

Activists protest bonuses from large banks

[Tom Abate, Chronicle Staff Writer](#)

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Labor and activist groups rallied outside a Well Fargo branch in San Francisco's Financial District on Thursday to decry what they called excessive pay and bonuses by six large banks that had received federal investments under the Troubled Asset Relief Program.

The rally, spearheaded by an Oakland-based local of the Service Employees International Union, estimated that the six banks will pay a total of \$152 billion in salaries, benefits and bonuses for 2009.

The six banks are Wells Fargo, Citigroup, Bank of America, Goldman Sachs, JPMorgan Chase and Morgan Stanley.

"We will not allow the big banks to reward themselves with the biggest payout in history, after they crashed our economy," said SEIU organizer Pete Vargas.

A Treasury Department spokeswoman said Wells Fargo and Citigroup are repaying their TARP investments and the other four institutions have already repaid the government, freeing themselves of restrictions on executive pay and bonuses that had been imposed as a condition of accepting the federal help.

The protest comes at a time when banks are under pressure to slow foreclosures and increase lending, and pay and bonuses have become a flash point.

"I've never seen an angrier public," said Frank Glassner, chief executive of the Veritas Executive Compensation Consultants practice in San Francisco.

Glassner said the union analysis appears to lump together regular salaries and benefits, plus bonuses, for all employees of the six banks and does not separately estimate rewards to top executives.

He said even though the banks are freeing themselves from federal restrictions by repaying the TARP funds, they realize they will be under special scrutiny in awarding executive bonuses early next year.

A Wells Fargo spokesman said the bank had never used any part of the TARP funds for bonuses or salaries and has paid the government \$1.4 billion in dividends on the \$25 billion investment that it received last year and will now repay.

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