

HSU NSW/ACT COUNCIL MEETING HELD AT THE WESLEY CONFERENCE CENTRE, 220 PITT STREET, SYDNEY ON MONDAY 23RD FEBRUARY 2015 AT 10.55 A.M.

ATTENDANCE: S Davis, S O'Riley, J Catlin, P Iffland, S Fraser, J Peacock, S Austen, D Neumann, S Haynes, G Partridge, D Turley, J Holgate, P Reid, P Mitchell, A Wilcock, L Snow, L Burns, C Charles, G Hayes, A Lillicrap & M Sterrey.

CHAIRPERSON: M Sterrey (President).

APOLOGIES: J Chester, R Pike L Bush, S Joseph and L Twyford.

Moved J Holgate/D Neumann that the apologies be accepted.

Motion put and carried.

OBSERVERS: A Lewis, D Perry, S Champness, B Cornwell, B Chapman, J Puvanarajah, T Thorburn, A Hall, S Hatter, J Marr, M McLeay, W Boon, L Russell, J Cowdrey, Tracey Gaddelin and P Kessey.

Moved S Fraser/S Davis that the observers as listed above be admitted to the meeting.

Motion put and carried.

DECLARATION: Nil

MINUTES: Moved G Partridge/S O'Riley that the Union Council minutes of 5th December 2014 be received and adopted.

Motion put and carried.

SECRETARY'S REPORTS:

I can advise that the Royal Commission is to recommence later this year. At this point in time the TURC has produced three volumes of statements of which two volumes with 1900 pages have been released. A large amount of money spent has been spent and the interim report does not go into detailed account of wide spread corruption.

The Royal Commission is due to commence again in April this year. At this point in time I am not expecting any more activity or issues for the HSU. The Victorian colleagues may have some issues coming out of the last year's hearings. From what we understand at this point in time it appears that HSU matters seem to have been concluded.

Litigation

In Terms of the Mylan matter it will commence in June/July this year and it may go for 5 weeks. Currently 12 HSU ex councillors have given evidence in terms of the Mylan litigation. It has been a very difficult issue to work through, but if ex-Councillors hadn't

given their evidence then the Union may not have been able to pursue the matter. Instead seeking evidence from all the Councillors who used to sit on the HSUEast Council, we engaged a statistician to make predictable assumptions in relation to the evidence and that process has been accepted by the Courts.

It would have been extremely expensive for all 65 people councillors to give evidence hence we have 12 people which is an acceptable number. Effectively we had to subpoena 2 people. These forms of evidence are not incriminating to the Council and to anyone from past or present apart from in this matter Beth Jensen and Peter Mylan.

In terms the litigation regarding Cheryl McMillan and Alf Downing, the matter has progressed with both the parties and verdicts have been issued against both the parties. The Union will need to pursue those matters due to the fact that they both have become bankrupt. We are working with their trustee and bankruptcy and have written to Alf Downing requesting information. We are aware that Cheryl McMillan has moved assets to her daughter in an effort to protect her assets. We will need to decide if we want pursue this matter further, as it will cost us approximately \$22,000.

The Michael Jones (the Trustee in Bankruptcy) is in court this week regarding the Williamson examination. The cost so far is approximately \$100,000. There is no intent to pay Michael Jones to pursue matters in relation to this.

The public examination of the Williamson family will be held on 2nd March and 4 & 5 April 2015. Julie Williamson, Michael Williamson, Christopher Williamson and their Accountant will be examined. The case will be held in the Supreme Court as a public hearing. The Union will be able to see if monies have been transferred and where they were transferred to.

The National Executive and Officers elections have been resolved. Kathy Jackson is no longer the National Secretary of the Union. Chris Brown has been elected as the National Secretary, Lloyd Williams National President, Gerard Hayes National Assistant Secretary, Senior National Vice President Dan Hill, Junior National Vice President Tim Jacobsen and Paul Elliott and Craig McGregor as National Trustees. The group that has been elected now is actually focused on the future.

In relation to Electoral donations, legal advice was presented by the Union's Lawyer's Maurice Blackburn to the Councillors. I can advise that this was a very serious issue if the Union was to get it wrong criminal charges can be laid.

In relation to the work that was done in the "We All Matter" campaign was not an election campaign, it was an industrial campaign. The Union will not declare funds that went into this campaign because it is an industrial campaign. If we accede to any suggestion otherwise it will mean that the Union is too fearful to communicate with the members at the risk of action by the government.

The privatisation campaign is to be presented by Daniel Mookhey. The Union will take part in rally on 4th March in Macquarie Street and HSU will be leading the march. We expect a thousand members are at the rally and it's important to note that the rally is about privatisation and it's about our members, it's not about doctors and nurses. The fact of the matter is that 55% of workers in hospitals are not doctors and nurses and this rally is another

opportunity where we get to tell people that we are important and we all do matter. We are not telling people how to vote what we are telling them is privatisation is not the answer.

The industrial and organising process is going particularly well. As you may recall some time ago we advertised some positions, David Perry was selected as the Public Health Divisional Manager. David became unwell at that point in time and I am pleased that David has now recovered. I asked David to reconsider taking on that role again and he has agreed.

In terms of Aged Care, David has increased the membership growth by about 24% which is an outstanding achievement given that he hasn't been involved in Aged Care. Now it's a matter that if we get 24% in Public Health, on top of the development that comes with that, the activation of activist within the Health, the Division will have a strong standing.

Before we went into generalised EBA process the Union had to go through a harmonisation process. We have had people working within the organisation with same level of skill and responsibility, but with pay variations of \$5,000 to \$15,000. The work place has now been harmonised, where all the Organisers and all the industrial staff are on the same rate of pay. Staffs that were subject to harmonisation were given three options:

- a) Offer of 2 years status quo in terms of rates of pay and then drop back to their respective level;
- b) Paid an amount upfront and drop back to the current rate. Effectively buy out the contract.
- c) Third opportunity was to invoke a redundancy.

The third opportunity is not desirable as to make the position redundant and reengage a staff member can promote ongoing employment relationship issues. Thankfully nobody took the third option.

We now have to look at the EBA process itself. We have moved forward on the 2.5% for all the staff and given that the entire Organisation is tracking well, the management received 2.5% increase recently.

The rest of the EBA is not so much a financial matter but there are some financial considerations. There is no point going into the future having an organisation that is devoid of talent, education, skills and talent. I believe in investment in education and skills for our staff. It is all about how we can help develop our staff within the organisation to produce good outcomes.

The upcoming conference or delegate's forum is one that will bring the Union together as an organising Union. It will deliver the opportunity to concentrate on the overarching issues at the same time as focusing on Divisional matters.

The move away from generalised debate to that of planning and development is important to secure the Union into the future.

In relation to financial members we will be tracking towards 31,200 within the next two months. By June we may have 32,000 and there is a very good chance it could be 33,000 by the end of this year. Bearing in mind it was 28,992 members when the new administration started.

Aged Care continually grows. During Christmas the numbers went down a little, but since then it has continually grown. Ambulance has been flat, we have not had any significant movement in Ambulance since EMSPA was established. EMSPA is not servicing, they organise on the ground. They generally don't run Court cases, we run the cases, however when we win they claim victory too.

Private Health Division is developing well. Tim, Karen and Kirk who has recently started working for the Union, have recruited 30 people.

In regards to Public Health we really have to do a lot of work. Christmas is the period where a lot of people retire and this year is no exception, however recruitment has started to pick up now.

We generally service 5 to 10% of people throughout the year. 90% of members generally don't draw on the industrial services of the Union, however these members need to be considered as well. More focus is needed to be directed to these members in relation to awareness of what is happening and to develop greater involvement. The reality is in Northern Beaches. Manly Hospital is closing; Mona Vale is going to be downsized. A clear position on Maitland Hospital is difficult to get but after the election it will not be surprising to see another private hospital development.

At the forthcoming Conference the focus will be on what are the best way to go forward and the ways in which we need to change the culture of the conference. All the Councillors would be involved with the Conference. Each sector of the Union's membership will be represented at this forum. There will Aged Care, Ambulance, Private Health, Public Health and Youth forums. Each of the Divisions will have Councillors managers to Chair the forum and a facilitator to engage and promote interaction. The really important one is the Youth Forum. It is pointless to do all the things that we do now but don't engage with the future. Rooty Hill RSL has the capacity and is well suited to hold these forums at the Conference.

RESOLUTION

Moved A Wilcock/P Mitchell that the Secretary's report including growth, Aged Care, Private, Organising, MSD, Ambulance and Industrial reports' be received and noted.

Motion put and carried.

ASSISTANT SECRETARY/TREASURER'S REPORT

- Level 3, 109 Pitt Street leased by the Indian Consulate, the tenant has advised the Union that they will be moving out early. We are looking at renovating the whole floor, converting it back from one whole floor to its individual suites. A meeting was held with the Indian Consulate and they confirmed that they want to move out early in May and they were somewhat disappointed that they still had to pay the rent up to February next year. The Consulate offered to extend payment of the lease till the end of May but that still does not get us to February next year. They wrote back to us and are getting advice from India. By negotiating an early release from the lease, it frees up the floorspace so that renovations can be done while we are still effectively receiving rental income. The Consulate introduced the Union to a prospective tenant that might take up a quarter of the space and we cannot unreasonably refuse that. If

they do take up this space, then we will be able to work around them and continue to do the remainder of the renovations.

- An expression of interest for a Project Manager to manage the fitout for Level 3 was advertised in the Sydney Morning Herald and closes on 26th February 15. There has been quite a bit of interest for that position. Once the Project Manager is appointed they can organise an architect and other related plans and contractors for the renovations.
- The Insurance claim for Royal Commission legal fees against the run-off insurance policy is still continuing. The legal fees are about \$350,000-\$400,000 and the claim has been accepted in principle. The Insurer wants further detail on the legal invoices and the legal services that were provided.
- The Union has firmed up the leases of other properties. 109 Pitt Street –with suites on Level 10 and also Level 15. About \$350,000 to \$400,000 worth of income has now been firmed up for the next 3 years. Some of these properties were vacant which now have tenants while others we have renewed leases.
- The Audit & Finance Committee now has a couple of new people on it. It's good to see there are different perspectives, questions being asked, requests for different types of information etc. It continues to be a good, useful and a robust process. It keeps the scrutiny going and that is very important.
- The Union has advertised for Expressions of Interest for network services. It is part of the HSU's IT infrastructure and how we connect up to the Telstra Cloud which stores our data. All our information is on the Cloud which Telstra holds at the moment and they are charging quite a lot for the connection. A tender was put out to market test the service and we have had 8 responses. As a result, Exetel has been accepted as the new supplier and we will save about \$125,000 per annum on it. We had a breakdown of our phone system some weeks ago, a piece of Telstra equipment in the building that was old and broke down. A similar thing happened about 12 months ago and it took about 3 days for Telstra to fix it. We are looking at the whole Telstra infrastructure because they are charging a lot for it. With the assistance of MCR our IT company, we have been teasing out these components of the IT infrastructure and will subject more the individual services to the market in upcoming months.
- There are a couple more expressions of interests coming up, the Level 3, 109 Pitt Street Project Manager and renovations job, which will be finished this week. Further we will need to call for expressions of interest for Auditors, their 3 year contract is almost due and that was being advertised on 23rd February. Hopefully there will be more interest than last time 3 years ago when there was no interest shown by auditing firms in doing the HSU accounts.
- The Governance training for the Councillors has concluded for new Councillors and for Councillors who now hold different positions.
- Angela McDonald (Chief Financial Officer) gave birth to a baby girl on Christmas day around 4pm. Her name is Alia Rose and mother and baby are doing well.

RESOLUTION

Moved S Austen/P Iffland that the Assistant Secretary/Treasurer's report be received and adopted.

Motion put and carried.

FINANCE REPORT:

As per attached.

RESOLUTION

Moved G Partridge/D Turley the finance reports including the profit and loss and balance the sheet 2015 be received and adopted.

Motion put and carried.

INDUSTRIAL DEPARTMENT REPORT – AYSHE LEWIS

As per attached.

MEMBER SERVICE DIVISION REPORT – J COWDREY

As per attached.

AGED CARE DIVISION REPORT – D PERRY

As per attached.

PUBLIC DIVISION REPORT – A HALL – DEPUTY MANAGER

As per attached.

PUBLIC DIVISION REPORTS – P KESSEY & A HALL DEPUTY MANAGERS

As per attached.

AMBULANCE DIVISION REPORT – S HATTER - DIVISIONAL MANAGER

As per attached.

RESOLUTION

Moved R Dunn/S O’Riley that the Industrial reports be received and adopted.

Motion put and carried.

The Council adjourned for lunch at 1.08pm.

Council resumed after lunch at 1.50pm.

AGENDA ITEM 1 – “WE ALL MATTER” CAMPAIGN

A final proposal has been received from 3rd space advertising concerning the Sydney Metro roll-out “We All Matter” advertising campaign.

Daniel Mookhey presented an updated campaign plan concerning the rollout of the “We All Matter Campaign.”

RESOLUTION

Moved S O’Riley/L Snow that Union Council notes stage two of Sydney Metro advertising campaign.

The Union Council also notes the actions proposed in the plan.

Motion put and carried.

AGENDA ITEM 2 – 4TH MARCH MACQUARIE STREET RALLY

The Union has joined with Unions NSW and the ACTU with respect to having a combined rally in Macquarie Street Sydney on 4th March at 12.30pm. This is an opportunity for our members to protest against the sale of public assets particularly assets within NSW Health. As Councillors would be aware the Union is engaged with HealthShare to find 133 jobs following the outsourcing of warehouses within NSW Health. We are also campaigning against the potential privatisation of medical imaging services in a range of Local Health Districts as well as the implementation of the Northern Beaches Hospital under the ownership HealthScope.

Premier Baird has made it clear that he intends to sell off public health assets to enhance infrastructure however, selling off health services will do very little to enhance health services.

The Union now requires all members to take an active interest in their future and participate in the protest in Macquarie Street on 4th March. The Union will engage transportation from hospitals to the protest and will ensure members will be able to return to their workplace following 4th March protest rally.

RESOLUTION

Moved C Charles/G Reilly that the Union Council calls on all Public Health members to attend the protest rally that will be held on 4th March 2015 in Macquarie Street, Sydney at 12.30pm. This protest is to ensure that the Premier understands the privatisation of public health services is not in the best interests of the people of NSW and to ensure that services will have to compete against profits.

Motion put and carried.

AGENDA ITEM 3 – ELECTORAL DONATIONS THIRD PARTY CAMPAIGN

As Councillors are aware the NSW Government has introduced legislation that limits the amount that organisations such as the HSU can spend on Third Party campaigning. Currently HSU NSW has a cap of \$570,000 which is required to be reported upon and is required to be identified in a particular campaign account.

The definitions of what is included in Third Party campaigning are vague and have not been tested by any case law. As Councillors know the Union campaigns on a lot of industrial matters that are designed to communicate with our members and the Community that they reside and these types of campaigns should not come out of a third party campaign account for electoral purposes. Therefore the advice has been sought by Maurice Blackburn and is to be considered in conjunction with advice from Carroll & O’Dea and Holding Redlich with respect to forming a position on electoral campaigning and industrial campaigning.

RESOLUTION

Moved J Catlin/L Burns that Union Council endorses that the “We All Matter” campaign is an industrial campaign supporting HSU members and is not an electoral campaign and as such concurs with the Secretary that the funding of the “We All Matter” campaign should come out of normal operating accounts as opposed to the third party campaigning account. Furthermore that it’s the view of the Council that as per advise by Maurice Blackburn that the “We All Matter” campaign does not fall within a reportable item as required by Electoral Funding Legislation.

Motion put and carried.

GENERAL BUSINESS

1. Secretary advised another supplier has been identified in the Williamson matter. Richard Hew, the printer prior to Alf Downing for the period 2000 – 2005 donated to the Williamson’s election fund nearly \$700,000. During the 1999 election, Richard Hew printed all the election material and charged it as HSU material. The Union has written to Richard Hew advising that the Union will need to be reimbursed a total of \$1.1M - \$700,000 plus interest.
2. Secretary advised that a paper was produced recently in terms of the delegates’ forum and Councillors were advised to take a copy and provide some feed backs on the same.
3. Councillor P Iffland enquired when the Retired Members’ Sub Branch would be implemented. Secretary advised that a draft rule change will be presented at the next Council meeting.
4. Councillor S O’Riley enquired what would be the role of the Councillors at the forthcoming conference. Secretary explained at the length challenges that the Union will face in coming years if the something was not done to get members involved. Secretary also advised that a thorough financial status on the operations of the Union will be presented at the Forum with an opportunity for members to inspect the same. There will also be reports on organisation of the Union.
5. Councillor P Reid enquired about the membership expansion in the Aged Care Division. By what method was the presentations done to engage those workers and get them to sign on. She further enquired in what manner was the message, the technique and the language being used for these presentations. Going forward it would be a good little package for the membership drive in other sectors.
6. Councillor John Holgate enquired about the role of a Councillor in the LHDs. He advised that he attends the meetings and enquired are Councillors elected to be interactive representative for each LHD or are the Councillors role more specific. If the task is not written in the Rule it is not clear what the role of the Councillor has on a day to day basis. It was not quite clear as to what degree the Councillors should be

involved with the Sub Branches and LHDs. Secretary advised that the role of a Councillor is different to what it used to be. The Council governs, looking after anything over \$200,000 as is the policy in the Rules. The role of the Councillors will be further looked into.

7. Councillor W Boon advised of a learning and development business document received from HSU National Office in regards to Continuing Professional Development online learning program. About 50 courses can be picked from about 103-104 that reflects the needs for our membership. More information to be provided at the next Council meeting.

There being no other general business the meeting closed at 3.10 p.m.



Chairperson

~~23.5.15~~ 20.5.15 MGT