

# GMB

SCOTLAND

# DIAGEO



## GMB Response to Diageo Communication

**Diageo: Diageo is offering our employees a pay package increase equal to 3.2%.**

GMB: Diageo offered a 3% increase on pay and an £85 increase on product allowance – product allowance simply returns profit to the business, it does nothing to raise your basic rate of pay.

**Diageo: This is well above the Consumer Price Index – often regarded as the UK's rate of inflation – which stands at 2.5%.**

GMB: For eighteen years Diageo has settled with GMB for at least the January rate of RPI (4% in January 2018) on your pay. CPI does not factor cost of living issues like mortgage interest, council tax, etc.

**Diageo: The Retail Price Index is currently 3.2%.**

GMB: It is and Diageo's offer on your pay is 3%, which means it's a below inflation offer and a real terms pay cut for you.

**Diageo: The pay offer is only possible because of the healthy profits contributed to by a global workforce that's performing well.**

GMB: Then why offer a pay cut? Diageo's operating profits increased by 3.7% to over £3.7 billion in the last year and your Chief Executive is in line for 266% increase – a rising tide should float all boats.

**Diageo: We fully value and recognise the performance of our workforce and we will further reward that with Freeshares – confirmed at 8.3% - next month.**

GMB: The Freeshares scheme is an existing benefit and not contingent on the pay claim. Although it is a valued benefit it will not help you pay your bills month by month.

**Diageo employees are already in the top quarter of production staff in Scotland when salaries and benefits are compared.**

GMB: Diageo is one of the most profitable companies in the world; it's only right and proper that its employees enjoy decent terms and conditions in recognition of their contribution. If we start accepting below inflation offers you will not remain in the top quarter.

**Diageo: So we're urging our employees to accept this offer in order that it can be backdated to 1 July 2018.**

GMB: Any offer that is finally agreed will be backdated to 1 July 2018.

**Diageo: Negotiations are still going on with each union.**

GMB: No negotiations dates are scheduled but we have told Diageo we are always open to talks.

**Diageo: Unite have agreed to put our proposal to their without recommendation.**

GMB: That is a decision for Unite and their reps. GMB will always make a recommendation to our members ahead of any ballot process.

**Diageo: We would urge GMB members to ask their Union to re-consider their recommendation to reject the offer.**

GMB: Your reps met with the employer yesterday (Thursday 30 Aug), reiterated our position and told Diageo they can do better than a below inflation offer.

Again, our message to Diageo is clear: Stop shifting the goalposts and let our members have their say on pay. Put your offer back on the table for consultation and lift the block on workplace access.

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