Seán Óg Ó hAilpín (Cork and Ulster Bank), Henry Shefflin (Kilkenny and Bank of Ireland) and Brendan Cummins (Tipperary and AIB).

A must for all GAA fans, *Lest We Forget* is beautifully produced by the Collins Press, Cork.



Labour of Love: Brendan Fullam

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Great Expectations

Sebastian Barry play to premiere at Abbey Theatre in October

Daffodils are in bloom as dawn breaks over the foothills of Ballycumber, ushering in hope for a new day and stirring the ghosts of a past fraught with sorrow, isolation and emptiness.

Setting out in search of advice on a budding love interest, young Evans Stafford calls to the home of his friend, Nicholas Farquhar. The following morning the local boy is found bloodied, note in hand. What is said during their brief encounter to fracture innocence and compel him to violence?

As Farquhar struggles to come to terms with his actions and their devastating consequences he discovers that his memories and words are governed by a force greater than himself – a buried history that propels both men towards a desperate and inevitable climax.

Sebastian Barry's startling and intimate portrayal of two unlikely companions reveals that they are connected more closely than they realise, both haunted by solitude.

Directed by David Leveaux, the world premiere of *Tales of Ballycumber* at the Abbey Theatre promises to be one of the highlights of this year's Dublin Theatre Festival

when it opens on October 7 – with an excellent cast of Stephen Rea, Derbhle Crotty, Barry Barnes and Aaron Monaghan.

Although, of late, Sebastian Barry has successfully turned his hand to writing novels – securing two Man Booker nominations in recent years as well as the Costa Book of the Year Award in 2008 and this year's Hughes & Hughes Irish Novel of the Year 2009 – his theatrical credits are even more impressive – including his marvellous masterpiece, *The Steward of Christendom*.

Playing for keeps:

The world premiere of "Tales of Ballycumber" by award-winning playwright and novelist, Sebastian Barry (bottom right) opens at the Abbey Theatre on October 7.

The cast includes Stephen Rea (top right) and Derbhle Crotty (centre right).

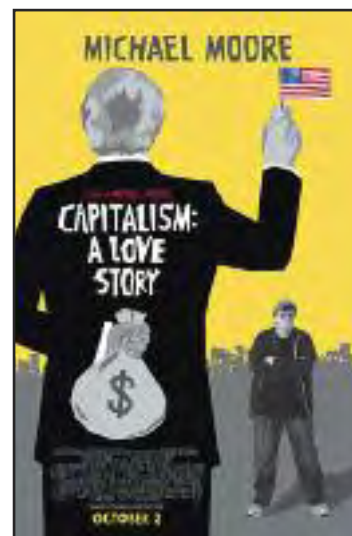


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sight: ings



Capitalism: A Love Story

Michael Moore takes aim at Wall Street

"It's a crime story," says Michael Moore describing his new documentary on the credit crunch. "But it's also a war story about class warfare. And a vampire movie, with the upper one percent feeding off the rest of us. And, of course, it's also a love story. Only it's about an abusive relationship."

The director who brought documentary film-making back into mainstream cinema with movies like *Bowling for Columbine* (on gun control in the US), *Fahrenheit 9/11* (on the war in Iraq) and the Oscar-nominated *Sicko* (on the crisis in the US healthcare system) is focussing on the collapse in the American financial system that, in turn, precipitated the recent global meltdown.

"It's not about an individual, like Roger Smith (the former Chief Executive of General Motors) or a corporation or even an issue like health care," he says. "This is the big enchilada. This is about the thing that dominates all our lives – the economy.

Wall Street scuffle: Satirical American film-maker, Michael Moore (above), goes to the heart of New York's financial district to get his message across in his new movie, *Capitalism: A Love Story*.

I made this movie as if it was going to be the last movie I was allowed to make."

It remains to be seen whether *Capitalism: A Love Story* turns out to be the culmination of Moore's career as a film-maker.

Due for general release in October after its premiere at the Venice Film Festival, there have been suggestions that pressure to get the film out quickly may have prevented Moore from producing the truly definitive critique. Nevertheless, he adds reassuringly: "it's a comedy."

The trailer posted on the internet reveals Moore in rare form –

taking empty moneybags into merchant banks in order to reclaim missing billions – "We're here to get our money back."

Or striding into the lobby of the salubrious headquarters of the once-mighty insurance giant, AIG, in order to make a citizen's arrest of the Board of Directors.

Or buttonholing Wall Street traders to explain credit default swaps and other complex financial instruments.

Or interviewing the Congressional Oversight Officer with the question on everyone's lips: "Where's our money?" (Response: "I don't know.")

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Does the cap fit? Baudouin Prot, Chief Executive of BNP Paribas (Photo: SIPA).

One sized cap does not fit all!

Do you ever get confused about the difference between competitiveness and competition?

Sometimes it's hard to understand. But recent events might help to clarify matters.

When IBOA lodges claims for pay increases on behalf of members working in the lower grades in various financial institutions, the standard response from management includes a range of reasons why such a claim should not be entertained – and top of that list is usually competitiveness.

The institution would be seriously disadvantaged in relation to its competitors if the staff were to be given increased rewards.

When French President, Nicolas Sarkozy, recently called on the heads of BNP-Paribas and other major French banks to demand that the bonuses of senior executives be capped, they decided against open defiance. But their handlers were out afterwards briefing that, while the banks would do the President's bidding if absolutely necessary, any cap on rewards for senior staff could damage the banks if executives were lured away by global competitors.

So there you have it. On the one hand *pay rises for rank-and-file staff* will make institutions uncompetitive. On the other hand, *pay restraints for senior executives* will make the same institutions uncompetitive.

ultra: violet

STEPHEN MALONE

Nowt, said Fred

"Whatever you say, say nothing," seems to be the advice being proffered to former RBS Chief Executive, Sir Fred Goodwin, who left the job earlier this year under a massive cloud but sitting on a wonderful compensation package.

While the logic of keeping your mouth shut and your head down might be self-evident to the likes of you and me, it seems people like Sir Fred, who move in much more elevated circles, have to seek professional advice on the matter. In his case from the once and future spin-meister, David Burnside, who abandoned his career in public relations temporarily for a spell as an Ulster Unionist MP and MLA.

In his previous life in PR, Burnside was the high-flying (*pun intended*) Public Affairs Director for British Airways. However, his time with the airline came to an end after BA admitted it had engaged in negative campaigning against its rival, Virgin Atlantic.

Still, stating the obvious to a man of indecent means sounds like a nice little earner!



Speak no evil - Hear no evil: Sir Fred Goodwin (left) and his PR guru, David Burnside.

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