
WILKINSON

PAY 2012

Dear Colleagues,

We would like to thank GMB Team Members, who recently took part in our annual consultation exercise seeking your views on items for the 2012 pay claim. As usual the consultation and feedback from you was a great success. Thank you.

We met with the company recently, where they explained the situation that the company finds itself in currently, and the effects of the downward trend that is affecting all High Street retailers. We know members working at a great number of stores will have noticed the change in the High Street amongst retailers in recent years. Many companies have either gone to the wall, or have considerably reduced their store network. Wilko, like all retailers, is, and has not been immune from the reality of the Economic downturn. As well as the banking crisis, bad policies have contributed to mass unemployment, reduction in earnings and hours worked, and reductions in disposable income for many. In turn those that may have some disposable income, because of fear and a lack of confidence, and not knowing what their employment situation may be in a few months time, has led to a number of disastrous results in figures for the retail sector on the High Street. This has been further affected, by the competition and the attraction of cheaper out of town shopping, and free parking facilities at those outlets.

The company has tried to stave off any bad news to Team Members, and have tried to sustain current employment levels for Team Members. Knowing that the company faces difficulty, the company have asked the GMB Negotiating Team to defer for the time being, the 2012 pay negotiations. The company did not ask for a pay freeze, or pay cuts. They asked for a deferment.

Your GMB Negotiating Team carefully considered the difficulties our members are facing. Increase in utility and energy costs, cost of living and food price increase etc. We know that a number of our Team Members are the primary and only income earners in a number of families. Faced with these difficult decisions, and understanding that the company are trying to protect jobs and hours of people, your GMB Negotiating Team has taken the decision to agree to a pay deferment (not a pay freeze) of the anniversary pay award for the time being. The company have guaranteed as a result they will share information with the GMB Negotiating Team regards its ability to commence the negotiations.

This decision was not taken lightly by the GMB Negotiating Team. We know that Team members will not like the decision that we have had to take. But we do hope that Team Members know we have had to take the decision, as we wish to preserve as many Team Members jobs as possible, including stores being kept open. The company are making cuts elsewhere in spend to preserve the company finances. And to ensure keeping some long term investment plans, that will produce efficiencies and savings elsewhere.

We also felt that on the whole, Wilkinson has provided for many years stable and meaningful employment for many Team Members. It has a community and ethical background, including many values, which other retailers could learn a great deal from. There may be Team Members who feel that in recent years the company may have changed in some respects. And at times some disquiet has been expressed about some of the initiatives the company undertook when it was growing. The company employs over 20,000 Team Members, many who live in depressed areas. The company still wants to grow, and provide even more employment opportunities, and carry on with its ethical and community activity. These are values, sadly lacking in many companies.

We hope that our valued GMB Team Members understand why we have had to take this decision. We know some may disagree, with our decision, but we hope you will understand that this was a tough and difficult decision to make, and that it did not come lightly. And that we also had to think about the longer term, and protect as many jobs, and terms and conditions as possible for our GMB Team Members.

GMB is a democratic union, and your GMB Negotiating Team believes in consulting its loyal Team Members. So we have decided to consult with Team Members, and to seek your support in endorsing our actions, even though this was difficult and painful decision to make. And we want to give you an assurance, that as soon as the upturn in trading for the company takes place, we will present a full and proper pay claim to the company, on all Team Members behalf.

Your GMB Regional Organisers and Shop Stewards will give you a copy of this letter; you are then entitled to express your views. Your GMB regional Organisers and Shop Stewards will then collate these views regionally and send a report to myself, which will let me and the GMB Negotiating Team know the collective views of our GMB Team Members in the Distribution Centres, Head Office and Stores.

We will keep all Team members updated on all further significant developments, and may I again thank you all, for your kind support and assistance in this matter,

FOR AND ON BEHALF OF THE GMB NEGOTIATING TEAM

Yours sincerely,



Mick Rix
GMB National Officer

Billy Gaskell DC2 – Tel: 01633 883616
Keith Espin DC1 - Tel: 01909 505589

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