



Big CEO and director payouts are greedy & hypocritical as workers suffer pay cuts

Greedy, hypocritical and unjustified is the only way to describe the \$11m termination pay for outgoing Qantas CEO Geoff Dixon and the \$4m paid to outgoing Boral CEO Rod Pearse says ACTU Secretary Jeff Lawrence.

"Both companies have seen dramatic falls in profit in the past year and there is no business case for these exorbitant payments," said Mr Lawrence.

"At the same time that workers are losing their jobs and having their pay cut, too many CEOs and company directors have still got their snouts in the trough.

"It is as if the Global Financial Crisis never happened.

"The message needs to get through to corporate Australia that this sort of behavior is immoral and totally unacceptable.

"More than 200,000 Australians have lost their jobs in the past year, and another 220,000 have seen their hours of work cut as companies cut costs in the toughest economic environment seen for a decade.

"More than one million low-paid workers are currently suffering a wages freeze.

"But it's a different story at the top end of town.

"The release of company annual reports over the past week reveals that CEOs are still enjoying lavish salaries and outrageous bonuses.

"BHP Billiton's CEO Marius Kloppers received a 51% pay rise to \$10.4 million last financial year.

"Today it was reported the directors of paper merchant Paperlinx enjoyed a salary rise of up to 17% as the loss-making company sacked workers, sold assets and ceased paying shareholder dividends.

"Yesterday it was reported that of the 32 top 100 Australian companies to report profits from the last financial year, 18 CEOs have taken pay rises averaging 10 per cent.

"Unions are calling for tougher regulation of CEO pay including a cap on earnings so their pay is linked to the average earnings of their employees.

"And there needs to be a curb on 'golden handshake' payouts that reward executives when they leave a company – often in worse shape than they found them.

"The Australian Senate is currently debating an important new law that would give shareholders more say over these exit payments. But following lobbying from big business, the Coalition is seeking to water down the legislation.

"This Bill must be amended and strengthened to send a clear signal to corporate Australia that excessive pay will no longer be tolerated," said Mr Lawrence.

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