

# fsu@work

.fsu member magazine

GOOD GRAPE  
GUIDE - FREE

See page 6



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December 2002

MY PAYOUT WAS BIGGER THAN YOURS

FAILED

I GOT \$4.65 MILLION FOR STAYING

STAFF CUTS

NOTHING EXCEEDS LIKE 'EXECS'

HIGH FEES



### Shareholders unite!

Rates of share ownership in Australia have skyrocketed, largely due to the sale of government enterprises, employee share schemes and industry superannuation.

But the role of small shareholders has not changed

accordingly. Institutional investors and corporate power brokers still dominate the board rooms and AGMs.

With the recent revelations about HIH and Enron, it's clear that small shareholders can't afford to leave decisions to the rich club.

That's why the FSU has set up [www.sharepower.org.au](http://www.sharepower.org.au). Through this website, we hope to give members and the public information on how to make their shares count (see page 8).

### Time for reflection and compassion

It has been an eventful year especially with the horror of the Bali bombings. I know of two FSU members who were hurt and thankfully are now recovering - our thoughts are with everybody hurt by this tragedy.

It's also been a year of financial uncertainty, drought and the threat of war. Farmers are hurting, low income earners are suffering and everyone seems to have more stress at work.

Over the holiday season, I hope you will find the time to enjoy yourself with family and friends. I'd also ask you to join me in a moment of reflection about how we can work together to make the New Year fairer, more compassionate and more secure at home and work.

**Tony Beck**  
FSU National Secretary

Our cover was inspired by Suncorp's Steve Jones (left) and CBA's David Murray who shocked the community with their executive excess!

Illustration by Kelsey Simon



Karen Battersby has spent 10 years lobbying for a better deal.

### Express Lane

### SOMETHING WORTHWHILE

**FSU@Work recently caught up with Victorian Workcover Authority rep Karen Battersby to have a chat about the EB and what it means to be on the negotiating team.**

Karen became involved 10 years ago because she felt it was important to have sound representation in an EB.

'In representing others, I need to make sure that I am clear about my own opinion, but also fairly present the views of members.'

According to Karen, preparation and understanding is important. 'Talking with members and reading relevant documents and proposals also helps with going into the negotiations well prepared.'

'Understanding crucial issues for us and the 'other side' is also important.'

Karen thinks that EB is more than good pay rates and working conditions. 'The process is important', she said, 'it's about keeping people involved.'

'It's time consuming and the negotiating team has spent a lot of time together. I have learnt more about the Union and work that goes into a good outcome.'

### BETTER TOGETHER AT LUCRF/LUI

**Labour Union Credit Retirement Fund & Labour Union Insurances (LUCRF/LUI) are set to start enterprise negotiations with FSU negotiators Fay Stephenson (LUCRF rep), Susie Tolson (LUI rep) and FSU Industrial Officer, Roger Lowrey.**

'Aside from a decent pay outcome, we anticipate the EA will contain improved employer superannuation, better salary continuance provisions and 12 weeks' paid maternity leave (rather than the current 8 weeks)', says Mr Lowrey.

RDOs and more flexible working hours, salary packaging options and improved carers' leave provisions are other issues that will be discussed.

### TRAINED AND READY TO NEGOTIATE

**CitiStreet and FSU in Queensland are about to commence negotiations for a new EBA to replace the old Sunguard Systems P/L Certified Agreement 2000, which expires on 31 December 2002.**

Four negotiators, including workplace rep David Lynch, are trained and ready to reach agreement on the following issues, identified in the recent member survey.

- ◆ pay outcome in line with other super funds
- ◆ RDOs
- ◆ maternity leave
- ◆ removal of supplementary hours
- ◆ better employer paid superannuation

# VWA SHOWS THE WAY

**Work bans imposed by FSU members at the Victorian Workcover Authority help win a pace-setting enterprise agreement.**

Under the new agreement members will receive a guaranteed minimum pay increase of 13.5% over 3 years with many closer to 15%.

Also included is a new performance system to replace a widely hated old system. The new system will be subject to a separate staff vote when ready. In the meantime members are guaranteed a 3% pa "good will" payment until the new system starts.

A new classification system simplifies and streamlines the 'ramshackle' old one and all staff are guaranteed a minimum of 1.5% on translation to the new system.

Other features of the new agreement are:

- ◆ Additional carers' leave entitlement of 3 days per annum
- ◆ Improvements to LSL and other leave entitlements.
- ◆ Agreed consultation system on new business proposals.
- ◆ Make-up pay if CPI exceeds pay increases over the 3 year agreement.

The negotiations were done in conjunction with CPSU.

FSU Organiser, Michelle McCann said the members' work bans help make the agreement a pace setter.

'This was a team effort and thanks must go to FSU rep, Karen Battersby and all the members who made it happen,' she said.

Photo: Urs Bucher



Super birthday! Eric Thomson (ARF) takes the cake on his birthday with fellow FSU members (L-R) Jim Gallogley (CBUS), Cheryl Heath (HESTA), Mark Ashby (HESTA), Michelle Fenech (ARF), Jim Docherty (ARF), Tim O'Neill (STA) and Kerri Williamson (HESTA).

## A NEW EA ON THE WAY AT THE STA

**Superannuation of Australia (STA) staff are set to vote on a new Enterprise Agreement for the fourth time with the FSU.**

The dynamic reps at STA (led by Gary Bridle) are the driving force behind the new EA, an agreement with a lifespan to 30 June 2003 to give STA management and staff sufficient time to develop new proposals around performance pay.

The agreement maintains the 5% per annum pay increase adopted by all other industry super funds with whom FSU has negotiated over the past two years. Other features of the proposed agreement include:

- increased paid maternity leave from 6 weeks to 8 weeks

- 3 days additional sick leave/carers' leave entitlement
- 52 weeks' make-up pay for workers' compensation cases
- administrative staff can opt for 13.5% employer superannuation contributions or choose any level between 9% and 13.5% and convert the rest to salary.

## Watch your balls while juggling!

A member in an insurance company was rewarded for her hard work with some juggling balls - bizarre but fun!

What's even more bizarre is that a few months later she was contacted by management asking for the juggling balls back! It seems that someone else had done some good work, and they now needed to give the balls to them.

# MEMBERS EQUITY: THE WORKERS BANK

I am not usually in the business of endorsing banks but because I believe Members Equity is different, I am willing to encourage union members to try their services. Members Equity is 50% owned by Australian workers through the industry super funds and it has two former ACTU officials on the Board. Members Equity actually evolved from the Superannuation Members Home Loans (SMHL) program, an ACTU-backed initiative launched in the 1990s to provide union and super fund members with the added benefit of cheaper home loans. Super Members Home Loans are still available exclusively to members.

There's a clear perception in the community that now is the time for a new bank to come in - one that treats the customer with respect. Members Equity is committed to valuing its customers by keeping banking costs low and delivering the kind of service that's been missing from the banking industry. What I see that sets Members Equity apart from the majors is its low-fee approach to banking. Major banks levy their customers billions of dollars in fees every year. Compare that to Members Equity which removed its home loan application fee in response to customer feedback and continues to offer no account keeping fees on any of its products.

In Members Equity, we have a financial institution that we are proud to promote as our own, one that builds on the success of the industry super funds and that is committed to providing union members with practical, low cost banking services. Members Equity balances the interests of customers with its shareholders because it is founded on servicing the needs of workers and ordinary Australians.



*Greg Combet,  
ACTU Secretary*

## Members Equity, the bank for union members, offers:

### Super Members Home Loans

- ◆ No application fee
- ◆ No account keeping fees
  - ◆ Variable and fixed interest rate options
  - ◆ Split loans and redraw facility available
  - ◆ Mobile lenders to visit you at home or work

### InterestME Savings Account

- ◆ Earn 4.00% p.a on every dollar over \$3,000 and 0.25% on every dollar up to \$3,000
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- ◆ Free direct debits and credits
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- ◆ Only \$1 for any ATM, giroPost, cheque or extra EFTPOS transaction

Fees and charges are payable. Terms and conditions are available on application. Loans are subject to normal lending criteria. Interest rates are current as at 20/05/02 and are subject to change. Government charges may apply. Members Equity Pty Limited ABN 56 070 887 679. Version 1. 10193

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Monday to Friday 8am to 8pm Saturday 9am to 5pm (Eastern Daylight Saving time)



**MembersEquity**

# NOTHING EXCEEDS LIKE EXECS!

It's true - even Paul Anderson, former BHP Billiton supremo, recipient of an \$18 million departure package and darling of the corporate set says executive salaries are out of control. FSU@Work finds that some of the worst culprits are in our industry.

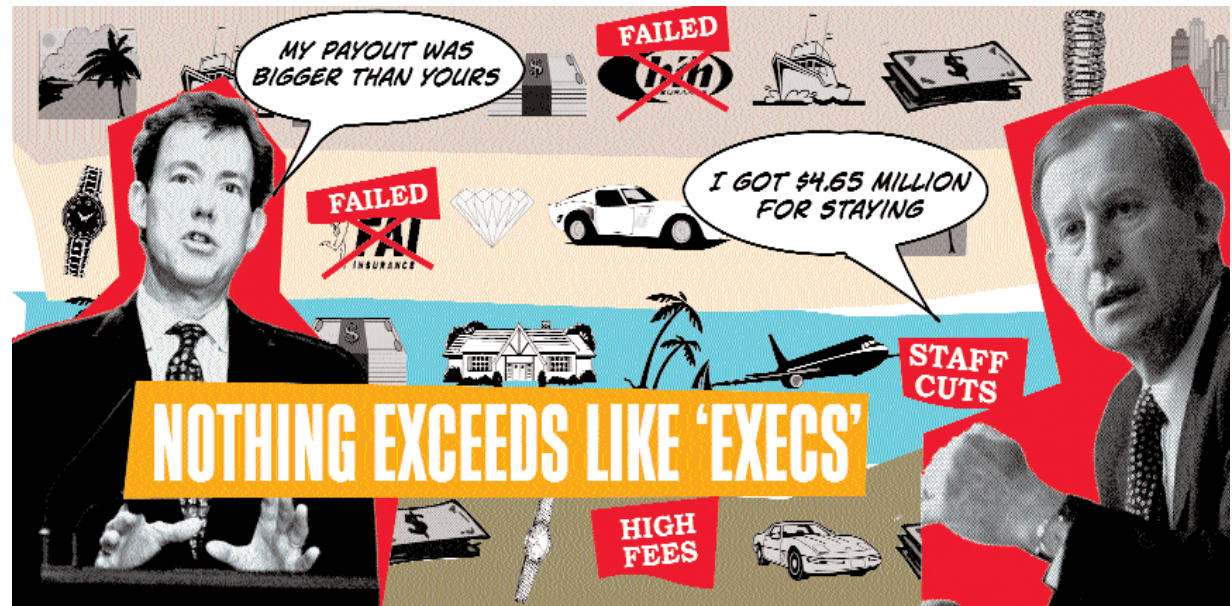
While you sweat on targets to keep your job and pay the mortgage, the executives of your company are doing better than ever! A recent survey of top Australian salaries showed that executive pay went up despite average profits going down! Once upon a time, executives earned as much in one week as you do in a year - but now they can earn your salary hundreds of times over!

Top of the excess list for many executives is making sure their payouts are astronomical. Topping the list of payouts is Steve Jones, former CEO of Suncorp. He managed to collect nearly \$30 million in salary and severance pay while, at the time of his departure, he was trying to ram a sub-standard agreement down the collective throats of GIO workers.

Then there's George Trumbull, AMP CEO and all round nice-guy. Who can forget when he bought GIO into the AMP family for what must be one of the shortest 'family get-togethers' in corporate history. When Trumbull turned and ran back to the United States, you may have noticed him limping a bit - probably because his \$14 million payout was weighing him down.

Close on his heels, however, was Doug Ebert, CEO of Michigan National, a NAB subsidiary. The cost of seeing him leave? Some might say priceless, but the figures say \$20.5 million.

Then comes Paul Batchelor, another AMP CEO, who fell on his own sword, but had around \$7 million to help him through the difficult times.



Batchelor, before taking the money and running, did manage to sell GIO off to Suncorp, great employers that they are.

The local favourite, David Murray the CEO of CBA fame, got \$7 million last year, including an easy \$4.65 million for staying around for ten years. Pretty small compared to the ones already listed, but we do have to remember that the CBA is doing it hard... they did have to axe 1550 jobs.

Overheard in the hallways of the rich mans' club: "But these are successful companies that can afford it!" Well let's take a look, along with the Royal Commission, at the HIH scandals. Rodney Adler, a name we've all come to know, got \$3.7 million when he left HIH. Ray Williams, former HIH CEO, is standing in line with the rest of the creditors waiting for his \$5 million payout.

In a time of corporate excesses and disasters, why are these executives getting away with it? We have a Federal Minister in the form of Tony

Abbott who jumps at sending a royal commission into the building industry but develops a bad case of the "I-see-nothing" when it comes to the top-end of town.

But one thing is clear, unless somebody does something, there will be more HIH's, OneTels and Ansetts left for the community to carry.

How many years would it take an employee on \$32,000 pa to earn their CEO's pay?	
NAB Frank Cicutto	47 years
WBC David Morgan	76 years
BWA Terry Budge	50 years
St George Gail Kelly	58 years
IAG Michael Hawker	50 years
ANZ John McFarlane	96 years

## Ambition



### FINDING THE RIGHT COURSE FOR THE RIGHT JOB

Attaining and maintaining up-to-date qualifications is hard work, especially if you're also trying to hold down a job. Here are some handy hints from the FSU Careers Centre:

1. Look for courses that result in nationally recognised qualifications.
2. Shop around for the course that suits you best. Questions to ask include how long will it take to finish, how will you be assessed, how much will it cost, what sort of support services are available to students, will your past education and work experience be recognised, and how much study will be required of you from week to week.
3. Look for courses that have multiple exit points. For example, you can enrol in a Diploma course that requires you to complete 8 subjects, but allows you to leave after four subjects with a Certificate qualification or do 12 subjects to get a Degree.
4. Find out what courses your employer will support you to do. Be careful though - just because your employer supports it, doesn't mean that it's the best course for you.
5. If you don't have any post secondary school qualifications, don't get put off by the idea of approaching a university or TAFE to see what courses they offer. You don't always need to have finished the final year of high school to get in to a course.
6. Universities and TAFE's cater for students who are working better than they ever have. The number of courses available online and by distance education is growing all the time.

Visit the FSU Finance Careers Centre at [www.fsunion.org.au](http://www.fsunion.org.au) where you can search for finance job vacancies and get up-to-date advice to help with your résumé, job search and interview preparation.

If you're looking for a job in Melbourne, register with our employment agency, FSU Employment. Call 1300 366 378 to tap into our professional networks and get help updating your résumé and finding a new position.

Photo: Kyle-Jane Hunt



FSU members Lyndell Shine and Marie Schmidt are FSU Diploma graduates.

## Express Lane



### GET QUALIFIED!

**FSU is now extending the range of educational opportunities available to members, with a number of new courses to be announced before the end of the year. The first of these include: four postgraduate level courses in the specialist areas of financial planning, risk management, and banking and finance, available at the prestigious Monash University.**

Each course comprises four units, and can be completed in as little as one year of part-time study. As with previous courses offered by the FSU, these are all available by distance education, making them accessible to all members, regardless of location and each can serve as a stepping-stone leading to various higher postgraduate qualifications.

The FSU has long recognised the importance of career-related education. Since 1992 it has been providing members with the opportunity to upgrade their skills and qualifications through the FSU Diploma of Management and, more recently, the FSU Certificate in Frontline Management. Almost 400 members have completed one or other of these courses, and many of them have subsequently moved on to further study and higher qualifications.

## SAVE ON SUMMER SESSIONS AT THE MOVIES

**Now is a great time to stock up on movie tickets for the summer holidays.**

At \$9 for adults and \$7 for children (15 and under) - this is the cheapest group discount scheme around. Tickets are available for both Greater Union/Hoyts or Village.

You can use the tickets any time (including "No Free List" shows) except after 5.00 pm on Saturdays - tickets are valid for a minimum of six months.

FSU members have used 25,000 tickets in the last 18 months - saving up to \$3 per ticket. Buy up big now for school holidays and Christmas presents - and beat a likely price rise in 2003!

Call 1300 366 378 and order by credit card - tickets mailed out same day.

**FREE OFFER: GOOD OIL ON GOOD WINES**  
Members can now log on to [www.wineoutlaw.com.au](http://www.wineoutlaw.com.au) and enjoy a free 12 month subscription to Australia's premier online wine advisory site, valued at \$49.50.

Edited by Paddy Kendler, Melbourne Herald Sun wine writer, WineOutlaw is an independent service for anyone looking for expert advice on what to buy.

The site has many features that will delight anyone interested in good wine, including a fortnightly email with Paddy's 10 best value wines, bargain buys from the chain stores, a library of over 300 wines and a place to create your own private cellar to record and track your wine purchase.

For those of you who buy wine, WineOutlaw is a must to ensure maximum value for your drinking dollar.

To take advantage of this great offer:

1. Go to [www.wineoutlaw.com.au](http://www.wineoutlaw.com.au)
2. Click on Become a Member
3. Complete the required details (To identify you as an FSU member, simply add the letters fsu after your first name, e.g. Louise fsu. This will ensure your membership is upgraded to a 12 month subscription)
4. Click the month free option
5. Click submit

Remember the subscription is free. Check it out or call 1300 366 378 for further details.



## BEFORE YOU ATTEND YOUR OFFICE PARTY PLEASE READ THIS...

During the festive season it is important to remember that the office Christmas party may be considered an extension of the workplace and therefore the same standards of behavior apply.

Sexual harassment is any uninvited or unwanted sexual behavior which is offensive, embarrassing, intimidating or humiliating. It is nothing to do with mutual attraction or friendship.

### Sexual harassment is serious and against the law

Sexual harassment can take many different forms - it can be obvious or indirect, physical or verbal. It includes behaviour which creates a sexually hostile or intimidating environment including:

- ❖ Unwelcome touching
- ❖ Staring or leering
- ❖ Suggestive comments or jokes
- ❖ Unwanted invitations to go out
- ❖ Intrusive questions about your private life

In the case that you are harassed, please tell the person directly to stop.

Even if the harassment is unintentional, if it is unwelcome it is still considered sexual harassment.

Sexual harassment is against the law and you have the right to insist that it stop. You may be able to resolve the situation yourself or you can call the FSU to get assistance.

Don't spoil your Christmas by forgetting that the office Christmas party may be considered an extension of the office.

*\*Source: the Sex Discrimination Act 1984 Sexual Harassment: Knowing your rights*

## ONE PLUS ONE EQUALS MORE



Photo: Kyle-Jane Hunt

Conference delegates in Melbourne enjoy a brief moment of sunshine.

**Team work is great - together we are better and can achieve more than individuals and unionism is just the same - you have a stronger voice in unity and achieve more.**

The power of teamwork was obvious at the recent FSU Biennial Conference. With delegates from banking, insurance and credit unions, the 2002 Biennial Conference set a dynamic course for the union's future.

Strength in the workplace was the strategy and delegates focused on the theme of 'connecting people' to build the Union. Delegates reflected on improvements to awards and enterprise agreements, including agreements across the 3 major banks, and successful court actions. They also tackled challenges like communications and limited resources.

Most delegates agreed that people don't know enough about FSU wins. Bronwyn Marsh, (CBA NSW) told FSU@Work that the union needed to connect with people's hearts and minds. 'We need to be talking about wins in the workplace,' she said.

Delegates talked about understaffing, over work, retrenchments, the loss of job security and unfair targets.

Carol Gordon (CBA, Tasmania) said "We are experiencing many of the same problems as each other with understaffing and the lack of job security. We need to work together and be strong in our workplaces to make a difference".

Given the challenges and limited resources, Conference agreed that the Union can be most effective by building strength in each and every workplace. More members supported by well trained and resourced FSU reps, will have more influence and better results will flow.

Ultimately Conference Delegates called for a plan to build union strength in every workplace to help improve the working lives of members in the finance sector.

This inspired delegates like David Garland (WBC NSW) who said 'you could really feel the power in the room when FSU delegates got together'. We hope you can feel the power in your workplace too.

Visit [www.fsunion.org.au](http://www.fsunion.org.au) for more information about the FSU Conference proceedings.

## THE WINNER IS MARIA AGNESSON

Photo: Kylie-Jam Hunt



**The winner of the FSU Sign Up and Go Places competition is Maria Agnesson from the FSU CBOS Branch in Victoria.**

Maria, a teller at the CBA Branch in South Yarra, was ecstatic about her win.

'I've never won anything like this before,' she said, 'I was just thinking of taking a trip to Fiji, so this is amazing.'

Maria joined the bank in May after working in the hospitality industry. She initially discussed union membership with Luke Davis, her FSU rep at the CBA South Yarra Branch.

'I was interested in joining the union and he encouraged me to join - so the competition was just a bonus.'

Maria's name was drawn from the 2,825 entries in October.

Maria is only one of the many winners in the competition. Every new member (and the member who helped them join) received a free movie pass! Thousands of movie passes were won by members during the competition!

Tony Beck, FSU National Secretary, thanked everyone for making the competition an amazing success. 'Introducing people to the benefits of FSU membership is one of the best things you can do for a colleague', he said.

'Congratulations to Maria - and of course - to Luke, her FSU rep, who encouraged her to join.'

Maria and Luke are pictured with FSU CBOS Victoria Secretary Darren Martin (left).

# SHAREPOWER AIMS TO DO JUST THAT!

**The FSU has established a website to help shareholders have a greater say in important company decisions like executive remuneration, corporate ethics and community accountability.**

Sharepower.org.au is a forum for shareholders to exchange information and debate ways to increase the accountability of directors to the public and 'ordinary shareholders'.

The FSU has convened Sharepower because most of its members are shareholders in the major institutions - often through share issues related to their employment and indirectly through their compulsory superannuation funds.

With increasing community concern about executive salaries, corporate honesty and community relations, shareholders have a crucial a role in urging business to a higher standard.

'HIH and OneTel, and Enron in the USA, show that ordinary shareholder can no longer afford to be passive investors,' says FSU National Secretary, Tony Beck.

As a strong advocate of corporate accountability, Mr Beck has spoken on behalf of FSU members at a number of Bank AGMs.

'Sharepower will be a meeting point for people who own shares and are interested in corporate accountability,' he said.

Initially the site will offer links to a host of related organisations and campaigns. In time it will track community activities on three key fronts:

- ❖ Corporate governance
- ❖ Executive remuneration

- ❖ Compliance with international labour standards
- ❖ Annual General Meeting and shareholder activism.

Mr Beck said that the topics were fertile ground for shareholder activity.

'As union members we have to keep a watchful brief on corporations. With so much of our future invested in superannuation, we need to be demanding the highest standards.'

Mr Beck told FSU@Work that at least one Bank failed to meet international labour standards, while another was facing intense scrutiny about its internal audit processes.

'And you only need to read this magazine to see how absurd some executive remunerations have become.'

The website address is [www.sharepower.org.au](http://www.sharepower.org.au)

