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## Boom in executive remuneration means CEOs are earning almost 100 times average workers

A new analysis of remuneration at Australia's 50 largest companies reveals the typical CEO is taking home almost 100 times that of the average worker.

The analysis of CEO remuneration at companies listed on the ASX/S&P 50 Index, shows that the gap is widening between what CEOs personally earn and what they pay their employees.

The study has found that after a short period of restraint in 2008-9 when the Global Financial Crisis hit Australia, executive pay has hit stratospheric new heights and the average CEO will this year take home \$6.4 million in total remuneration

Other key findings include:

- Executive pay rose by an average of more than \$940,000 or 17.2% over the past year, while the annual wage of a full-time worker rose by just \$3200, or 5.2%.
- Since 2001, the base pay for CEOs has grown by 130%.
- Profits soared by 27.5% in the last 12 months to a record share of the national economy, while wages' share is the lowest since 1964.
- The highest paid executive, News Corporation CEO and chairman Rupert Murdoch, earned \$26.8 million in 2010.
- The CEOs of the four big banks earned \$44.3 million combined.

ACTU President Ged Kearney said the *Executive PayWatch 2010* report highlighted the blatant hypocrisy of big business executives in pushing for industrial relations deregulation that would cut the pay, conditions and rights of Australian workers.

"The numbers in this report tell a story of greed and inequality," Ms Kearney said.

"They show that after a brief hiatus in 2008 and 2009, the pay packets of company executives are again rising sharply.

"Australians are rightly outraged at the excesses of the business community before the Global Financial Crisis. Ridiculously high salaries and unwarranted bonuses contributed to the financial meltdown by encouraging executives to take risks in pursuit of short-term profits.

"Millions of working people around the world are now paying the price for this unethical business behaviour through joblessness, higher taxes and reduced public services.

"We need stronger curbs on executive salaries and measures to force businesses to look to the long term sustainability of the company and to serve the interests of the whole Australian community, not just their shareholders. We need fairer taxation and an end to the rorts and loopholes benefitting high income earners.

"And we need to strengthen the rights of Australian workers and ensure employees are able to bargain collectively for a decent share of the nation's wealth."

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