



**Managers and reps  
come together for  
union training**



**Better Banks**

# Radical Changes to Pay



NAB is gearing up for a massive overhaul of the way in which staff pays are determined, and future pay increases worked out, that links pay directly to performance targets.

The bank has been developing a new pay proposal that will collapse all the existing job grades into 4 broad bands – everyone from the CEO down. The bank's proposal then would see individual pay measured against market movements and performance assessments. NAB would choose who to compare its pay rates with, and NAB would also choose its preferred point in the market (e.g., mid point, higher or lower).

While NAB says that there would be a “minimum across the board increase” in the lowest tier with top-ups dependent on market and individual performance against targets, pay for all other staff would be entirely based on market and individual performance assessment considerations.

“We know from experience what makes a good pay system that is fair to staff while allowing for recognition and reward. NAB's proposal must now be judged against that experience.” said Geoff Derrick, FSU State Secretary. “Members have said clearly that the successful model must protect living standards and encourage skills development; that performance assessments must be objective and based on achievable targets; and that they must protect staff from factors that are beyond their control”.

“Everyone deserves certainty over their pay and cost of living pay increases” he said.

NAB's proposal will be put to FSU members through a series of meetings and teleconferences over November and

December, culminating in a ballot of FSU members.

It is important that everyone has their say, so that the response we take back to Nab is truly representative of the views of staff. Because this is a proposal up for negotiation between NAB and FSU all staff should have a say. This can be achieved by ensuring that they are in the union.

## Greedy Westpac to Cut Pays

Meanwhile Westpac, which has refused to negotiate a new enterprise agreement since the introduction of Workchoices, has developed even more radical changes to its pay system.

Under the new Westpac system, performance pay is “at-risk” – meaning that pay will be reduced if targets are not met. Across the board pay increases that keep pace with increases in the cost of living will be abolished to make way for these new “performance” based outcomes.

“Unfair targets and understaffing should not be reasons for people not being able to keep up with the cost of living when we are supposed to be living in boom economic times” said Geoff, “Westpac have declared a \$3.5 billion dollar annual profit this month and it is outrageous that the Westpac staff who delivered that profit could face cuts in their living standards because of this new pay system.”

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## Secretary's Report

### Targets and Performance Appraisal Time

Around this time of year thousands of FSU members will undergo the annual ritual of performance appraisals and target setting. As this edition of *Bites* goes to press, at least two banks are gearing up for a massive change to the way pay is set – both moving to systems based on targets and performance assessments, neither system fair when targets and performance appraisals are not fair.

When you sit down to talk about your targets for the coming year, it is crucial that the targets are reasonably achievable in your ordinary working hours. The targets you agree to now are what you will be measured against this time next year – and you will be held accountable for them.

Unfair and unrealistic targets must be challenged early – a failure to do so can be interpreted as you having adopted the targets. If your targets are simply being handed to you, you should talk to your local union rep or the union office about what you and your co-workers can do about them.

Likewise, your performance appraisal should be based on an open conversation about what you've achieved through the year taking into account the



**Geoff Derrick**  
State Secretary

factors beyond your control, and what you will need in the future to grow in your job.

This month you will also read about how in New Zealand targets were removed from the pay system altogether because union members got together and showed that they were both unfair and contrary to the public interest.

Together we must demand our employers do better when it comes to unfair targets and performance reviews – and that starts by refusing to accept unrealistic targets which haven't been agreed to by staff.

I would appreciate your thoughts on how targets affect you and your co-workers, and the pressure you face to make sales – please e-mail me at [nswact@fsunion.org.au](mailto:nswact@fsunion.org.au)

## FSU Contact Details Ph 1300 366 378 Fax. (02) 9320 0099 Email: [nswact@fsunion.org.au](mailto:nswact@fsunion.org.au) Web: [www.fsunion.org.au](http://www.fsunion.org.au)

### NSW/ACT Executive

The NSW/ACT Executive is made up of finance industry workers and is the governing body of FSU in NSW and the ACT.



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#### Insurance Member Council

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IAG Pyrmont  
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# Better Banks

Anyone who has ever worked in a bank branch knows that sales targets seem to be the only thing big banks care about these days. The pressure to meet sales targets for credit cards, personal loans and home loans is intense – even when the local customers simply can't afford them, or don't need them.

A group of union members from different banks recently got together to talk about sales targets, and the impact they have both on staff and the communities they serve.

"We want to be able to provide customers with the best possible advice and service – not just a shopping list of products designed to make the banks the most profit" said Louise Arnfield, who works for the Commonwealth Bank on the Central Coast.

An article in the *Sydney Morning Herald* on 29 October this year highlighted the problem – drawing the link between pressures on staff to reach unrealistic sales targets to the growing problem of household debt.

The group came together after bank workers in New Zealand persuaded Westpac to break the link between achieving targets

and rates of pay by pointing out the long term damage this was doing to both the bank's reputation and the customers.

Over the coming months, the group will be looking to join forces with other bank staff on the Central Coast to push for an end to unrealistic targets, and to ensure that banks pursue goals that are in the community interest.

FSU NSW/ACT Secretary Geoff Derrick said, "This is probably the biggest issue in retail banking today. It has both local and national characteristics. We will support this group and others who want to work together to find solutions for both our members and the communities they serve."

"Banks will be better when sales are based on genuine need" Louise said.



# Lynn saves \$11k!

With the help of Union Shopper, FSU member Lynn Pearce has put her Union membership to good use saving an amazing \$11,000 on the purchase of her new car...

"I'm now the very proud owner of a brand new Mazda RX8", she smiles and says!

"It really is a dream car for me and Union shopper was great", she said. "I filled out the form on the internet and they put me in contact with a dealer who would do us the best deal".

"I was able to add just about every optional extra to my car and in the end saved \$11,000 on the price so I'm extremely happy", she said.

If you're in the market for a new car, or anything else for that matter, call FSU Member Benefits on 1300 366 378 and have your Union membership details handy.



# Insurance Wrap!

## Suncorp plans to outsource and offshore back office functions

While its great that Suncorp Group plans to open up to 40 new retail bank branches creating over 100 jobs, we were extremely disappointed to learn that several hundred back office jobs are likely to be off-shored to Indian-based outsourcer, Infosys. A further 40 jobs in the mortgage release area will be outsourced from Suncorp to Perpetual Mortgage Services.



Insurance LEC member and Suncorp Employee Marah Weston

FSU will shortly meet with Suncorp to discuss job security and the security of customer data.

## Credit reference checks for staff?

It appears that staff in a major insurance employer have to undergo credit reference checks in order to be get internal promotions. C'mon we work in this industry and we know that these checks can turn up mistakes and we also

know that it is a long stretch for any employer to genuinely need this info to determine who is best for the job. If you've been told that you missed out on a promotion due to a poor credit reference check, FSU is interested in hearing from you.

## Insurance Pay – What are you worth?

In July, FSU commenced a national project for members to collectively campaign for improved pay for insurance workers. Pay in insurance is often shrouded with secrecy and vague references to "the market". We are gathering information from members so we can better inform individuals about how to influence the going rates of pay for insurance jobs. To find out what your role is worth in the market and to join our campaign, complete the FSU's online survey at [www.fsunion.org.au/campaigns/insurance\\_pay\\_what\\_are\\_you\\_worth.html](http://www.fsunion.org.au/campaigns/insurance_pay_what_are_you_worth.html).

## Review at IAG Hurstville

FSU members working in IAG's Home Security Monitoring Team at Hurstville will shortly participate in a review of their working conditions. Due to the different nature of their work (i.e. security monitoring work), this team has some conditions that are different to the general conditions covering other IAG employees. The review process is a good opportunity for the staff working in this area to have a say about their working conditions.

# Managers and Reps come together for Union training

Few issues cause as much distress in retail banking as changes to rosters, working hours or work location for staff.

FSU and ANZ recently developed a training program on the rights and responsibilities of all involved in a joint effort to get ahead of the problems. The training was then delivered to branch managers and union reps in a series of 3 hour workshops run by FSU trainers.

“It has been great to sit down and clarify what exactly we are entitled to, but also understand the process that should be followed” said Mel Boon, a union rep at ANZ Newcastle West.

“I think the important lesson has been that most problems can be worked out with genuinely open communication, by everyone being honest with each other – and by simply showing respect for each other’s needs” said Kim Sills, ANZ Newcastle Local CEO.

“The Award and enterprise agreement put a

strong emphasis on trying to reach agreement” said Veronica Black, who facilitated a number of the workshops. “It is great to get both managers and reps in a room together and talk about what the best way forward is, without all the politics and emotion that can take over in these situations”.

All agree that it is a good sign of things to come that the bank and the union are working together on the project. “Co-operation and mutual respect from the start is the best way to avoid a dispute down the track” Veronica said.



Kim Sills

Mel Boon



## Gossip!

### Invite your buddy to a BBQ?

Staff at a large site are being paired up with staff from the off shore company which will take over their jobs in the next few months. The idea is that staff currently doing the job will teach the new staff the tricks of the trade so that they can take over their jobs for poorer pay and conditions in a few months. But that’s not the worst of it - management have asked staff if they could take the visitors with them to after hours social events, and actually give suggestions such as a trip to the zoo or your next family BBQ!

### Too sick to work, too sick to pray

A member was recently reprimanded for taking sick leave when, having been off all week, the member was spotted at church on Sunday. It seems the manager in question thought that being sick all week meant that you couldn’t leave the house on the weekend – even to sit quietly and pray for better health.

### Steal from the poor to give to the poor

Recently a member was told at her performance review that there were staff members who were more deserving of a pay increase than her, but not because of their better performance. The manager had decided that because our member was married with a husband who also worked she needed the pay increase less than some of her co-workers. Bring back across the board pay increases!

### Mother of all Scare Campaigns

With the federal election well under way and the Liberal & National parties demonizing people who have ever worked for unions there has been precious little mentioned about the liberal candidate from the recent state election who was previously a union organiser in the banking industry. Having a job that is focused on helping working Australians – as union jobs all are, is nothing to be ashamed of, it is a noble thing. C’mon politicians concentrate on issues such as supporting working families, protecting the environment and the kind of Australia we want for the next generation.

## FSU Annual General Meeting 2007

### when

6:00pm for 6:30pm  
Tuesday 13th November 2007

### where

Bowlers Club of NSW  
97 York Street Sydney

### rsvp

Thursday 8th November 2007  
Alexia Cunningham  
phone 02 9320 0009 or  
email nswact@fsunion.org.au

### Reflecting on the year past;

Geoff Derrick and NSW/ACT Executive invite you to join us as we celebrate the achievements of our union in 2007. The meeting will be followed by drinks and a buffet dinner.

### GUEST SPEAKERS



The Hon. Verity Firth MP

Minister for Women  
Minister for Science & Medical Research  
Minister Assisting the Minister for Health  
Minister Assisting the Minister for Climate Change



Leon Carter  
National Secretary  
Finance Sector Union

Tuesday 13 November 2007

# FSU AGM