

CFMEU FFPD National Newsletter

Summer 2009 - 2010



CFMEU FORESTRY AND FURNISHING PRODUCTS DIVISION



2009 - JOBS CAMPAIGN UPDATE

Your Union Takes Action and Fights to Save Jobs

Union Acts on Green Building Regulations

Jobs Under Threat

Local timber workers employed on the North Coast of New South Wales, led by the CFMEU FFPD, have called on the State Government to take urgent action to address a technicality that is stopping native timber from being accredited with a six star green building credit rating, and is now placing jobs under threat.

This has meant that “six star” timber products must be sourced from overseas. So not only are local jobs being threatened, but these products come from countries where illegal and unsustainable logging has occurred.

State Governments need to fix this situation which is stopping domestic native timber from being able to be used in building projects seeking a green star building rating .

Union members have been campaigning to ensure that Government acts so job security and investment in our sustainable industry will not be under threat. This is what workers on the North Coast are facing if Australian timber products are unable to compete on a level playing field



with overseas timber products.

The certification scheme adopted by the Green Building Council is also highly problematic in that there has been a severe lack of union, community and stakeholder involvement in the scheme.

The Green Building Council's chosen scheme, the Forest Stewardship Council (FSC), fails to meet both employment regulation and sustainability standards.

Observers allege that FSC's certification actions in developing countries have led to devastating economic, social and environmental outcomes and the FSC has been accused of 'green washing'.

The Australian timber industry has a proud history and employs world's best practice in terms of

its forestry management and environmental sustainability. Workers employed in local industries, deserve to have this problem fixed.

The Union has called upon all State Governments to take urgent action on this issue to save timber workers jobs.

CONTACT THE UNION ON OUR NATIONAL FREECALL NUMBER: 1800 060 556

OR VISIT OUR NEW WEBSITE www.cfmeuffpd.org.au

Union Applauds Government Action on Green Building Council **Accountability Campaign to Continue**

**Latest Update:
30 November 2009**

The CFMEU Forestry and Furnishing Products Division today congratulated Federal Agriculture Minister Tony Burke for convincing the Green Building Council to adopt a certification scheme that will allow the Australian timber industry to compete for “green rated” building projects.

CFMEU Forestry and Furnishing Division National Secretary Michael O’Connor has flagged that the union will continue its campaign to keep the Green Building Council accountable to the Australian community.

“We intend to campaign for increased job security for our members and this will of necessity involve ongoing scrutiny of the Green Building Council and their unrepresentative practices.

“Their treatment of forest products to date does not inspire confidence, it has not resulted in good environmental outcomes and their lack of rigour has resulted in a shameful recent history that remains a public policy disgrace.”

Mr O’Connor said that the Green Building Council simply did not deserve its current monopoly status in terms of government procurement.

“This organisation is in our view a thinly disguised exercise in “green washing,” involving some of Australia’s largest corporations and I believe governments and regulatory agencies need to be investigating how this organisation came to hold such influence in industry, given its direct involvement in threatening Australian jobs and encouraging timber importation from nations that have such a woeful record in sustainable timber industry practices.”

“For this mob to have created a scenario where domestic timber harvested according to sustainable world’s best practice has been at such a disadvantage is unforgivable and deserves further scrutiny.”

The Union would also like to place on record our appreciation for the support shown to local North Coast timber workers by the local member for Page, Janelle Saffin, who has met with members and companies and then arranged for the Union to meet with Minister Burke to discuss possible solutions. She has been a great supporter of our members jobs over this issue.

Anti - Dumping Campaign

The CFMEU FFPD has made two submissions to the Productivity Commission’s Review of Australia’s Anti-dumping and Countervailing System.

The Union made the strong case that weak anti-dumping laws allow dumped items to be exported to Australia causing material damage to the industry and in some cases this happens at the expense of our members, their families, their communities and the nation.

The Union also pointed out that dumping affects sustained employment and ongoing investment.

Our submission notes that inefficiencies and problems with the current system, which in effect permits dumping, have not been addressed.

The CFMEU FFPD has called on the Productivity Commission to re-focus its attempts to promote the public interest by recommending the establishment of a working group to consult with Customs to address

weaknesses in the anti-dumping system.

The Union has also proposed that the Minister should maintain his role of determining the imposition of anti-dumping duties on a case-by-case basis without the proposed narrow ‘public interest test.’

Visit the Union’s website at: www.cfmeuffpd.org.au and click on ‘Our Union’ and then ‘Papers, Presentations and Submissions’ to download the Union’s submission.

Pulp and Paper Industry Review

CFMEU FFPD National Secretary Michael O'Connor spoke at the - Forest Futures: Innovation, Jobs, Investment Conference held in Canberra in October.

Michael spoke about the Federal Government's Pulp and Paper Industry Strategy Group and some of the lessons learnt from the process.

Michael noted that the Strategy Group could well be seen in the future as a turning point for the industry. It is the first time that stakeholder leaders of the Pulp and Paper Sector have met to review and discuss the issues facing the industry and to develop a strategic plan for the future, with the support of Government.

Minister for Innovation, Industry, Science and Research, Kim Carr, announced that the Group was to be formed to undertake a review of the pulp and paper industry in Australia.



CFMEU FFPD National Secretary Michael O'Connor at left at the ForestWorks Conference in Canberra in October.

Photo: Jim Bowden, Timber&Forestry enews

The CFMEU FFPD has a strong track record of promoting the need for strategic industry development. Our Division is proud to have been an essential driver behind the formation of the Strategy Group and a key participant in the process.

As a Union we are mainly concerned with the interests of the workers in the industry, their rights, their living standards and the maintenance and

promotion of dignified and properly paid employment. This obviously depends heavily on the strength of the industry.

Michael noted that the key to developing a world class industry is boosting investment and innovation through research and development.

He quoted Minister Carr on this point;

"Industry and Government need to work together to create an operating

environment where it makes good business sense for international firms to invest in Australia."

The key lesson from this process has been that the industry's ability to overcome challenges and develop a world class industry depends on industry stakeholders continuing to unite to achieve this goal. A long term commitment and a coordinated response from industry and Government is essential.

Union Calls For Action on Illegal Logging

The CFMEU FFPD supports the Federal Government's stance on the prevention of illegal logging. The Union is assisting the Federal Government to meet its election commitment to reduce the occurrence of illegal timber harvesting.

The importation of illegal timber, in the form of wooden furniture, paper and paper board, wood based panels, sawn wood, doors and mouldings is harmful to workers in the Australian Forest and Forest Products Industry which adheres to the highest Sustainable Forest Management practices.

The union has proposed that the government develop a

versatile policy to prevent timber being harvested illegally which incorporates:

- 1: promoting good governance in developing countries so forestry codes can be enforced,
- 2: capacity building so that Sustainable Forest Management practices are encouraged,
- 3: working with other countries to prevent the international trade of illegal timber, and;
- 4: the restriction of importation of illegally sourced timber through the mechanism of demanding an appropriate Chain of Custody and Source of Origin certification accompanies the timber.

Superannuation Changes from July 1 2009

The Federal Government announced a number of changes, effective from 1 July 2009, which may have an impact on Employer and Employee Superannuation and Taxation arrangements.

These changes include:

- Reduction in the 'Concessional Superannuation Contribution Caps'
- Introduction of 'Reportable Employer Super Contributions'.
- Reduction in the 'maximum Super Co-contribution limit'

1. Reduction in the Concessional Superannuation Contribution Caps:

From 1 July 2009 the Federal Government altered the Concessional Contribution limits, for the 2009/2010 financial year, the concessional contribution limits were set at:

- \$25,000 for people under age 50*, and
- \$50,000 for people age 50* and over

*Relates to members age during the financial year.

What happens if an Employer makes a contribution in excess of the new 'Caps'?

The Employer:

The Employer will still be eligible for a tax deduction for the full amount of the contribution.

The Superannuation Fund:

The superannuation fund will deduct

the 15% contribution tax from the full contribution and report the total contribution to the ATO.

The Employee/Super Fund Member:

The member will receive a penalty tax assessment from the ATO equal to 31.5% of the contribution over the cap.

Example:

Colin is 55 years of age and makes Salary Sacrifice contributions of \$1,500 per fortnight and his Employer contributes \$500 per fortnight to his superannuation fund.

Total Concessional Contributions Paid:
\$2000 X 26 = \$52,000
(taxed at 15% in the fund)

2009/10 maximum = \$50,000

Excess Contributions subject to additional tax = \$2,000

Additional tax payable = \$630
(\$2,000 X 31.5%)

A tax notice of \$630 will be sent to Colin for payment; however, the fund may agree to pay the tax on his behalf from his account.

How do the new Concession Contribution 'Caps' affect Superannuation Salary Sacrifice arrangements?

As Superannuation Salary Sacrifice Contributions are classified as 'Concessional Contributions', the Australian Tax Office (ATO) will combine all Employer and Salary Sacrifice contributions paid for each taxpayer during the financial year and compare that figure to the relevant maximum. If the limits are exceeded the ATO may issue a penalty tax assessment to the superannuation member.

2. Introduction of 'Reportable Employer Super Contributions'

For the 2009-10 financial year and all future years, if your Employer makes superannuation contributions under a salary sacrifice arrangement or additional contributions above your compulsory level (eg 9%) to a superannuation fund, the Employer may need to report those contributions on your financial year PAYG payment summary.



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Superannuation Changes from July 1 2009 *continued*

These contributions are called 'Reportable Employer Super Contributions'.

Reportable employer super contributions are not included in your assessable income. However:

- the employer must report them on your PAYG payment summary for the financial year
- the employee must report them to the ATO as part of their tax return
- Reportable employer super contributions affect a range of government entitlements and obligations for individuals.

What are reportable employer super contributions?

Concessional contributions made for the benefit of an employee where all of the following apply:

- the employee influenced the rate or amount of super the employer contributes for them
- the contributions are additional to the compulsory contributions an employer must make under any of the following
 - super guarantee law
 - an industrial agreement
 - the trust deed or governing rules of a super fund a federal, state or territory law.

How are employees affected?

Although the employer must include all reportable employer super contributions they make for an employee on their PAYG payment summary, they are not included in the employee's gross income. Reportable employer super contributions are not included in the employee's assessable income. However, these contributions are included in the income tests for the

following benefits and obligations administered by the Government:

- Medicare levy surcharge threshold calculation
- Medicare levy surcharge (lump sum payment in arrears) tax offset
- all dependant tax offsets
- senior Australians tax offset
- pensioner tax offset
- mature age worker tax offset
- spouse super contributions tax offset
- super co-contributions
- deduction for personal super contributions
- Higher Education Loan Programme (HELP) and Student Financial Supplement Scheme (SFSS) repayments.
- Child Care Benefit
- Family Tax Benefit
- Baby Bonus
- Child support
- Commonwealth Seniors Health Card

The new law affects a range of Taxation, Centrelink and Child Support benefits and obligations. The listing shown above does not cover all of the Government benefits affected by the changes, Employees who may be affected by these changes should visit:

- the Centrelink website at www.Centrelink.gov.au
- the Child Support Agency website at www.csa.gov.au
- the Australian tax Office website at www.ato.gov.au

More Information

Employers and Employees can obtain additional information on 'Reportable Employer Contributions' from the ATO or your Tax Adviser.

3. Reduction in the maximum Co-contribution limit

The Superannuation Co-contribution program was introduced by the Australian Government, from 1 July 2003 as an initiative to help low to middle income earners save for their retirement.

The Government makes co-contributions to match personal (non-concessional) contributions made to complying superannuation funds and Retirement Savings Accounts by eligible taxpayers.

For the 2009/10 financial year, the maximum co-contribution of \$1,000 is available when a person's total income is less than \$31,920; the maximum co-contribution reduces when total income exceeds \$31,920, with no co-contribution being available when total income is greater than \$61,920.

The ATO has information and calculators on its website at www.ato.gov.au, we recommend that superannuation fund members who are looking for further information on the Co-contribution visit the ATO website.

Important Notes:

The material contained in this bulletin is accurate and reliable as at 1 July 2009. This information is of a general nature only and does not take into account your personal circumstances or situation. We recommend that you seek qualified financial advice before making any investment decision.

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Honoring our Life Members

At the CFMEU FFPD Divisional Conference, held in Lancefield, Victoria, during October, the Union made presentations of life membership plaques to three of our long standing and dedicated delegates.

Peter Dennis - Tasmanian District

Peter Dennis was born in Tasmania in 1946. After Peter finished school he worked on a couple of farms and then started at the Blessington sawmill in 1963 when they still had the traction engine running the mill.

Peter was employed as a mill hand and then worked as tailer-outer. He then became the bench man, and finished work as a breaker downer.

When the mill moved to Longford in February 1973. Peter was employed



Right: Peter and Helen Dennis at Peter's Life Membership Presentation

in the dry mill.

Peter joined the Union in 1961 and has now been a member for 48 years. Scott Mc Lean said that Peter has been an excellent delegate whose dedication is beyond question. He is already being sorely missed by the Union's members and officials in Tasmania.

We thank him for his extraordinary efforts on behalf of CFMEU FFPD members.

Clive Ilsley - South Australian District

Clive Ilsley was born in Mount Gambier in September 1945 and attended school there before he left to work for SAPFOR P/L carting timber. Later he worked for Hancock Brothers within SAPFOR as a lathe operator, manufacturing veneer where he was the Union delegate .

Clive was then called up for National Service for 2 years and then returned to SAPFOR and has been there ever since as the CFMEU FFPD delegate



Clive and Lyla Ilsley at Clive's Life Membership Presentation

throughout this time except for a period of about 2 years. He was also an OH&S rep for a few years.

SA District Assistant Secretary Brad Coates said that Clive has been an excellent delegate who was very knowledgeable . Clive has made an enormous contribution to improving the lives of his members and will be sorely missed in the workplace by members and officials of the South Australian District.

Ian Mullen - Victorian District

Ian Mullen was born in Elsternwick in 1946, he left school to work at a joinery, G.N. Hendy's, as an apprentice wood machinist, where he completed his apprenticeship.

He then travelled around Australia and worked as a wood machinist and as a labourer. After this he worked at Sherlock and Hay in Frankston for 8-9 years. He then went to AV Jennings in Springvale in 1982 which was eventually sold and the workplace was



Ian and Laraine Mullen at Ian's Life Membership Presentation

downsized and the company name was changed to Canterbury Windows.

Ian has held the positions of an assistant shop steward, senior shop steward, President of the Victorian Forestry Branch of the CFMEU FFPD and OH&S representative.

Ian has been a stalwart of the Union and was an outstanding delegate and solid as a rock when it came to supporting his co-workers. He is already being sorely missed.

Heat Stress

How should heat hazards be managed?

Where the potential for heat stress exists in hot workplaces, or where hot work is carried out, the following process will assist management of the hazard.

1 Development of a policy and safe work procedures

This should include a process for development of systems for identification, assessment and control of heat stress hazards; providing supervisors and employees with information and training; consultation with employees; analysis of incident and claims data; providing the necessary support for exposed workers and ensuring evaluation of the procedures and systems developed.

In the building industry on commercial sites work ceases at 35 degrees in the sun and at 37 degrees in the shade. Some factory policies include ceasing work at 38 degrees external temperature. Early start times of 6.00am are common. Air-conditioning is becoming more common. Air-conditioned facilities must be available to workers to take breaks in comfort.

2 Consultation

The knowledge and experience of employees working in hot conditions is valuable and they should be involved in the development of the heat hazard control policy and procedures.

3 Information and training

As the consequences of heat stress can be so severe as to cause death, employees and their managers need to be aware of the different health effects of heat stress, the contributing factors, the need for acclimatisation, the importance of rest breaks and fluid replacement, the system for reporting and the prevention strategies which are in place. This information needs to be provided at all levels of the organisation.

4 Hazard identification and assessment

Hot environments can be identified and assessed in a number of ways. Utilising employees' knowledge, taking environmental measurements and considering the nature of the work tasks and the required level of exertion may be sufficient.



5 Risk Control

All possible control measures need to be listed and considered. Examples include:

- Provision of plentiful and easily accessible cool water;
- Provision of appropriate clothing for the job;
- Provision of cool, easily accessible rest areas;
- Administrative measures such as:
 - Rescheduling hot work to cooler parts of the day;
 - Rotating staff through hot areas to reduce exposure;
 - Not working in hot winds;
- Encouraging workers to rest and have a drink if they feel unwell;
- Acclimatisation of new employees or employees returning after a break;
- Training supervisors to observe employees for signs of heat stress;
- Encouraging employees to maintain their health and fitness.

Evaluation

The heat stress policy and procedures need to be widely promoted to all in the workplace. Heat policies also need to be regularly reviewed and evaluated in consultation with employees, and refined as necessary.

If you would like to develop a heat policy for your workplace, contact your Union on 1800 050 556 and ask to speak to your organiser. For more information visit the Union's website and download our health and safety fact sheet on this issue: www.cfmeuffpd.org.au

Adapted from Work Safe SA Heat Stress Policy.

Recent Wins - Brought to You by Your Union

Member Awarded \$7500.00 in Compensation for Racial Discrimination

A CFMEU FFPD Member was discriminated against in his employment on the grounds of racial discrimination.

As soon as the Union found out about this, an application was lodged with the Human Rights Commission on the Union member's behalf.

The case was settled by way of conciliation with the member receiving

an apology and \$7,500.00 in compensation.

Non Payment of Notice

A Union member was terminated by his employer who failed to pay 4 weeks notice plus an extra week as the member was over 45 years of age. The Union pursued the Company and after lengthy negotiations and a threat to prosecute, the member received his correct entitlements. This was the second time that this company had

failed to give proper notice or to pay the correct entitlements. Another company tried the same thing – with the same outcome - the member concerned received 4 weeks notice following the Union's intervention.

Non Payment of Long Service Leave

A company retrenched several workers and failed to pay long service leave. The Union pursued the company and following a threat to prosecute, the company fixed the underpayment.



Forestry and Furnishing Products Division

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