

Press cutting

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Bankers consider legal action over bonuses

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Banks could face legal action by disgruntled workers if they are denied bonuses, a leading employment lawyer said.

Ronnie Fox is representing clients at three different banks who maintain they are entitled to payouts despite the recent conditions.

The specialist in employment law said a large number of bankers could take action if the Government imposes a blanket ban on bonuses.

His claims came as a Downing Street spokesman said the Prime Minister wants employees at banks which have received state handouts to waive their bonuses.

Mr Fox is currently representing "a small number" of clients but said this could expand if the Government clamps down on pay outs.

He said: "In each case they have said to me that there are several other people in the same position. I'm acting for a small number but depending on what happens I could be acting for a much larger number.

"I'm representing some people who are very concerned. What they have to see is what the banks actually do and what the Government makes them do.

"At the moment the Government's telling the banks to look very carefully at the bonuses paid to people where the banks have received state aid.

"Where they have done well or their business unit has done well it's wrong that they should suffer."

He said there is a shortage of jobs in the sector and some bankers are "quite angry" at the prospect of losing bonuses.

Mr Fox added: "The Government over-simplifies things and says 'all bankers are bad, none of them are entitled to bonuses, they got us into this mess'. They're doing it to focus attention away from the Government's role."

Many bank workers are legally entitled to bonuses under the terms of their employment contract.

Gordon Brown's spokesman said: "The Prime Minister's view is that, for those people in potential receipt of substantial payments to which they are legally entitled, they may want to ask themselves some quite searching questions about whether or not they should in fact receive them."

Barclays, which has not been given Government money, said yesterday that its executive directors will receive no bonuses this year and launched a group-wide pay review.