

Bank Giant Goldman Sachs Rewards Staff with €11.4bn

By [Global Research](#)

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Wall Street banking giant Goldman Sachs revealed today that staff earned a total of \$15.4bn (€11.4bn) in pay and bonuses last year.

The total figure represents a 5pc decline on the previous year's pot, but the share of revenues paid out in salary and benefits for 2010 was up from 35.8pc at 39.3pc.

The firm posted a 38pc drop in net earnings to \$8.35bn (€6.2bn) for the year to December 31. This followed a 13pc decline in revenues to \$39.16bn (€29bn).

Goldman Sachs took \$10bn (€7.4bn) from the US Treasury at the height of the financial crisis but has since paid the money back, with taxpayers earning \$1.4bn (€1.03bn) on the investment.

In the UK, the bank is trying to rebuild its reputation after it was fined £17.5m by the Financial Services Authority (FSA) for failing to tell the regulator that Goldman trader Fabrice Tourre was under investigation when he took a job at the bank's London office in 2008.

Goldman has recently been in the spotlight for its dealings with Facebook – the bank invested \$500m (€371m) in the social networking giant.

The New York-based group said the drop in revenues compared with 2009 was driven by declines in the firm's underwriting business.

Chief executive Lloyd Blankfein said: "Market and economic conditions for much of 2010 were difficult, but the firm's performance benefited from the strength of our global client franchise and the focus and commitment of our people.

"Looking ahead, we are seeing signs of growth and more economic activity and we are well-positioned to help our clients expand their businesses, manage their risks and invest in the future."

In the UK, Goldman forked out \$465m (€345m) in UK bank payroll tax – a one-off 50pc tax on bonuses above £25,000.

But the large tax windfall was not enough to appease the unions, with TUC general secretary Brendan Barber calling for the UK Government to do more to tackle bonuses at the next G20 meeting.

He said: "Goldman Sachs has stuck two fingers up to austerity Britain by shelling out mega

bonuses again. These earnings would make Gordon Gekko blush.

“Bankers are toasting their telephone digit bonuses while the rest of the country reels from more than a fifth of young people being out of work. This Government is overseeing a fast return to the worst excesses of the 1980s.”

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