

MEDIA, ENTERTAINMENT  
& ARTS ALLIANCE

**Annual Report**  
**2011-2012**

## alliance offices/contact details

Phone:  
Alliance Membership Centre  
1300 656 513  
Alliance Inquiry Desk  
1300 656 512

Fax:  
1300 730 543

Email:  
mail@alliance.org.au

## contents

- 3 Federal secretary's editorial
- 3 Federal president's message
- 4 The Alliance
- 5 Organising to grow
- 8 Your rights at work
- 9 Building better benefits and extending services
- 11 Shaping our industries through communications and campaigns
- 15 Being part of something bigger
- 16 What our members think
- 17 Collective bargaining
- 21 Best-practice unionism
- 22 Who's who in the Alliance
- 24 Election notice
- 26 Financial statements

FEDERAL OFFICE  
245 Chalmers Street  
REDFERN NSW 2016  
P.O. BOX 723  
STRAWBERRY HILLS NSW 2012  
Ph: (02) 9333 0999

SYDNEY  
245 Chalmers Street  
REDFERN NSW 2016  
P.O. BOX 723  
STRAWBERRY HILLS NSW 2012  
Ph: (02) 9333 0999

MELBOURNE  
Level 3, 365 Queen Street  
MELBOURNE VIC 3000  
Ph: (03) 9691 7100

BRISBANE  
Level 4, TLC Building  
16 Peel Street  
SOUTH BRISBANE QLD 4101  
LOCKED BAG 526  
SPRING HILL QLD 4004  
Ph: 1300 656 513  
Imports (07) 3846 0153

ADELAIDE  
241 Pirie Street  
ADELAIDE SA 5000  
Ph: (08) 8223 6055

PERTH  
Suite 1,12-14 Thelma Street  
WEST PERTH WA 6005  
Ph: (08) 9227 7924

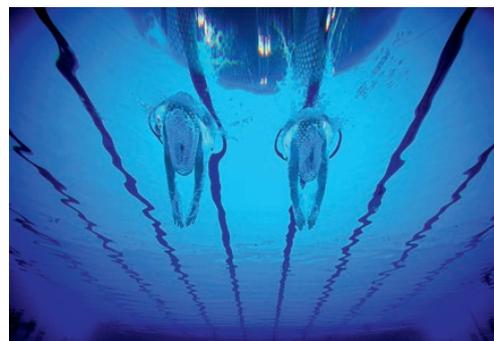
HOBART  
379 Elizabeth Street  
NORTH HOBART TAS 7000  
P.O. BOX 128  
NORTH HOBART TAS 7002  
Ph: (03) 6234 1622

CANBERRA  
Ground Floor  
40 Brisbane Avenue  
BARTON ACT 2604  
P.O. BOX 6065  
KINGSTON ACT 2604  
Ph: (02) 6273 2528

AUCKLAND  
195 Ponsonby Rd  
PONSONBY  
AUCKLAND NZ 1011

MEDIA SUPER  
Locked Bag 1229  
WOLLONGONG NSW 2550  
Ph: 1800 640 886  
Fax: 1800 246 707  
E-mail: administration@mediasuper.com.au

AUSTRALIANSUPER  
Locked Bag 4  
HAYMARKET NSW 1236  
Ph: 1300 368 118  
Fax: 1300 368 881  
E-mail: email@stasuper.australiansuper.com



COVER PHOTO

■ Spain's synchronised swimmers perform their technical routine at the London Olympics. Photograph by Jason South / The Age

**PRODUCTION DETAILS:** Author: Christopher Warren

**Editorial staff:** Lizzie Franks, Mike Dobbie **Subeditor:** Jonathan Este

**ADDRESS:** Media, Entertainment & Arts Alliance, 245 Chalmers Street, Redfern, NSW 2016

**WEBSITE:** www.alliance.org.au

**DESIGN AND PRODUCTION MANAGEMENT:** Magnesium Media

**ABOUT THIS REPORT:** This report was prepared with the assistance of comments by members and photographers taken by members. Number of copies: 750.

External cost of production: \$6,586.80 plus GST (printing and proofs), and \$4,800 plus GST (design and artwork).

## federal secretary's message



These are challenging times for the media and entertainment industry and for our union. To confront these challenges, we need to build power at work. That's why over the past 12 months we've been shaping our work into a comprehensive strategic planning framework to meet this changing environment. This framework focuses on five key strategic goals:

- Organising to grow,
- Your Rights at Work,
- Building better benefits and extending services,

- Shaping our industries through communications and campaigns, and
- Being part of something bigger.

Each goal is underpinned by strategies designed to address particular issues, and each strategy is built on key projects that comprehensively transform the Alliance and ensure we remain ready to confront the dynamic upheavals affecting us all.

The twin challenges of the continuing unfolding of the aftermath of the global financial crisis and the increased disruption from transformative digital technology are changing our work. In this environment, our decision to adopt the five-point strategic planning framework shapes what we need to do – and what we don't need to do.

The 2011-2012 just gone, despite the tumult, has been a successful year for our union. We have been able to report another significant operating surplus, due mainly to an increase in member income and a decrease in indirect costs.

We have begun instilling a growth and recruitment culture across the Alliance that is already delivering results. We have begun implementing strategies to recruit new members, to organise in areas that have been overlooked or in new areas where we must gain traction.

We have re-organised the Alliance through the appointment of directors to the Media, Equity, and the Entertainment, Crew & Sport sections. Staff have received dedicated training and new reporting requirements ensure that all Alliance employees are aware of the strategic focus on developing and maintaining an organising culture throughout the union.

We are comprehensively renewing and improving the collective agreements we negotiate to ensure the best outcome, enshrining and enforcing our members' rights at work. And we are monitoring the operation of current agreements to ensure the bargains we struck are maintained and observed in good faith.

We are reviewing and upgrading our member services, with a particular focus on contingent workers, as well as extending and promoting our professional development programs through the Walkley Foundation and the Equity Foundation. We are developing training for our members to ensure they are better equipped to meet the demand for new skills in the new environment.

It is vital that we shape our industries through improved communications and campaigns. We are embracing the new digital communication tools and ensuring our members and potential members are fully informed about their rights and about the Alliance.

We are campaigning, as we have always done, to promote our industries and our members' interests. Our campaigns – such as Live Theatres, Local Jobs – demonstrate that we can wield significant power for our members when they take a stand on a vital issue. And just as we do at home, we will continue to engage internationally on behalf of our colleagues the world over.

We also recognise that we need to work smarter and leaner. Which is why we are seeking to be part of something bigger, to benefit from the economies of scale and the broader, more effective reach of a larger organisation.

The detail of these activities undertaken over the past year will be found on the following pages.

The Alliance has also committed itself to best-practice unionism, ensuring clear and open governance and financial reporting that we believe puts the Alliance among the very best at ensuring all our activities are conducted with transparency and impeccable honesty.

The Alliance is ready. We are determined to meet any challenge. With our members as our guide, we will continue to be the union that builds power for the people who inform and entertain.

**Christopher Warren**  
Alliance federal secretary

## federal president's message



The Alliance is a union of people who want to change things: one of the things we have always done best is to campaign for the rights of our members, to be vocal in policy reviews and lobbying governments to create economic and cultural conditions that support the industries in which our members work.

This past year has been no different. Our industries face unprecedented challenges – in a time of global financial pressure, the sectors in which our members work are among the most exposed to disruption by digital technology that

is changing, irrevocably, the way we work and – more importantly – the way our audiences interact with, and consume, our work.

There has never been a more important time for people in the creative and media industries to stand up and be counted. The stakes are enormous – the news media is going through what is nothing short of an existential crisis as the big media companies shape-shift, with an enormous loss of jobs, talent and experience, in a desperate attempt to stay relevant.

As in the news industry, so in film and TV, live theatre, music and across the range of industries and crafts our union represents, disruption and uncertainty have been passed down the line to affect our members' jobs and the way we work.

And we have met these challenges and this uncertainty by continuing to shape our industries through campaigns and activism. The Live Theatre, Local Jobs campaign has mobilised thousands of performers in mass meetings and petitions to oppose the abrupt decision, in April, of Live Performance Australia (LPA) to unilaterally terminate the long-standing agreement it has with us governing the use of overseas artists in Australian stage productions. In an industry founded on collegial relations this was disappointing and unnecessarily provocative. This means there is no longer any obligation to conduct a casting exercise to find an Australian

performer before importing a performer from overseas. It will mean that local performers lose out on getting roles in local theatre.

We've met this sort of challenge before. A year ago we took a stand against the federal government's proposal to undermine rules regulating the importation of foreign actors for film and television. Following our Save Spaces for Aussie Faces campaign, the arts minister, Simon Crean, advised Equity that he would not be endorsing the proposed guidelines because of "strong disagreement between stakeholders". Now, again, we have to be mobilise to make sure that performers and crew are not being brought in from overseas to do work that could be performed by Australians.

In the past 12 months the Alliance has also continued to campaign for local content regulation. We know that Australian audiences will choose quality local content when it's offered to them, but the simple economics of the situation means that overseas programming available to broadcasters at a fraction of its real cost will necessarily win out in a deregulated environment. We made our objections to deregulation very clear and, thankfully, the final report of the Convergence Review produced recommendations largely in line with what Equity had requested. Now we must continue to press for it to be implemented.

The production of local content is vital to the livelihood of Alliance members who work behind and in front of the camera, which is why the Alliance has taken every opportunity to go to Canberra to lobby our polities, make submissions and do what we do best: engage our members so the campaign is run by them, not for them.

There's no doubt the industries in which we work in are undergoing massive change. But, as we have shown over the past 12 months, the people who inform and entertain in Australia and New Zealand are part of strong, influential union that continues to have its voice heard on the issues that matter most.

**Patricia Amphlett**  
Alliance federal president



## the alliance

The Alliance is the industrial trade union and professional association that covers everyone in the media, entertainment, sports and arts industries. Our members work in television, radio, newspapers, websites, theatre and film, arts and entertainment venues and recreation grounds, as journalists, actors, dancers, sportspeople, cartoonists and photographers, orchestral and opera performers, as well as in public relations, advertising, book publishing, animation and website production.

During the past 12 months, the Alliance has embarked on a fundamental and far-reaching program to change and improve the way we work. Through the development of a comprehensive strategic planning framework we are building an approach that should keep us focused on our goals and the strategies we adopt to achieve these goals.

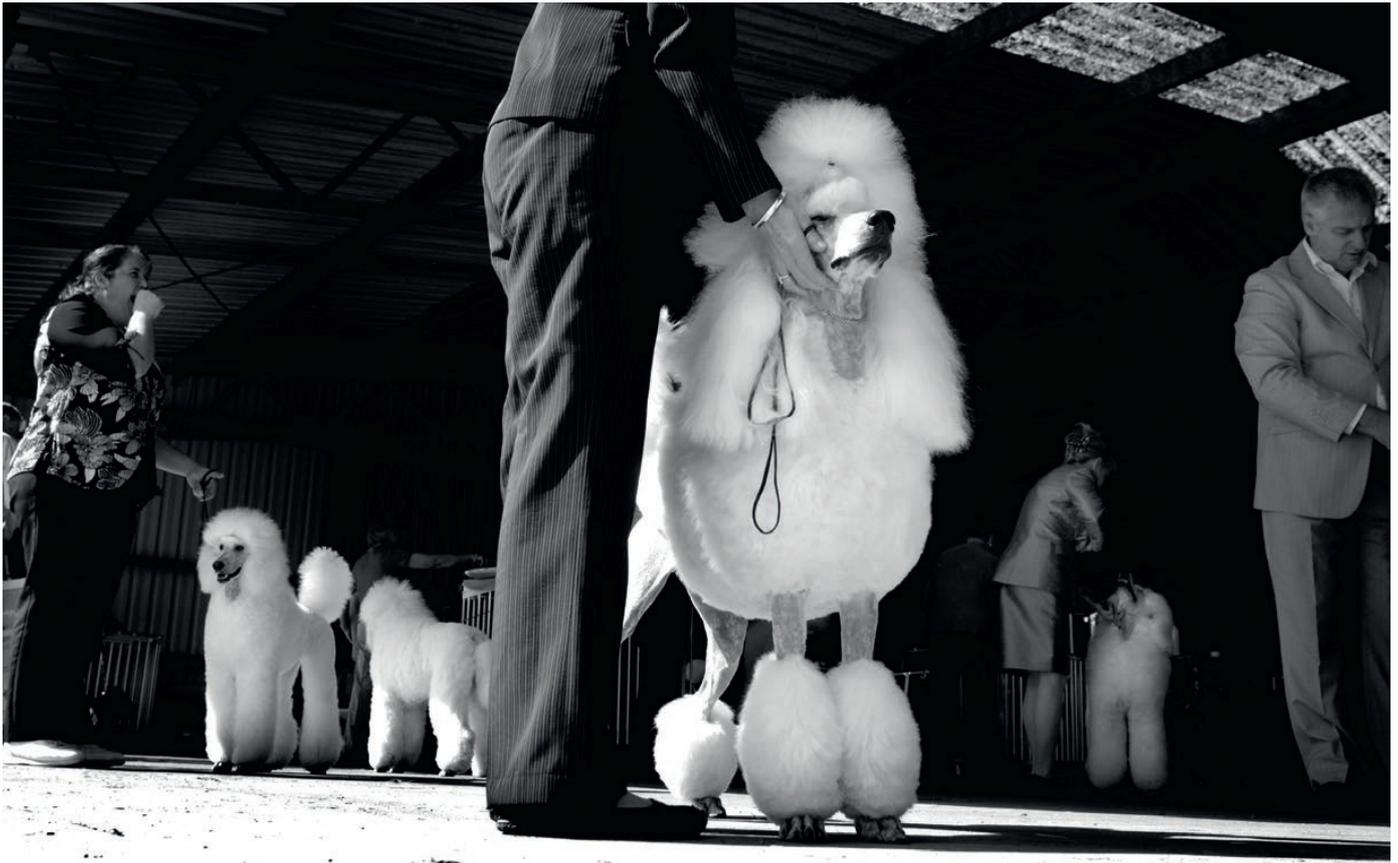
- **Goal 1: Organise to grow:** Over the past decade, we have recognised that to survive our union needs to grow – and to grow we need to be an organising union: one that engages members and potential members and enables them to build power through collective action.

- **Goal 2: Protect and improve rights at work:** Working in the media, arts and entertainment industries often means unusual hours of work, non-traditional workplaces and short-term employment. One of the best ways to ensure power at work is through a collective agreement. The Alliance fights hard to introduce collective agreements at every workplace because they are the best, and often the only, way of protecting basic employment conditions.
- **Goal 3: Build better benefits and extend services:** The Alliance is reviewing and upgrading the discount services offered to members; extending and promoting our professional development programs; helping to build members' superannuation and improving the collection, distribution and communications about residuals.
- **Goal 4: Shape our industries through communications and campaigns:** Communication is at the core of a union. A body as large and diverse as the Alliance could not function without a strong internal and external communications strategy. At the Alliance we rely on a

■ Maria Domandi, 86, in the bedroom of her Tully home after Cyclone Yasi tore through Far North Queensland leaving devastation in its wake. Photograph by Stuart McEvoy/*The Australian*

range of traditional and new media tools to keep members and activists informed, to communicate with delegates, lobby government bodies and employers, engage in public campaigns and inform and educate members about their industrial rights.

- **Goal 5: Be part of something bigger:** In a difficult and changing environment, when our industries are being buffeted and industrial laws attempt to reduce our ability to represent our members, the Alliance aims to work more efficiently and more effectively. We are looking at the benefits of partnership with other organisations to make use of shared resources, with the possible aim of one day amalgamating to maximise the benefits for both bodies.



## organising to grow

The lingering effects of the global financial crisis, coupled with restructures as our industries cope with disruptive digital technology, have hurt our membership. However, a coherent organising strategy has helped contain much of the damage and this has flowed through to our financial results for 2011-2012 with income and surplus ahead of expectations.

To instil a growth and recruitment culture within the union, we have sought to more clearly structure our staffing and related resources into sections.

We have identified three target areas for our recruitment strategies: core, maintenance and growth.

Our **core areas** are those areas where we have or expect to have more than 50 per cent density. These are journalists in traditional media, performers in theatre, film and television, crew in live theatre and orchestral musicians. Despite the fact that these areas are just about all covered by collective agreements that are regularly maintained, we estimate that about one-third of people working under these agreements are not members. This is better than the Australia-wide differential between

union density (about 19 per cent) and coverage of collective agreements (about 38 per cent) but still has potential for growth.

By **maintenance**, we mean particularly those areas where we have inherited activity and membership but where a combination of high casualisation and employer antipathy has made it difficult to sustain our membership in most areas. These are cinemas, outdoor event day workers and extras.

By **growth** we mean those areas that we deliberately target for growth. These are film and television production crew, New Zealand Equity, commercial television and new media, particularly in small and medium-sized companies. To develop an organising approach to these areas we have dedicated particular resources through each of the sections to develop and implement organising plans.

### Building robust and accountable structures

To provide clearer reporting lines and improve accountability, we have developed a revised management structure built around the primacy of sectional structures, with

■ Judging in progress during the standard poodle dog show at Castle Hill showground, NSW, March 2011. Photograph by Mark Evans/Daily Telegraph

geographic and shared functions. We have made external appointments for directors of each of the three major sections. We have appointed a new director, communications, Sean Brogan, to consolidate communications across the union and our industries. We have consolidated our industrial team with Matthew Chesher appointed as national industrial officer to lead a team of industrial officers. We have appointed a general manager, Delia O'Hara, to co-ordinate our strategic framework, our staffing and other administrative functions.

Following the decision of Federal Council, the Federal Management Committee has been managing the replacement of elected officers by employed staff as vacancies have arisen. This has enabled the continuing elected employed positions to be integrated into the new section-focused organisation structure.

Both assistant federal secretary positions have become vacant as the result of the

departure of Simon Whipp and the death of Mark Ryan. The assistant federal secretary positions have effectively been replaced by the section directors: Paul Murphy in the Media section, Sue McCreadie in Equity, and Mal Tulloch in Entertainment, Crew and Sport.

In Western Australia, we have jointly employed a regional director with the Association of Professional Engineers, Scientists and Managers Australia (APESMA) as we have done in Queensland and Tasmania. The NSW secretary has become an honorary position.

Talks are continuing with staff over updating our staff salaries and conditions. As part of these discussions, all staff wages were increased by 3.25 per cent from July 1, in line with the average of rises in major Alliance agreements in the previous 12 months.

As a result of the Commonwealth takeover of state powers, the Alliance has updated and validated its state rules in NSW and Western Australia. We are going through a similar process in Queensland.

We have been working to actively engage our staff – particularly our senior staff – in developing the project plans that underpin our strategic framework. A project planning full-day meeting was held on June 5, where 33 staff responsible for project development from around the country started work on our project plans. This was followed by a two-day full staff summit, held in August. The primary purpose was to advance projects and to consolidate our Strategic Plan.

### Membership processes and database

We have upgraded the membership database system to integrate it more with other Alliance activities such as participation in Alliance events. We are also considering how to integrate the membership system and other contact databases, how to make the system more web-enabled and how to integrate with social media. The processes recommended by our auditors as a result of a forensic audit following a fraud in the membership section have been implemented. All relevant information about the fraud has been provided to the police.

### Organising the unorganised

The future of the Alliance depends on our ability to break into unorganised areas. The areas we have identified are film and television production crew, New Zealand Equity, commercial television and new media, particularly in small and medium-sized companies.

### Film and television production technicians

The Alliance has been attempting to give a particular priority to membership among film and television technicians as a targeted area for growth. We are currently scoping a campaign to develop an offshore agreement and an enforceable Motion Picture Production Agreement that delivers real pay improvements for Australian film and TV.

Alongside this we continue to work with crew and industry to lobby state and federal

governments for improved support for film, particularly by increasing the Location Offset to 30 per cent. Through our past efforts, the Federal Government supported the Offset to attract *Wolverine* to Fox Studios in Sydney. The Alliance petition was supported by more than 1000 signatures.

### New Zealand Equity

The New Zealand Equity branch has been one of the success stories of the past two years and, in late August, broke through the 500-member level, making it the fourth largest Equity branch in the union. In 2010, NZ Equity launched its professional program and gained some financial support from Creative NZ. The branch continues to campaign for a standard contract for performers, against the scrapping of the TVNZ Charter which promotes local content, and for the application of regulation of imported artists according to NZ immigration law.

As part of our negotiations for standard conditions in film and television production, we have engaged a locally based negotiator, Marty Braithwaite.

### Small and medium-sized enterprises (SMEs) in the media industry

As the media industry restructures itself we are seeing parallel declines in traditional media, where the Alliance has traditionally been strong, and expansion in an emerging media system, largely driven by small and medium-sized enterprises (sometimes operating within traditional media).

About 3000-4000 people are employed or engaged in this sector. Although we have low density, there is potential to break through with an innovative approach that stresses the range of Alliance activity beyond our pure industrial work.

To assist in this work, the media section has engaged a campaign co-ordinator to work with the director in establishing a strategy and base in this sector.

### Targeting students

The Media and Equity sections are working to reach out to final-year students who are making the transition from study to work. This has proved successful in bringing students into the union at the beginning of their careers.

### Contingent work

The trend to contingent work continues, both in the general workforce and within the Alliance. Our goal is to confront the challenges this poses by, first, seeking to extend to contingent workers the rights and security of permanent employees and, second, assisting contingent workers to deal with the particular responsibilities their employment status requires.

Areas of contingent workers have been identified as target areas for growth include:

- Live theatre, including labour-hire companies operating in live theatre and concert sector;
- Film and television technicians; and,
- Freelance journalists.

As part of our campaign to strengthen the unionisation of freelance workers, we have:

- Established a national ad-hoc committee of freelancers from Federal Council and from the various state freelance networks;

- Released a beta freelance web site (we are also looking at commissioning an external consultant to develop the site);
- Announced the Freelance Journalist of the Year Walkley award; and,
- Held the annual freelance conference in Melbourne at the end of March 2012.

There is still no progress in talks with the major publishers under the waiver from the Trade Practices Act granted by the Australian Consumer and Competition Commission (ACCC). Our organisation in this area is connected to our campaign in small and medium-sized media enterprises.

### Commercial Television Guild

In May 2007, the Alliance and the Community and Public Sector Union (CPSU) established the Commercial Television Guild as a joint organising vehicle. Under the agreement, the two unions pooled organising and bargaining resources with existing members of each union also being treated as members of the guild.

New members recruited through the guild process (other than performers, journalists or drama crews) become members of both unions.

The guild was used in the campaign for a new collective agreement at the Seven and Ten networks. Organising campaigns in this area have been challenging and the efforts have seen minimal growth over the past five years. The Seven Network agreement is up for renewal mid-2013. The Entertainment, Crew and Sport (ECS) section will be concentrating on in-house drama where we have had success in the past.

### Increasing membership in traditional areas

#### Performers

The Equity section of the Alliance is attempting to strengthen the position of performers through professional development training initiatives that focus on skills development for specific streams within the broader industry. These include musical theatre, theatre, comedy and television days. We have launched a professional program in NZ and attracted financial support from Creative NZ. We have been attempting to organise to grow around the key campaigns over imported artists in both live theatre and film.

#### Live Theatre

Our Live Theatre section includes front-of-house (FOH) and back-of-house (BOH) crew working in both subsidised and commercial theatre. The membership is dominated by subsidised theatre members where we have collective agreements. Our goal is to deepen our density and activity in subsidised theatre (where we have traditionally been strong) and build confidence and power in commercial theatre. Membership has begun to increase over the past year as we have implemented our campaign plans.

Commercial theatre crew in NSW continue to fight for a collective agreement to improve conditions in this area of the industry. The Fight for Four campaign was successful in winning collective agreements in commercial theatre venues in Victoria and WA. However, producers have strongly resisted this in NSW. This has meant the Alliance has had to move away from



■ A firefighter watches as the roof of a house burn in a Detroit fire. Photograph by Nic Walker/*Weekend Financial Review*

a national approach to cover venues and initiate bargaining with individual producers that have touring crews.

**Media**

Paradoxically, redundancies in newspapers have led, in the short term, to a stabilisation of our membership as our density among the remaining employees has deepened. As a result of the campaign around redundancies at Fairfax Media in 2011 that was prompted by the company outsourcing its subediting and other production roles – coupled with the regional newspapers collective agreement campaigns – our media section membership was relatively stable and our income for 2011-2012 was ahead of budget in this sector.

However it is likely that the sheer scale of the job losses particularly at Fairfax Media and News Limited, where one in seven journalism jobs were lost, means this is not sustainable in the longer term. So far this year, we estimate that about 700 jobs have been lost at these two major newspaper employers and most of those taking redundancy are likely to leave the industry.

**Cinemas**

Over the past five years, our membership among cinema workers has continued to fall. Fair Work Australia is reviewing the modern awards and will be abolishing the individual

company awards and imposing the modern award on the industry. The Alliance is currently involved in the review, which the employers are focusing on junior pay rates and flexibility clauses. If we are successful in achieving a reasonable outcome in this process, we will review existing collective agreements.

**Outdoors event staff**

Membership among outdoor workers has remained stable during the year. Our membership is highly casualised with the average member working about one shift a fortnight. There has been a significant effort in Victoria to organise outdoor workers where the bulk of the Alliance’s membership in this sector are based.

**Extras**

The Alliance is improving communication and recruitment with extras, with a special Extra Equity pamphlet for extra members and targeted seminars for extra members. Despite this, extras membership continues to slide.

**Sport – basketball**

The Alliance has secured agreements with members working as professional referees in the NBL and WNBL basketball leagues that include improved conditions and wage rises ahead of inflation. As a result of the Alliance’s organisation of the referees, our membership has increased.

## your rights at work

The Alliance has continued to renew and improve collective agreements as they emerge. As part of this process, where appropriate, we have been attempting to extend coverage and to consolidate agreements within a single company. In our various target areas for growth, we are seeking to implement appropriate collective bargains or, at least, some form of collective regulation of employment. Through our campaigns in small and medium-sized enterprises in the media industry, we are developing an agreed charter of rights that can be collectively shaped.

See all collective agreements negotiated by the Alliance on pages 17-19 of this report.

### Inform our members about their rights at work

To ensure members are adequately informed about their rights at work, we are conducting an audit of all the information we hold online about various agreements and other working rights. We are also working on a document management system that will ensure that online information will draw off a single set of information which will always be up to date.

As part of the broader staff restructure we are working to integrate the claims work more effectively with the inquiry desk and broader industrial services to remove pressure on organisers in dealing with individual issues.

### Enforce our members' rights at work

#### Claims

In the 2011-2012 financial year, we broke through the \$1 million dollar barrier in amounts recovered for members as a result of underpayments or breach of contracts:

	2010-2011	2011-2012
Equity	\$205,500.31	\$210,842.30
ECS	\$67,700.73	\$ 87,600.00
Media	\$418,257.56	\$739,944.15
Musicians	\$8,137.00	0
TOTAL	\$699,595.60	\$1,038,386.45

### Copyright Agency Limited

The Alliance continues to co-operate with the Copyright Agency Limited (CAL) to deliver copyright royalties to journalists for photocopying. Malcolm Knox was re-elected as the de facto Alliance representative on the CAL Board.

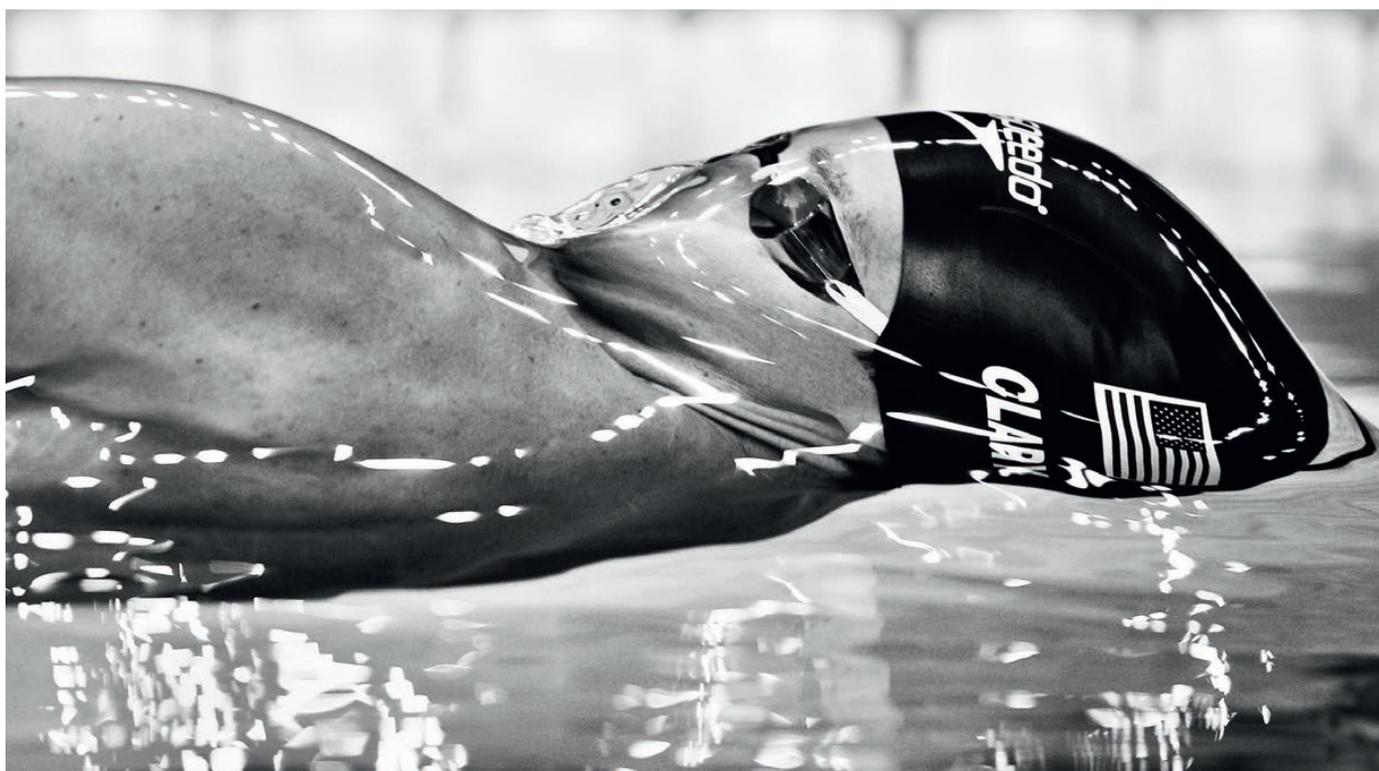
The agency is implementing a new system of online rights' management that will enable freelancers to receive the benefits of the exploitation of their rights. We are working with CAL to ensure the rights of journalists are respected and to promote the service among our members, particularly freelance members.

### Protect safety at work

The Alliance has formed a communication protocol with Workcover NSW. The protocol assists in seeing a timely resolution of health and safety complaints.

In Sydney, we are training one of our entertainment, crew and sport organisers in a Certificate IV in Occupational Health and Safety at the ACTU. This course is aimed to equip our organisers with the skills and knowledge to investigate any suspected breaches of Workplace Health and Safety laws. As part of our review of appropriate insurance coverage for members (made available either as a discount add-on or as part of membership) we are examining whether we can sustain journey coverage in those states where it is excluded by legislation.

■ US swimmer Tyler Clary competes in the Men's 200m Backstroke Final at the 14th FINA World Championships in Shanghai, China, July 29, 2011. Photograph by Adam Pretty/Getty Images





## building better benefits and extending services

### Review and upgrade member discount services

We have signed up with the Association of Professional Engineers, Scientists and Managers Australia (APESMA) discount service, Member Advantage. This provides discount services to members promoted through a dedicated web page.

### Increase services tailored for contingent workers

As part of a general review of appropriate services for contingent workers, the Alliance is exploring the practicalities of providing a package of work-related insurance to all, or some, members. This could include public liability, professional indemnity, journey cover, health incidentals and funeral cover. We are also examining ways in which we might provide an online “business in-a-box” for contract workers which would provide them with all the paperwork and instruction they need.

### Extend and promote our professional development programs

#### Walkley Awards and Foundation

The Walkley Foundation has continued as the primary vehicle for our campaigns to raise the status of journalism. The Foundation undertakes six key activities:

- Awards schemes;
- *Walkley Magazine*;
- Events;
- Training;
- Student program; and,
- Research.

The 56th Walkley Awards for Excellence in Journalism were presented in Brisbane on November 27, 2011, with support from

Events Queensland. The awards will be held in Brisbane again in 2013 as part of that contract. This year the Foundation has received support from the ACT Government as part of the centenary of Canberra. The 57th awards will be held at the Great Hall, Parliament House, Canberra on November 30. The Foundation also hosts awards schemes in Queensland, northern NSW (PRODIS), Tasmania, South Australia, Western Australia and, since 2011, the Northern Territory.

Other awards schemes include a Non-Fiction Book Award, a Documentary Film Award, the Walkley Young Journalist of the Year and Freelancer of the Year. The latter award was launched last year.

This year the Foundation intends to launch a computer application of the year’s Walkley finalists and winners. The app will be free and available, initially, on tablet devices. Further development in coming years will include a phone app. There will be a full review of Walkley categories and the awards by the Walkley Advisory Board in early 2013. Suggestions should be directed to the Foundation as soon as possible.

*The Walkley Magazine – Inside the media in Australia and New Zealand* continues to be published five times a year and has carved out a niche as the primary vehicle for internal discussion of media issues. The Foundation is examining ways of improving funding for the magazine and building circulation outside the union.

The Foundation has developed relationships with the state libraries in NSW and Queensland to deliver a series Walkley Media Talks which aim to raise the profile of journalism. The Foundation also runs three key conventions: freelance, public affairs and the Walkley Media Conference and a range of media forums that capture relevant industry discussions.

■ At the 2011 Walkley Awards the highest accolade - the Gold Walkley Award - went to Sarah Ferguson, Michael Doyle and Anne Worthington for their expose on animal cruelty in Australia’s live cattle export trade on ABC’s *Four Corners*

■ The cast of *East West 101* were the winners of the 2012 Equity Award for Outstanding Performance by an Ensemble in a Drama Series. Clockwise from left: Renee Lim, Matt Nable, Tasneem Roc, Daniela Farinacci, Susie Porter and Taffy Hany

The Foundation co-ordinates the annual press freedom dinner in Sydney, where the findings of the Alliance’s annual press freedom report are released.

With the support of CAL, the Foundation has employed a part-time staff member with training experience to develop an industry training program. Over the 11 months to July 2012, 200 journalists have attended courses in social media, blogging and publishing online, photojournalism, podcasting, magazine writing, productive tools and more.

The Foundation co-ordinates the student program, including Media Pass student days in each state and a student journalism prize.

The Foundation participated in a major research project with academics Penny O’Donnell of the University of Sydney and David McKnight of the University of NSW, backed by the Australian Research Council, to produce a report, *Journalism at the Speed of Bytes: Australian Newspapers in the 21st Century*. The Foundation has entered into another grant project with Melbourne University, Michael Gawenda and the National Library, entitled *A History of Press Photography in Australia*. This project is due to report in 2015.

#### Equity Foundation

The Equity Foundation has continued to enhance the working lives of Australian



and New Zealand actors by investing in programs that help them in their professional endeavours and the communities in which they live. The Equity Foundation hosts more than 100 events a year throughout Australia and New Zealand.

The Equity Foundation's masterclasses are designed to address our members' need for ongoing professional development and provide rare opportunities to work with leading directors, coaches and casting agents. The workshop series is an opportunity to work on specifics, such as acting for the camera, comedy, dancing, voiceovers and accents. Up to 10 members work over a two-hour period with an expert in their field.

As part of the foundation's Conversation series, performers are given the opportunity to attend an intimate question-and-answer session with leading international actors and directors. Sir Ian McKellen, Richard E Grant, Sam Neill, Cate Blanchett and Colin Firth are among those who have participated in the Conversation events.

Each year the Equity Foundation hosts a Casting Hothouse, which gives performers a unique opportunity to work with international casting agents, such as CBS TV Studios' vice-president of casting, Matt Skrobalak, and US feature film casting director Margery Simkin.

Equity Foundation also holds an annual industry day designed to provide graduates with important information and tools to help them on their way to a successful performance career.

The Equity Lifetime Achievement Award, presented by FOXTEL was launched in 2009 to honour the achievements of a leading Australian performer who has had a distinguished career and been an inspiration to other Australian performers. The Lifetime Achievement Award

for 2012 will be presented to Ron Haddrick at a ceremony in November.

The Equity Ensemble Awards were introduced in 2011 to honour excellent performances by Australian television ensembles. The Equity Awards include:

- The Equity Award for an Outstanding Performance by an Ensemble in Comedy Series;
- The Equity Award for an Outstanding Performance by an Ensemble in a Drama Series; and,
- The Equity Award for Outstanding Performance by an Ensemble in a Mini-Series or Telemovie.

The 2012 Equity Award winners were honoured at a ceremony in Sydney in June 2012.

equity magazine continues to be published quarterly and distributed across Australia and New Zealand.

### Build our members' superannuation

The Alliance has continued to support Media Super as the industry fund for our members. The union is represented on the Media Super board by the federal secretary and by Gerard Noonan, who is also the chair of the fund. Victorian Branch Secretary Louise Connor is an alternate member of the Board.

The Alliance has strengthened its relationship with Australian Super (formerly STA), the fund that applies to most technician members. Australian Super is sponsoring the Walkley cinematography award and is supporting the alliance magazine for technician members.

### Temporary public service employees

In early 2007, the High Court ruled that

■ Colin Firth in conversation with Sigrid Thornton at an Equity Foundation event in Brisbane. Photograph by Harrison Saragossi

temporary employees in the public sector were wrongly excluded from the Commonwealth Superannuation Scheme up to 1992. This has a direct impact on Alliance members as all ABC journalists were classed as temporary employees until 1991.

The Alliance believes that there could be as much as \$30 million in superannuation entitlements that have been foregone as a result and can be claimed under this decision. We are working with the ABC to identify potential beneficiaries. We expect a decision from the ACT Supreme Court that will hopefully provide a positive outcome for our members.

### Members Equity Bank

The Alliance has continued to work with Members Equity Bank to promote its services to members. The bank is also supporting Alliance activities and speaking at Alliance meetings.

### Improve collection and distribution of residuals

The residual payment process continues to be improved, with the Alliance now distributing about 95 per cent of residuals monies received. We are considering how the Alliance can be more active in identifying residual obligations, rather than relying on the honesty of producers and distributors. As part of a review of our online presence, we are examining how we can include a search function for members wanting to know if they are entitled to residuals.

## shaping our industries through communications and campaigns

The media and entertainment industries are experiencing profound change, but strong campaigns continue to support the rights and interests of our members and open up new opportunities for them to inform and entertain.

### Engage and activate our membership through campaigns

#### Media regulation

The Alliance has been actively campaigning for a stronger and more coherent system of self-regulation of news media. We appeared before the Finkelstein inquiry into the media and engaged with the Federal Government's convergence review. We have opposed the formation of a government body but supported a stronger Press Council as a one-stop shop for complaints about the news media.

#### Digital transformation

The digital revolution continues to reshape both the jobs our members do and the industries they work in. The focus of Alliance activity has been to:

- Implement communications that develop the debate and spread of information within the industry;
- Build the capacity of Alliance officers and staff to understand and respond to the impacts;
- Shape our collective bargaining around the demands of a changing environment; and,
- Shape the emerging industry through training for members and developing policy alternatives.

#### Film funding

The Alliance continues to campaign to win improved film funding. We have supported the continued producers' rebate. We have

submitted to the review of the sector that the local rebate (40 per cent) should be more tightly targeted to ensure its cultural goals are met.

We have been working with crew for improvements in the Location Offset which rebates costs for offshore productions. To attract *Wolverine* to Australia, the Gillard Government granted the producers a one-off payment of \$12.8 million, which effectively increases the existing Location Offset to 30 per cent for this feature film. We have supported this one-off allowance and are campaigning for a permanent increase to the Producer Offset through campaigns and in a meeting with the arts minister, Simon Crean.

#### iiNet and Piracy

The landmark online copyright trial involving the Perth-based internet service provider (ISP) iiNet was dismissed by the High Court. Our view remains that internet providers are profiting from their customers' downloading activities at the film industry's expense and this needs to be addressed.

#### Press Freedom

The Alliance has continued its campaign for a free media in a democratic society. This campaign has had five heads:

- Media ownership and diversity;
- Self-regulation;
- Public broadcasting;
- Laws and regulations; and,
- Freedom of information.

Within this broader campaign, the Alliance has been focusing on four key issues: anti-terror laws, access to asylum seekers, source and whistleblower protection, ABC and public broadcasting, with a fifth issue – privacy law – emerging as a matter of importance.

In New Zealand, we are co-operating in campaigns in support of Radio New Zealand and TV New Zealand.

### Imported artists regulation (film and TV) – Save Spaces for Aussie Faces

Following six months of negotiations and a further three months of departmental deliberations over a final draft of new Foreign Performer Certification Scheme Guidelines, the arts minister, Simon Crean, wrote to the Alliance in April that given the "strong disagreement between stakeholders" he was "not willing to endorse revised guidelines".

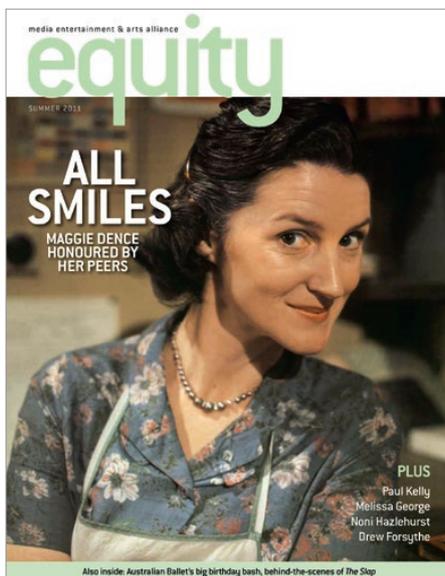
Mr Crean's decision was a win for the many performers who rallied, signed petitions and endorsed potential industrial action. It's also a win for the film and television industry because it offers another chance to develop broadly supported guidelines and maintain industry goodwill.

### Imported artists regulation (live theatre) – Live Theatre, Local Jobs

On April 2, 2012, Live Performance Australia (LPA) announced it would terminate the Agreement Governing the Use of Foreign Artists in Live Theatre in Australia from June 22, 2012. The Agreement sets out the mutually agreed circumstances where producers are able to import overseas performers for productions in Australia. Without the Agreement in place, the only provisions governing the importation of performers and crew in live performance are the 1994 Migration Regulations. These regulations allow for the importation of performers where the importation will lead to a "net employment benefit".

Equity is seeking to have LPA return to the table to sign the Live Theatre Agreement in its

- The May-June 2012 issue of *The Walkley Magazine*
- The Summer 2011 issue of *Equity* magazine
- The Autumn 2012 issue of *The Alliance* magazine





current form or a negotiated updated version. As an alternative, we are seeking individual agreements with producers to adhere to the current Live Theatre Agreement. Equity has approached the federal government to consider introducing a scheme similar to the Foreign Actor Certification Scheme for film and television for the live performance industry under the regulations.

### Convergence Review

The Alliance contributed to the work of the Convergence Review through meetings with the Committee and a major submission. The Committee released its report on April 30, 2012, outlining a broad vision for fundamental change to the regulatory framework for the Australian media landscape and identifying key areas for reform, including the repeal of content quotas and replacement with a uniform content scheme, a converged content production fund to support Australian content, the removal of cross-media and diversity rules to be replaced by a “minimum numbers of owners” rule and a public interest test for significant transactions, the establishment of an independent self-regulatory body to enforce standards in the media.

The report has been provided to the federal government, which has stated that it will respond “in due course”.

### Performers’ copyright

After 12 years of negotiations, the World

Intellectual Property Organization (WIPO) has finalised the landmark international treaty to protect performers in film, television and digital media. The adoption of the new treaty at the Diplomatic Conference on the Protection of Audiovisual Performances in Beijing, China, strengthens the position of performers in the audiovisual industry by providing a clear international legal framework for their protection.

The treaty will also contribute to safeguarding the rights of performers against the unauthorised use of their performances in audiovisual media, such as television, film and video. The Alliance is now looking to the federal government to ratify the treaty as soon as possible.

### National Cultural Policy

The federal government committed to the development of a new National Cultural Policy in the 2010 election arts policy document Investing in a creative Australia. This will be the first comprehensive cultural policy since the Keating Government’s Creative Nation.

Consultation began in 2009. The Alliance made submissions in February 2010 and again in 2011. Following the release of a discussion paper in 2011, the government established a reference group to provide feedback on the development of the National Cultural Policy including Alliance federal secretary Christopher Warren.

### Australia Council

The Australian Government is now considering a review of the Australia Council following the May release of a report by consultants Gabrielle Trainer and Angus James. The report is controversial – while the proposal for additional funding for small companies and individual artists is welcome and overdue, there are significant risks to the major performing arts companies with the suggestion that their funding should be open to competitive contest on the basis of peer review.

The major companies employ some 66 per cent of the total arts workforce in this sector and the lack of certainty of future funding would put employment of artists and programming at risk. The Alliance has written to the arts minister, Simon Crean, outlining our concerns and has met with the federal department. A government response to the review is anticipated with the long-awaited cultural policy.

### Engage and activate our membership through communications

Communication is at the heart of what we do at the Alliance. To ensure members are kept informed about the pace and scale of change in their industries we publish three magazines (*The Alliance*, for crew, musicians

and professional sportspeople, equity for performers and *The Walkley Magazine* for journalists and other media workers. We also communicate with members via our weekly e-bulletins. In 2012, we have conducted our third biennial survey of members, the results of which are provided in this report.

The Alliance also aims to shape our industries through cutting-edge research and information, including the annual press freedom report. This year's report, *Kicking at the Cornerstone of Democracy*, was launched at the press freedom dinner in Sydney on May 4.

**Submissions**

Working in the best interest of our industries, we made submissions to the following hearings and inquiries:

- Australian Law Reform Commission, Grey Areas – Age Barriers to Work in Commonwealth Laws, Issues Paper, June 2012
- Attorney General's Department regarding the WIPO Diplomatic Conference on the Protection of Audiovisual Performances, June 2012
- Joint Select Committee on the NSW Workers Compensation Scheme, NSW Workers Compensation Inquiry, May 2012
- NZ Actors Equity submission to the Auckland Council Re: Draft Community Funding Policy, May 2012
- NZ Actors Equity submission to the New Zealand Department of Labour, Second Draft of the Entertainment Industry Accreditation Application and Amended Circular April 2012
- NZ Actors Equity submission to the New Zealand Department of Labour, Draft Entertainment Industry Accreditation Application, March 2012
- Independent Inquiry into Insecure Work in Australia, March 2012
- Fair Work Act Review, February 2012
- Convergence Review Committee Convergence Review - Interim Report, February 2012
- NZ Actors Equity Comment regarding Accreditation for entertainment industry – discussion document, November 2011
- Independent Media Inquiry – The Alliance made a detailed submission and the federal secretary gave evidence at the hearings – November 2011
- Convergence Review, Australian and Local Content, Discussion Paper, October 2011
- Office for the Arts, National Cultural Policy, Discussion Paper, October 2011
- Department of Immigration and Citizenship, Media Access to Detention centres and Deed of Agreement, September 2011
- Department of Foreign Affairs and Trade 14th Annual Australia-China Bilateral Human Rights Dialogue, September 2011
- Joint industry letter to The Hon. Barry O'Farrell MP, Premier of New South Wales, September 2011
- ScreenWest, Screen Industry Infrastructure Preliminary Planning Discussion Paper, September 2011
- Senate Standing Committees on Environment and Communications Inquiry into recent ABC programming decisions, September 2011
- Journalists' access to detention centres,

Department of Immigration and Citizenship, September 2011

- Department of the Prime Minister and Cabinet, Office for the Arts Draft Foreign Performers Certification Scheme Guidelines, July 2011
- NZ Actors Equity submission to the New Zealand Department of Labour, Review Of Immigration Policies For Temporary Workers In The Entertainment, Music, Film And Television Industries, July 2011

**Engage and activate our members on broader social priorities**

**IFJ Asia-Pacific Project Office**

The IFJ Asia Pacific office is hosted by the Alliance in our Sydney office. Its priorities are:

- Trade union development in the region;
- Press freedom issues in the region; and,
- The safety of journalists.

The IFJ AP runs a range of projects across the region, mainly funded through European or US aid organisations.

The Alliance has been co-ordinating talks with other global unions in the media, entertainment and graphical industry about joint work with the possibility of building to a combined regional office and structure.

■ Hundreds attend a meeting in Melbourne to show their support for Equity's *Live Theatres, Local Jobs* campaign. Photograph by Rodney Dekker

■ Cartoon by Andrew Weldon/www.andrewweldon.com



### Media Safety and Solidarity Fund

The Media Safety and Solidarity Fund is supported by donations from Australian journalists and media personnel to assist colleagues in the Asia-Pacific region through times of emergency, war and hardship. Established in 2005, the fund is a unique and tangible product of strong inter-regional comradeship administered through the Asia-Pacific office of the International Federation of Journalists in collaboration with the Media Alliance and the Media Safety and Solidarity Board.

It is entirely funded by journalists to aid their colleagues who work in less privileged circumstances. The fund helps colleagues in:

#### Nepal

Nepal's transition to democracy since a violent coup in 2005 has been nurtured by the hard work of the independent journalism community and journalists' organisations. This transition has come at great personal sacrifice to Nepal's media community, with several journalists killed or disappeared since 2001. Many children of journalists have lost one of their parents, and their families struggle to sustain their livelihoods. The Media Safety and Solidarity Fund was asked to support a long-term program to fund the schooling and educational needs of all children of killed journalists through to adulthood – a projected commitment of at least 20 years.

In 2011-2012, the fund supported 28 children of journalists and media workers killed in Nepal.

#### Philippines

The massacre of 32 media personnel, among a group of 58, in the southern Philippines on November 23, 2009, is the world's worst single atrocity committed against the media in living memory. The Media Safety and Solidarity Fund has worked closely with the National Union of Journalists of the Philippines (NUJP) over many years to assist in setting up an NUJP Safety Office, which is now supported by the Norwegian journalists' union, Norsk Journalistlag (NJ), with IFJ Asia-Pacific assistance.

In 2011-2012, this fund supported about 100 children of journalists and media workers killed in the Philippines, including the children of those killed in the 2009 Ampatuan massacre.

#### Sri Lanka

During 2011-2012, the fund agreed to support the education of the two children of disappeared cartoonist Prageeth Ekanaligoda for the next three years. The fund has also established an annual lecture, in support of press freedom in Sri Lanka, to commemorate the life of Lasantha Wickrematunge, a prominent Sri Lankan journalist and human rights activist who was assassinated in January 2009.



■ A child of an Ampatuan massacre victim describes the situation through a drawing three years on

#### China

The Fund continues to support a press freedom monitoring project in China. Run by IFJ Asia-Pacific, it is jointly funded by the National Endowment for Democracy. The Hong-Kong based media monitor and project coordinator researches and writes background reports, media statements and a regular monthly e-bulletin in English and Chinese, which are distributed through an international network of China press freedom advocates, journalists and freedom of expression experts developed by the program coordinator.

#### Disaster relief

Over the past 12 months, the Appeal has provided one-off grants of disaster relief support to Pakistan, the Philippines, New Zealand and Japan totalling \$26,358.

#### IFJ AP Human Rights Advocacy

The Alliance hosts the International Federation of Journalists' (IFJ) Asia-Pacific office. The IFJ's most high profile work is its human rights advocacy work – press releases, reports, lobbying, coordinating campaigns, coordinating missions, providing hands-on consultation for individual journalists in trouble. To help support the office continue this work, the MSSF has committed to directly funding the IFJ's human rights advocacy program.

#### International News Safety Institute Asia-Pacific

The Alliance is affiliated to the International News Safety Institute which promotes safety around the world, particularly through training, advocacy, support and advice. The Asia Pacific Safety Office is a joint initiative between IFJ-AP, INSI and UNI APRO and the Media Safety and Solidarity Fund - a joint project of the Alliance (Australia) and the EPMU (New Zealand). The Safety office, to be based in Singapore, will strengthen and streamline regional safety support to media workers in particular around issues of safety advocacy, support and training, emergency response, organisational support and alliance building.

#### Gift and other funds

The Alliance has been seeking the capability for tax-deductible registration for the Safety and Solidarity Fund. Unfortunately our applications both to register as a cultural organisation with the Office of the Arts and as an international aid organisation with AusAID have both been rejected. As a result, we are examining how to better structure our foundations and our Safety and Solidarity Fund to enable them to be individually registered to receive tax-deductible donations.

Media Safety and Solidarity Fund	2012	2011
<b>Balance at 1 July</b>	386,987	389,838
Funds raised during the year	36,961	40,480
<i>Less payments made during the year</i>		
China project	(13,575)	(13,115)
Nepal Children's Program	(4,664)	(29,551)
Philippines: Children's Program	(38,630)	
Disaster Relief	(21,405)	
Safety Assistance	(2,061)	(664)
IFJ Human Rights Program	(30,000)	
<b>Balance at 30 June</b>	<b>313,613</b>	<b>386,987</b>



## be part of something bigger

The Alliance has been talking with the Association of Professional Engineers, Scientists and Managers Australia (APESMA) on sharing resources at the back-office level including:

- Common offices with a shared director in Perth from January this year;
- Common offices with a shared director in Brisbane this year;
- Shared director in Tasmania;
- Alliance access to Member Advantage;
- Examining other shared back-office functions in finance and membership; and,
- Examining the possibility of sharing office space in South Australia.

### Sustain financial stability

The Alliance has worked hard over the past 14 years to ensure its financial stability. As a result, we have annual turnover of about \$10 million and net assets of about \$6 million. The key elements to our strategy of sustaining our financial stability are:

- Ensure we budget for, and achieve, annual surpluses both on accrued and cash basis. We achieved this goal for 2011-2012. Our budget for this financial year (and our preliminary forecast for 2013-2014) is also in surplus. However, this depends on avoiding any major deterioration of income as a result of membership decline. The surplus this year and next year also depends on using our campaign reserves to fund our growth campaigns.
- Control costs through controlling staff numbers as these are the major component of our expenditure. We continue to monitor our

staffing costs, which are currently about 62 per cent of our turnover. In autumn this year, the Federal Management Committee held certain positions vacant until the end of the financial year to ensure they could be funded this year. These have now been filled.

- Ensure fees are set at a level that produces the necessary income. We have continued to increase our fees each year in accordance with previous decisions of Council. This is generally in line with increases in average earnings and inflation.
  - Hold a sustainability reserve of \$1 million. Our sustainability reserve of \$1 million is held in a separate account and provides a guarantee to our bank and contractors that we can meet our obligations as they fall due.
  - Aim to have eliminated all debt by 2014. We have continued to allocate 4 per cent of our fees income to debt reduction. We have now built the sustainability reserve to \$1 million and set aside about \$1 million in an account to cover liabilities for staff annual leave, long-service leave and severance pay.
- Our major outstanding debt is our mortgage which, on current expectations, we expect to have paid out over the next 18 months.

### Foster links locally and globally

The Alliance has continued its affiliations with all state and territory Labor Councils and with the ACTU. The Alliance representatives on the ACTU Executive are Christopher Warren and Patricia Amphlett. We are also affiliated internationally to the

■ Three generations of one family perform a high-wire act at the Olympia Circus. Photograph by Jason Edwards/Leader Newspapers

International Federation of Journalists (IFJ), the International Federation of Actors (FIA), the International Federation of Musicians (FIM), UNI-MEI (the global union for media, entertainment and the arts), the International Freedom of Expression of Exchange (IFEX) and the International News Safety Institute (INSI).

The federal secretary represented the IFJ Executive Committee in Buenos Aires in September last year and in Brussels in March 2012. Victorian secretary, Louise Connor, is representing the Alliance on the IFJ Constitutional Commission. This met in Brussels in March. The executive of FIA met in Los Angeles in March 2012 and their Congress, which is held every four years, will be held in Toronto in September 2012.

Alan Kennedy continues to represent the union on the Press Council. The Alliance is also affiliated to the Australian Copyright Council, Screen Council and the Right to Know Coalition, as well as to the ALP in South Australia and NSW on behalf of its non-media members.

The federal secretary is also a board member of the vocational training company relevant to our section, Innovation and Business Skills Australia. He has also been appointed to the Book Industry Consultation Committee established by the federal government.

## what our members think

Knowing what members think about the Alliance is central to our planning. That's why every two years we ask members their views on what the union does and how well it does it. This year, we commissioned Essential Research to conduct our survey.

### The Future

Members said they were unsure about the future – when asked how they felt about their career prospects in general, 37 per cent said they felt positive and 37 per cent felt negative (26 per cent answered “the same”). When asked about the future of their industry, the results were similar: 37 per cent said they felt positive, 37 per cent said they felt negative and 26 per cent answered neither.

Some 51 per cent of freelance members said they were very concerned about their future work prospects, compared to 21 per cent of those in continuous employment who answered the same way. Only 29 per cent of overall respondents agreed that that were confident that they would easily find work in their industry, while less than half (47 per cent) of respondents expected to spend the rest of their career working in their current industry.

### How the Alliance is performing

Some 61 per cent of respondents said they were satisfied with the overall performance of the Alliance, which is down only slightly from the 2008 survey where 63 per cent said they were satisfied.

For respondents, the two most important things that the Alliance should be doing to help its members in a changing work environment were:

- Collective bargaining to protect job security (39 per cent),
- Lobbying for policies to promote their industry (29 per cent).

Overall, 37 per cent of members said they thought that membership of the Alliance is falling.

When asked what the Alliance could be doing to build capacity in new areas, the two most important strategies recognised by members were:

- Organising in new areas (88 per cent),
- Specialist contract advice (88 per cent).

### What members said about the Alliance

When we asked members about what they thought were the most important issues in dealing with the Alliance, they said:

- Being useful when I need them (78 per cent),
- Having power in the workplace to affect wages, conditions and other issues (78 per cent),
- Having the knowledge to answer questions (73 per cent),

- Responding quickly when contacted (62 per cent).

When asked about the most important functions of the Alliance, they said:

- Industrial representation and negotiation (86 per cent),
- Lobbying government (68 per cent),
- Communications (60 per cent).

The majority of members said they were satisfied with the Alliance's performance in these areas.

### Changes and activities

Only 4 per cent of members said that the Alliance's activities should be organised by state; 54 per cent said they should be organised by industry or profession, while 42 per cent said activities should be organised by industry or profession in each state.

In terms of the election or appointment of senior officials, the key points were:

- More than half (51 per cent) said the federal secretary should be elected by members, while 31 per cent said the role should be filled by professional staff (18 per cent said they had no preference).
- Members were divided on the appointment of the senior leadership team: 40 per cent said they should be elected while 41 per cent said think the roles should be filled by professional staff (19 per cent had no preference).
- More than half (57 per cent) think that other senior positions should be filled by professional staff.

### Communications

The main points to emerge from our survey were:

- 29 per cent of members said they wanted more contact with the union – an increase from 19 per cent in 2007,
- 69 per cent of respondents said they were satisfied with the weekly e-bulletin while only 6 per cent said they were dissatisfied.

### Specific Industries

#### Journalists

Some 11 per cent of journalists said they thought the quality of news reporting and journalism is better than five years ago while 60 per cent thought it was worse.

Most (96 per cent) respondents agreed that journalism's job is to provide a public good without which society would be worse off.

Some 81 per cent of respondents stated that they had been expected to develop new skills to work across multiple platforms. This is an increase of 21 percentage points since 2010.

Almost all (99 per cent) of members were aware of the job cuts being undertaken by major media outlets. Members were evenly split on what they thought would be the impact of these cuts: 25 per cent thought

this would result in a lessening of resources they need to do their job while 25 per cent thought they could lose their job. Some 34 per cent thought that editorial independence would be diminished.

#### Crew

The majority of respondents (56 per cent) indicated that they had not worked on new digital platforms, a fall of 22 percentage points from 2010 levels (78 per cent).

Respondents identified the three key areas for Alliance activity as:

- Campaign to protect existing working conditions (98 per cent),
- Sustainable funding for the performing arts (94 per cent),
- Active government policy to support a local film and television industry (92 per cent).

The top three most important issues were considered to be:

- Job opportunities (88 per cent),
- Pay (85 per cent),
- Increasing government funding for local content (65 per cent).

There have been some considerable shifts since 2010. Most noticeably, an increase in:

- ensuring that government prioritise funding for genuinely Australian film and television productions (+13 per cent),
- strengthening immigration rules for film crew (+7 per cent).

#### Performers

Some 43 per cent of respondents said they had not worked in new digital platforms – down from 68 per cent in 2010.

Some 47 per cent of respondents said they had been asked to work on non-Equity contracts while 53 per cent had not. These results represent a sharp increase from 2010 when only 28 per cent of respondents had been asked to work on a non-equity contract.

Almost half (42 per cent) of respondents have worked for a theatre co-op or deferred payment in the past three years.

When asked to identify issues of importance, the following categories showed an increase:

- Reinstating immigration rules for live performance (up from 68 per cent in 2010 to 86 per cent in 2012).
- Maintaining effective immigration rules for television (up from 74 per cent in 2010 to 89 per cent in 2012).
- Maintaining effective immigration rules for film (up from 74 per cent in 2010 to 89 per cent in 2012).

The most important issues were identified as:

- Pay (71 per cent),
- Strengthening the presence of local content on public commercial free to air and subscription broadcasters (63 per cent),
- Increasing government funding for theatre (54 per cent).

## collective bargaining

## JOURNALISM / MEDIA

Metro Newspapers and related			
EMPLOYER	EBA	WAGE RISES	EXPIRY
Fairfax metros	Cadet-G4	7.95% over 3 years + 0.5 super 2013	30/06/14
	G4-G10 (>150k)	9% over 3 years + 0.75 merit pool in 2013 + 0.5% super 2013	30/06/14
	G10 + (< 150k)	7.95% over 3 yrs + 1.75% merit pool in 2013 + 0.5% super 2013	30/06/14
Sydney Imaging	Yes	7.7% over 3 years	30/06/13
Fairfax Library Illawarra	Yes	9.27% over 3 years	30/06/14
Fairfax Library Sydney	Yes	9.27% over 3 years	30/06/14
Fairfax Library Melbourne	Yes	9.27% over 2 years	30/08/11
News Ltd metros	Yes	10.87% over 3 years	30/06/13
Canberra Times	Yes	12.55% + \$4000 over 3.75 years	30/06/14
West Australian Newspapers	Yes	10.3% over 3 years	30/06/14
Agricultural pubs [Rural]	Yes	6.75% over 3 years	30/06/15
AAP	Yes	10.35% over 3 years	30/06/14
Pagemasters	Yes		31/12/12

Magazines			
EMPLOYER	EBA	WAGE RISES	EXPIRY
ACP	Yes	9.0% over 4 years	30/10/13
Pacific Publications	Yes	6.1% over 3 years	30/06/12
Reed Business Publications	Yes		31/12/10
Thomson Information Services	Yes	4% over 2 years	31/01/12
Yaffa	Yes	7% over 3 years	30/06/12

Regional dailies			
EMPLOYER	EBA	WAGE RISES	EXPIRY
APN Media [14 titles]	Yes		31/12/10
Rural Press [NSW and Mt Isa]	Yes	8.74% over 3 years	30/09/13
Wagga related non-dailies [Rural]	Yes	8.74% over 3 years	30/06/13
Albury [Fairfax]	Yes	7.50% over 3 years	30/12/14
Warrnambool [Fairfax]	Yes	8.74% over 3 years	30/06/14
Bendigo [Rural]	Yes	8.73% over 3 years	30/06/14
Ballarat [Rural]	Yes	6.90% over 3 years	20/11/12
Launceston [Rural]	Yes	8.48% over 3 years	01/07/12
Burnie [Rural]	Yes	6.75% over 3 years	01/07/14
News Ltd [3 Qld titles + Geelong]	Yes	10.37 % over 3 years	30/06/13
Mildura	NUA		30/09/15
Shepparton	NUA		
Broken Hill	Yes		
Kalgoorlie [WAN]	Yes	10% over 3 years	30/11/13

Regional non-dailies			
EMPLOYER	EBA	WAGE RISES	EXPIRY
Country Press [industry grouping]	Yes	10.5% over 3 years	31/03/14
Alice Springs, north Qld [News]	Yes	10.37% over 3 years	30/06/13

Suburban newspapers			
EMPLOYER	EBA	WAGE RISES	EXPIRY
News Ltd (Cumberland/Courier, Quest, Leader, Messenger)	Yes	7.1% over 2 years	31/12/12
Community - WA	Yes	10.5% over 3 years	30/04/13
FCN - Queensland			
FCN - NSW	Yes	8.0% over 3 years	30/09/12
FCN - Victoria	Yes	6.1% over 2 years	30/06/12
Independents			
EMPLOYER	EBA	WAGE RISES	EXPIRY
Star News Group (Vic)	Yes	9.28% over 3 years	30/06/14
Post newspapers (WA)	Yes		
Fremantle Herald			

TELEVISION			
EMPLOYER	EBA	WAGE RISES	EXPIRY
ABC	Yes	9.8% over 3 years (incl. 0.5% non cumulative pay)	30/06/13
SBS			
SBS	Yes	9.27% over 3 years	5/12/14
Commercial television			
Ten Network	Yes	9.27% over 3 years	27/04/14
Seven network	Yes	9.27% over 3 years	30/06/13
Nine network	Award		
Nine Adelaide (owned by WIN)	Agreement	Journalists-expired	
Prime	Award		
Southern Cross	Award		
NBN	Award		
Capital Canberra	Award		
WIN	Award		

Commercial radio			
EMPLOYER	EBA	WAGE RISES	EXPIRY
Modern Award employers	N/A	Per FWA – in line with NWC. 2.9% increase in July 2012	
Racing and Wagering WA (RWWA)	Yes	12% over 3 years	2015
Pay television			
Pay television	Awards		

## JOURNALISM / MEDIA (continued)

GOVERNMENT STAFF			
EMPLOYER	EBA	WAGE RISES	EXPIRY
ACT Government			
ACT Government	Yes	3.5%	30/6/13
Australian Government			
Australian Government	Yes	Generally 9.27% over 3 years	30/06/14
Qld Government			
Qld Government	Yes	12.5% over 3 years	31/07/12
Vic Government			
Ministerial Advisors Agreement			01/10/11
Hansard			
Federal Parliament	Yes	13.8% over 3 years	30/06/14
NSW Parliament	Yes	2.5% over 1 year	30/06/13
WA Parliament	Yes	12% over 3 years	1/4/2014

Media - Advisory			
Media - Advisory	EBA	WAGE RISES	EXPIRY
EMC	Yes	11.4% over 3 years	31/07/13
Book industry			
Lonely Planet	Yes		
Media monitors			
Media monitors	Yes	9.8% over 3 year	03/05/13

## EQUITY SECTION

Audio visual production			
EMPLOYER	EBA	WAGE RISES	EXPIRY
Actors Television Programs Agreement and ATRRA	Yes		1/7/11
Actors Seven Network Television Programs Agreement and ASTRRA	Yes		1/7/12
Actors ABC Agreement	Yes		expired
Actors Feature Film Agreement	Yes		31/12/09
Offshore Television Repeats and Residuals Agreement	Yes	Per SAG increases	ongoing
Offshore Feature Film Agreement	Yes	Per SAG increases	ongoing
Advertising Voiceover	Yes	15% over 3 years	1/2/2015
Offshore Commercials Agreement	Yes		terminated
AFTRS agreement	Yes		expired

Live Performance			
EMPLOYER	EBA	WAGE RISES	EXPIRY
Performers Collective Agreement 2007-2009	Yes	18% and 12% over 3 years	31/12/13
Opera Australia Certified Agreement	Yes	Under negotiation	31/12/11
The Australian Ballet (Vic)	Yes	12% over 3 years (4+4+4)	31/1/14
Sydney Dance Company	Yes	11.5% over 3 years	31/12/13
Chunky Move Dancers'	Yes	12% over 3 years	21/12/11
West Australian Ballet	Yes	5% over 2 years	31/12/13

## ENTERTAINMENT, CREW &amp; SPORT

MUSICIANS			
EMPLOYER	EBA	WAGE RISES	EXPIRY
Australian Opera and Ballet Orchestra	Yes	3.7% January 2012	31/12/11
Sydney Symphony Orchestra	Yes	CPI 3.5% from January 2012	31/12/12
Melbourne Symphony Orchestra	Yes	3.1% from May 2012	30/04/12
Queensland Orchestra	Yes	1.5% & \$3,000 from March 2012 & 1.5% from August 2012	31/12/12
Adelaide Symphony Orchestra	Yes	2.9% from June 2011	30/09/11
WA Symphony Orchestra	Yes	4% From January 2012	30/06/13
Orchestra Victoria	Yes	2.8% from December 2011	31/12/12
Tasmania Symphony Orchestra	Yes	3.2% increase from 01/05/12	30/04/11

Audiovisual			
WORKPLACE/SECTOR	EBA	WAGE RISES	EXPIRY
Motion Picture Production Agreement	Yes	10% over 3 years	30/12/12
Fox Agreement	Yes		
Screen Australia	Yes	9% over 3 years	30/06/14
Film Vic	Yes	3.25% pa over 3 years.	01/10/12
Australian Centre for Moving Image	Yes	3.25% pa	01/10/10

Theatre Workers			
EMPLOYER	EBA	WAGE RISES	EXPIRY
Sydney Theatre Company	Yes	10% over 3 years	31/12/13
Belvoir St	Yes	9% over 3 years	01/06/14
Opera Australia	Yes	7.9% over 3 years. CPI paid 2010 and 2011	01/01/11
Opera Australia non-repertory Production Staff Agreement (Greenfields)	Yes	10.5% over 3 years	31/12/14
City Recital Hall	Yes	15.4% over 3 years	30/06/14
State Theatre of SA	Yes	5% over 2 years	11/10/12
Melbourne Theatre Company	Expired 2005		
Her Majesty's Theatre Melbourne	Yes	15.4% over 3 years	01/11/13
Marriners Theatre Melbourne	Yes	14.4% over 3 years	01/07/13
AEG Ogden (Perth)	Yes	7.5% to 21% for casuals. CPI for permanent employees	
Orchestra Victoria	Yes	4% over 1 year	
Bytcraft at Crown	Yes	3.25% per year over three years	01/10/12
Melbourne Symphony Orchestra	Yes		

Ticketing and merchandise			
EMPLOYER	EBA	WAGE RISES	EXPIRY
Ticketing Agencies	Award		
Ticketmaster 7 Pty Ltd	Award		
Bocs ticketing (WA)	Yes	2.75 from 2011 3% Jan 1 2012.	31/12/12
Cinemas			
Birch Carroll & Coyle	Yes	10% over 3 years	19/12/12
Village	Yes	9% over 3 years	01/07/12
Greater Union	Yes	9.6% over 3 years	31/01/12
Palace Cinemas	No – On BREA		
Hoyts	NUA		
Reading	NUA		
Wallis cinemas SA	Yes		
Independents	Award only		

Outdoors – Sports/Events			
EMPLOYER	EBA	WAGE RISES	EXPIRES
NSW			
SCG/SFS	New NSW EBA negotiated	7.5% over 3 years	01/10/14
STC	Yes	14% -17% over 3 years.	01/03/13
AJC	Yes	12% over 3 years.	30/06/11
ACES	Yes	6% over 3 years.	01/12/12
MCG	Yes	10% over 3 years.	01/07/13
MOPT	Yes	4% 2009	
VRC	Yes	10.5% over 3 years.	31/07/13
Moonee Valley RC	Yes		
Cranbourne Turf Club	Yes	3% + 3%	
Hoban (Royal Show)	Yes	3.5% pa	01/09/12
Secure Parking (MCG)	Yes	3.9% p.a.	01/10/10
Sovereign Hill	Yes	2% + bonus	01/02/13
Mornington, Pakenham & Yarra Valley Racing Clubs	Yes		
Etihad Stadium	Yes	4-5% pa depending on level	30/10/11

Professional Sports			
EMPLOYER	EBA	WAGE RISES	EXPIRES
NBL Players	Yes	15% over 3 years on minimum player classification	01/07/13
NBL Referees	Yes	CPI to max 3.5% for 2012/13 and 2013/14	30/06/14

## the alliance and best-practice unionism

In the Alliance, we pride ourselves on doing the best we can with what we have. Like all organisations, the Alliance is a web of relationships – between members and elected officers, between different tiers of officers, between employed staff and activists, between activists and members, to list just a few.

Governance describes how these relationships are managed and how the Alliance is directed and controlled with these relationships in mind.

The governance of the union must aim to maximise democratic participation of, and control by, members. But, as our union has long recognised, elections themselves are not the sum of democratic control. Rather, it requires governance that delivers accountability, transparency and effective operations – that’s what will make our governance best practice.

To achieve this best practice, the Alliance has adopted a five-point approach

### What guides our governance?

The starting point for governance is a set of six principles adopted by our Federal Council to guide our staff and our various committees, particularly our Federal Management Committee. These principles incorporate ASX principles for corporate governance, but adapt them so that they are relevant for a democratic organisation such as ours.

Based on these principles, we are developing practices for relevant committees to shape our governance.

Alliance principles
Lay solid foundations for accountable management and oversight
Develop the Board to add value
Promote ethical and responsible decision-making, including remuneration
Safeguard integrity in financial reporting
Maximise transparency to ensure members and activists can participate in the union
Respect the rights of members by encouraging active engagement in their union
Recognise and manage risk

### How do we ensure we are transparent and accountable?

The Alliance has always sought to be as transparent as possible in our financial details. Our annual report leads the field within the union movement. This year, we have revamped the operational portion of the report so the text better reflects our goals and strategies. Recent amendments to the *Fair Work Act* will require us to amend our rules to mandate certain reporting guidelines.

The annual report should remain the key tool for reporting and disclosure to members (and to the world at large) about financial and organisational matters. We continue to aim to

make the report as comprehensive as possible.

We are developing a comprehensive document management system to improve our control of information flow. As part of this we will develop a protocol on which types of documents should be made publicly available, made available only to members, or kept confidential to staff and/or individual committees.

### Policies, processes and procedures

Central to best-practice unionism is having clear and understood policies, processes and procedures. We launched our first set of consolidated policies and procedures in 2001 and released versions in 2004 and 2006. We are currently conducting a fundamental review – including an ethics screen – being supervised by the general manager.

These policies and procedures will be available to all members for comment.

The Alliance continues to ensure it has processes to ensure that union resources are used in a way that is transparent and accountable. We have zero tolerance for corruption or misuse of funds. Members have a right to be confident that the money they pay in membership fees is being spent appropriately.

Like all unions, the Alliance operates under Australian law which provides for the tightest regulation of unions anywhere in the developed world. The law has a series of requirements about the rules of unions, to ensure democratic control of unions by members and financial accountability including annual independent audits.

The Alliance seeks to operate within both the letter and the spirit of these laws. Specifically, we have processes to ensure that members can retain their confidence in how we operate.

### Audits and reports

Alliance finances are independently audited within four months of the end of each financial year. The audit report is published in this annual report and made available before the end of November each year. In fact, the Alliance publishes to its members more detailed accounts than just about any other union. Some aspects of Alliance operations – such as payments to members of recovered payments – are subject to audit more frequently.

Our finance section prepares regular reports throughout the year that enable the Federal Management Committee to review our income and our expenditure against our budgetary guidelines each month and each quarter.

Following a tender process, Federal Management Committee agreed to appoint PKF Australia as the new auditors for a period of three years, with an option to extend after that date. This appointment replaces Crowe Howarth as our auditors.

### Training and staff development

To ensure we have the skills to properly manage our finances, our financial controller is a qualified chartered accountant. We are investing in training for our other senior finance staff to ensure they all have appropriate advanced accounting skills.

To ensure our processes are the best possible, the Alliance is planning to benchmark its processes in the finance section against the International Standards Organisation.

### Credit cards

Like most similar organisations, we use credit cards issued in the name of specific staff to pay for costs they necessarily incur in carrying out their duties for the Alliance. As an organisation, we will also use these cards to pay various bills, particularly online payments that require credit cards. There are many costs we incur that can only conveniently be paid with credit cards.

Each month, each cardholder is required to explain any charges they have made on their card and provide appropriate documentation. These expenses are allocated against the appropriate budget line and authorised by two of the senior officers or staff. No person can be the sole person authorising their own expenditure. All our expenditure is, of course, subject to annual audit. Cards are not to be used for personal expenditure or for cash advances.

### Board fees

Fees paid to Alliance employees (including employed officers) for sitting on boards or committees are remitted to the union. Specifically in relation to superannuation, we nominate two board members and one alternate board member to our industry fund, Media Super. The federal secretary is one of the two board members and our Victoria branch secretary, Louise Connor, is our alternate. All our fees (general board fees and sitting fees) are paid to the union. The federal secretary’s director fee from Media Super for the period of July 1, 2011 to December 31, 2011 of \$17,000 was paid to the Alliance. The policy of Media Super is to set board fees each year at the level of the bottom 10 per cent of industry funds to ensure we act as a low-cost fund. These are published in the fund’s annual report.

Our other nominee is not employed by the union and, as the time he spends on superannuation matters is time he cannot earn any other income, his fees are paid directly to him as compensation for time spent representing union members.

No Alliance officers are currently members of any government-appointed board that attracts remuneration other than reimbursement of expenses.

### Third-party contracts

The Alliance uses third-party contractors for a range of services that cannot be provided in-house. These include auditing, legal costs, printing and publishing, technology support,

phones and other communication. Significant one-off costs (such as building renovations) are tendered as they arise. Continuing relationships are reviewed at least every three or five years to determine if they should be put out to tender. Any decision is based on cost and quality. Conflicts of interest between contractors and officers and staff of the Alliance are avoided. There are no conflicts in any current relationships.

### Staff remuneration

Wages and conditions of most Alliance staff are regulated by the staff conditions which are set by negotiation with staff. Our fundamental policy in setting conditions is that they should be no better than those we are able to negotiate for members. Wages are adjusted each year by an average of major negotiated agreements.

Remuneration for staff members is set when they commence employment, based on an assessment of skills and experience. An annual review covers salaries, although staff earning up to about \$60,000 (including administrative staff) have access to annual increments subject to satisfactory performance. Any rises require the approval of the federal secretary. Salaries of staff are reported in the annual report in a banding table that compares salaries on a year-on-year basis.

The conditions and annual wage adjustment process apply equally to all elected officers. The salaries of the employed branch secretaries are set by the federal secretary through the performance review process. The exception to this is the director of the Walkley Foundation. Her salary is reviewed by the chair of the Walkley Board from time to time.

The salary of the federal secretary is set by the Federal Management Committee based on an independent review. This occurred most recently in 2008. This demonstrated that the salary was in line with general salary level within the union movement.

We reimburse staff travel expenses at the flat level of \$55 per night away from home, unless a staff member is provided with a meal if, for example, he or she is attending an event.

### A strategic framework

The work of the Alliance is shaped by a framework adopted by Federal Council with five strategic goals:

- Organise to grow,
- Your Rights at Work,
- Build better benefits and extend services,
- Shape our industries through communications and campaigns,
- Be part of something bigger.

Within each of these goals, we have agreed strategies underpinned in turn by projects and staff work plans. The operational component of the Alliance annual report, describes our activities within these goals and strategies.

### A new governance framework

The Alliance is implanting a new governance framework that seeks to simplify governance

and ensure we are all pulling in the same direction. This was shaped by 12 months of consultation with activists and committees. In our mid-year membership survey, most members – 54 per cent – said the union should be organised by industry or profession only and another 42 per cent thought activities should be organised by industry or profession in each state. Only 4 per cent thought the union should be organised by state.

There are four parts to the new governance structures.

### A strong and effective Board

Central to good governance is a strong Board of working members that oversees the day-to-day work of the union, that ensures we are on track with our strategic framework, that we are being transparent and accountable and that the organisation is operating in a sustainable way.

To achieve this, the existing Federal Management Committee has been expanded to become an 11-person committee made up of the federal president, the federal secretary, the presidents of each of the four sections and five vice-presidents elected by all the members. At least four of the 11 must be women and they must be drawn from at least four states or territories. This will also absorb the responsibilities of the Federal Executive.

### A representative Council

The Federal Council – made up of about 80 rank-and-file members – will now meet once a year, partly on a sectional basis and partly as a complete group. The Council reviews the work of the Alliance and sets the policy and strategy for the union.

### Aligning states and sections

To align our state or territory branches with our industry or professional sections, members will elect a president of their section in each state where there are more than 100 members of the section and, if there are more than 500 members, also elect a vice-president.

Those officers would be the representative of the section in that state and would be members of Federal Council and the relevant national section committee.

These officers could come together to form a Branch Council. Those states that still have an expanded Branch Council could, if they chose, continue to elect additional members of a state sectional committee.

Branches should also be resourced to provide a full meeting of all members of all section committees in that state at least once a year to sustain a whole-of-union spirit.

### Section governance

The national section committees have come to play the central role in engaging active members in governance of the union. This is where members come together to make the decisions on matters that actually affect them.

The significance of those committees means they need their own governance rules that clearly set out their powers and processes. These rules are being developed by each section committee and will be confirmed by

the Federal Council.

Funding will be provided for at least one annual face-to-face meeting of each section committee.

### Accountability of officers

What's the best way to select our senior staff? And what's the best way to ensure they are accountable? They're the questions the Alliance has been grappling with over the past 18 months.

- In the mid-year membership survey:
- More than half (51 per cent) thought the federal secretary should be elected by members while 31 per cent thought the position should be filled by professional staff and 18 per cent had no preference.
  - Members were divided on the appointment of the senior leadership team; 40 per cent thought they should be elected while 41 per cent thought they should be professional staff, and 19 per cent showed no preference.
  - More than half (57 per cent) think that other senior positions should be filled by professional staff.

As a result, we have reset our mix of elected and appointed staff. Those positions currently filled by elections (the federal secretary and the branch secretaries in Victoria, South Australia and the ACT) will continue to be elected positions. Their elected terms will be aligned by having the Victoria secretary elected for a two-year term so that all elected terms will run to the end of 2014.

Other senior positions – particularly the directors of each of sections – have been filled by staff appointed by merit selection.

We will continue to review the best way of ensuring we have the best possible people working for us within a democratic framework.

The tables on page 23 set out who does what job.

### Alliance rules

#### Suspending and resigning membership

- It is the responsibility of members to advise the Alliance (in writing) if they cease seeking work in the industry and as soon as they get work again.
- If an Alliance member leaves the industry permanently he or she must notify the Alliance (in writing) and pay all outstanding fees.
- If an Alliance member is still working in the industry and wishes to resign he or she must notify in writing, giving two weeks' notice of an intention to resign.
- Ceasing payroll deductions does not, of itself, constitute resignation from the Alliance.
- If membership is suspended, a member does not pay any fees but may return to active membership as soon as he or she returns to work. They are not entitled to any benefits of membership while membership is suspended.
- A member must be financial in order to resign.

## who's who in the alliance: elected representatives

The elected representatives of Alliance members come together to form the federal council which meets once a year.

The national officers oversee the day to day operations of the union. They meet together about once a month.

The members of council from each section come together to

form the national section committees (such as National Performers Committee, the Media National Section Committee, the Entertainment, Crew & Sport Committee).

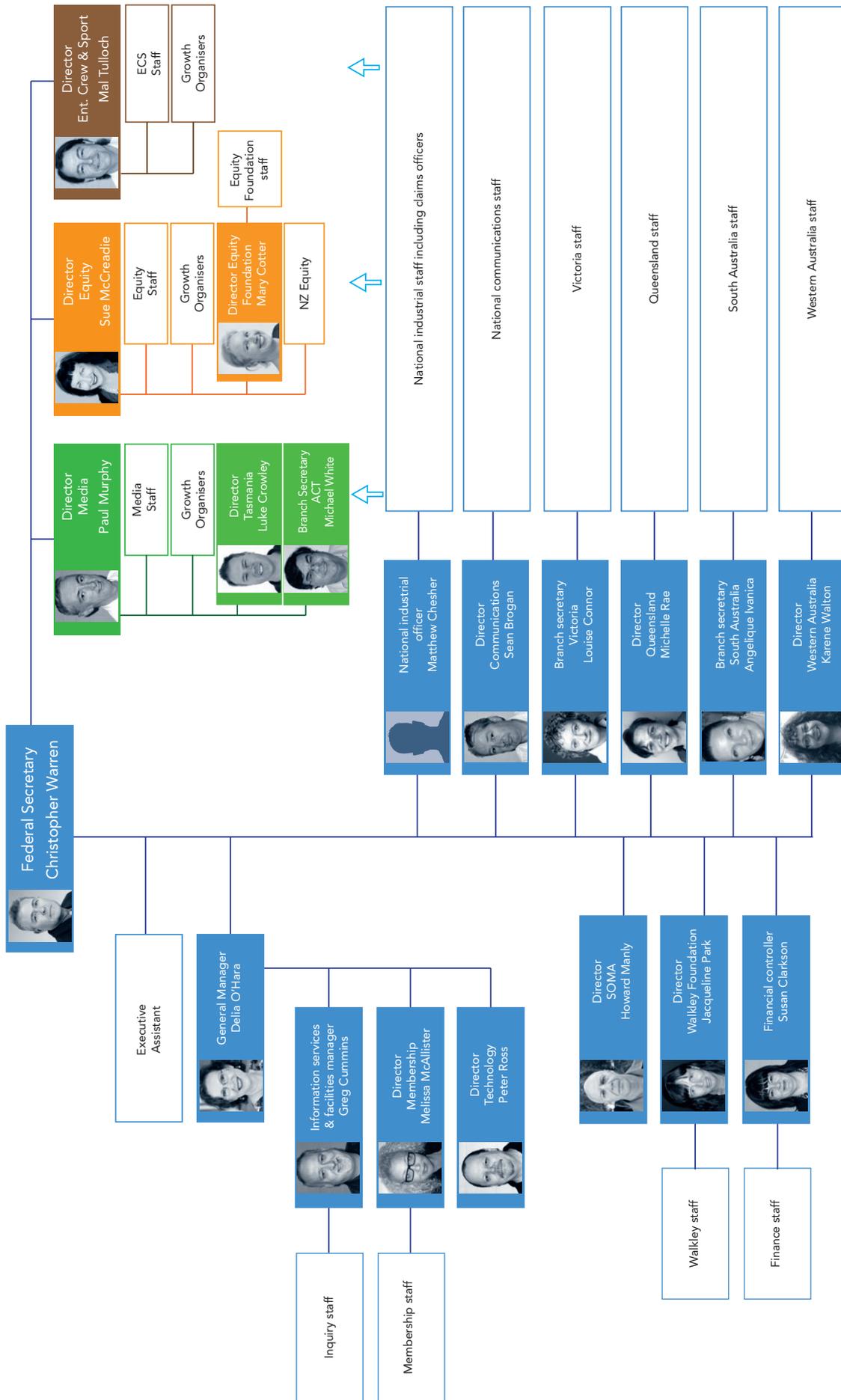
The members of council from each state come together under the state officers to consider matters that affect the union in that

state. To ensure adequate representation, Alliance members in Queensland, South Australia, New Zealand and the Australian Capital Territory are also represented by additional branch councillors.

	National	New South Wales	Victoria	Queensland	South Australia/ Northern Territory	Western Australia	Tasmania	Australian Capital Territory	General
Media	Gina McCall - acting media federal president	Marcus Strom - NSW branch vice president Lindsay Foyle Alan Kennedy Greg Miskelly Kate Murray Seumas Phelan Josephine Tovey Rebecca Whish Jane Worthington	Ben Schneiders - Victoria branch vice president Matt Brown Jane Canaway Jane Lindhe Teresa Murphy Jenny Tarran Neil Wilson	Terry O'Connor - Queensland branch secretary (honorary) Trevor Hockins Emily MacDonald Peter McCutcheon Leo Bowman*	Michael Coggan Tim Lloyd	Martin Turner - Western Australia branch president Ben Dineen-Dickinson Chris Smyth	A. Mark Thomas - Tasmania branch president	Don Cumming - ACT branch president	
Equity	Simon Burke - Equity federal president Mitchell Butel - federal vice president Monica Main - federal vice president	Tina Bursill - NSW branch president Chloe Dallimore - NSW branch vice president Roy Billing Caroline Craig Helen Dallimore Jack Finsterer Glenn Hazeldine Genevieve Hegney Lorna Lesley Jonathan Mill Angus Murray Anna Lise Phillips Matt Zeremes	Corinne Grant - Victoria branch president Kerry Walker - Victoria branch vice president Alan Fletcher Kevin Harrington Abbe Holmes Geoff Morrell Eddie Perfect Alexandra Schepisi	Carol Burns - Queensland branch president Kerith Atkinson	Patrick Frost* Chrissie Page*	Stuart Halusz*			Jennifer Ward-Lealand - general branch president Jeff Szusterman
ECS	John West - ECS federal president	Jenny Ward - NSW branch vice president Gerard Brown Julie Deakins David Turnbull	Sue Marriott - Victoria branch vice president Pat Shaw Pia Emery			Angela Rattray			
Musicians	Simon Collins - Musicians federal president	Darren Heinrich	Tania Hardy Smith						
Elected Officials	Patricia Amphlett - Federal president Christopher Warren - Federal secretary		Louise Connor - Victoria branch secretary		Angelique Ivanica - SA/NT branch secretary			Michael White - ACT branch secretary	

\* Member of section committee only

who's who in the alliance: staff



## election notice

### FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

Fair Work Australia has made arrangements with the Australian Electoral Commission for elections to be conducted for the offices set out in this notice. All positions are honorary except those identified with an asterisk (\*) next to the position title.

### NOMINATIONS

Nominations, which must be in writing and comply with the registered rules of the Organisation, can be lodged any time from Thursday, 17 January 2013 and must reach the appropriate Returning Officer at his / her office or postal address **not later than 12:00 noon on Thursday, 14 February 2013**.

Nominations cannot be withdrawn after this time.

Please note that rule 79(c)(2) states: "A member cannot stand for more than one of each of the positions specified in sub-rule (c), excepting that a member nominating for a Branch Council position other than Branch President or Branch Secretary or in the NSW and Victoria Branch Vice-President, may also nominate for the position of Section Delegate to Federal Council."

Rule 79(4) states that where a section is entitled to two or more delegates to Federal Council, they shall be elected according to the formula indicated in the Rules.

Rule 79 (5) states that at least four of the offices listed in c (1) (i) to (vi) (Federal Offices) shall be women and they must come from at least four States.

### NOMINATION FORMS

Nomination forms are available from the appropriate Returning Officer or the Branch offices of the Organisation. The use of these forms is not compulsory provided that nominations comply with the Rules.

### CANDIDATES' STATEMENTS

Candidates may submit with their nomination a written statement of no more than 150 words containing his/her association and employment/professional history and place of employment. Please submit your statement by email to the appropriate Returning Officer as a word document (.doc). Statements and photographs (passport size as jpeg files) will not be accepted after **12:00 noon Thursday, 14 February 2013**.

### BALLOT

If a ballot is necessary, it will open on Monday, 18 March 2013 and voting material will be posted to eligible members at the address shown in the Organisation's records. Members should notify the Organisation of any change of address. The ballot will close at **10:00am Thursday, 18 April 2013**.

Note: A copy of the AEC's Election Report can be obtained from the Organisation or from the Returning Officer, after the completion of the election.

Authorised by Noopur Madan – Returning Officer



### FEDERAL OFFICERS\*

- Federal President .....(1)
  - Federal President (Actors Equity) .....(1)
  - Federal President (Media) .....(1)
  - Federal President (ATAEA) .....(1)
  - Federal President (Musicians) .....(1)
  - Federal Vice-Presidents .....(5)
- \*[ at least four must be women and come from at least four States]

#### ADDRESS FOR LODGING NOMINATIONS

Noopur Madan Returning Officer HAYMARKET 2000 Telephone: (02) 9375 6321 Facsimile: (02) 9375 6336 Email: nswelections@aec.gov.au	Australian Electoral Commission Level 10, 59 Goulburn Street, (Postal Address: PO Box 496 HAYMARKET NSW 1239)
---	--

### FEDERAL COUNCIL (50 Positions)

- Media Section Delegates .....(23)  
[at least seven must be women and come from at least four States]
- Equity Section Delegates ..... (18)  
[at least six must be women and which must be from at least four States]
- ATAEA Section Delegates ..... (6)  
[at least two must be women and which must be from at least two States]
- Musicians Section Delegates ..... (2)  
[which must be at least from two States]
- General Section Delegates .....(1)

#### ADDRESS FOR LODGING NOMINATIONS

Noopur Madan Returning Officer HAYMARKET 2000 Telephone: (02) 9375 6321 Facsimile: (02) 9375 6336 Email: nswelections@aec.gov.au	Australian Electoral Commission Level 10, 59 Goulburn Street, (Postal Address: PO Box 496 HAYMARKET NSW 1239)
---	--

### NATIONAL STUNTS COMMITTEE (12)

\*[Equity section members graded as stunt performers, stunt co-ordinators and safety supervisors]

- of which four must be stunt performers [one of which must be a woman],
- four must be stunt co-ordinators [one of which must be a woman],
- and four must be safety supervisors [one of which must be a woman].

#### ADDRESS FOR LODGING NOMINATIONS

Noopur Madan Returning Officer HAYMARKET 2000 Telephone: (02) 9375 6321 Facsimile: (02) 9375 6336 Email: nswelections@aec.gov.au	Australian Electoral Commission Level 10, 59 Goulburn Street, (Postal Address: PO Box 496 HAYMARKET NSW 1239)
---	--

### NSW BRANCH

- Branch President [Media Section] .....(1)
- Branch President [Actors Equity Section] .....(1)
- Branch President [ATAEA Section] .....(1)
- Branch President [Musicians Section] .....(1)
- Branch Vice-President [Media Section] .....(1)
- Branch Vice-President [Actors Equity Section] .....(1)
- Branch Vice-President [ATAEA Section] .....(1)
- Branch Secretary .....(1)

#### ADDRESS FOR LODGING NOMINATIONS

Noopur Madan Returning Officer HAYMARKET 2000 Telephone: (02) 9375 6321 Facsimile: (02) 9375 6336 Email: nswelections@aec.gov.au	Australian Electoral Commission Level 10, 59 Goulburn Street, (Postal Address: PO Box 496 HAYMARKET NSW 1239)
---	--

### VICTORIA BRANCH

- Branch President .....(1)
- Branch Vice-President .....(3)  
[of which at least one must be a woman]
- Branch Secretary\* .....(1)

#### ADDRESS FOR LODGING NOMINATIONS

Jeff Webb	Australian Electoral Commission
Returning Officer	Level 8, 2 Lonsdale Street
Melbourne VIC 3000	(Postal Address: GPO Box 4382
Telephone: (03) 9285 7141	MELBOURNE VIC 3001)
Facsimile: (03) 9285 7149	
Email: vicelections@aec.gov.au	

### QUEENSLAND BRANCH

- Branch President [Media Section] .....(1)
- Branch President [Actors Equity Section] .....(1)
- Branch President [ATAEA Section] .....(1)
- Branch Vice-President [Media Section] .....(1)
- Branch Vice-President [Actors Equity Section] .....(1)
- Queensland Branch Council .....(13)  
[of which at least four must be women]
- Delegates to Branch Council [Actors Equity Section] .....(9)  
[of which at least three must be women]
- Delegates to Branch Council [ATAEA Section] .....(2)
- Delegates to Branch Council [Musicians Section] .....(1)

#### ADDRESS FOR LODGING NOMINATIONS

Linda Dodd	Australian Electoral Commission
Returning Officer	Level 1, 12 Endeavour Blvd,
NORTH LAKES 4509	(Postal Address: PO Box 1206
Telephone: (07) 3049 2101	NORTH LAKES 4509)
Facsimile: (07) 3049 2120	
Email: northlakesareaoffice@aec.gov.au	

### SOUTH AUSTRALIA BRANCH

- Branch President [Media Section] .....(1)
- Branch President [Actors Equity Section] .....(1)
- Branch President [ATAEA Section] .....(1)
- South Australia Branch Council .....(14)  
[of which at least four must be women]
- Delegates to Branch Council [Actors Equity Section] .....(5)  
[of which at least one must be a woman]
- Delegates to Branch Council [ATAEA Section] .....(4)  
[of which at least one must be a woman]
- Delegates to Branch Council [Musicians Section] .....(2)

#### ADDRESS FOR LODGING NOMINATIONS

Rexona Calvert	Australian Electoral Commission
Returning Officer	Level 9, 1 King William St,
ADELAIDE 5000	(Postal Address: PO Box 344,
Telephone: (08) 8237 6506	ADELAIDE SA 5001)
Facsimile: (08) 8237 6584	
Email: saelections@aec.gov.au	

### WESTERN AUSTRALIA BRANCH

- Branch President [Media Section] .....(1)
- Branch President [Actors Equity Section] .....(1)
- Branch President [ATAEA Section] .....(1)
- Branch President [Musicians Section] .....(1)
- Branch Vice-President [Media Section] .....(1)

#### ADDRESS FOR LODGING NOMINATIONS

Ian Butcher	Australian Electoral Commission
Returning Officer	Suites 1 & 2 Agora Building,
Corner Clifton & Victoria Streets	(Postal Address: PO Box 244,
Bunbury WA 6230	Bunbury WA 6231)
Telephone: (08) 9721 8364	
Facsimile: (08) 9791 2810	
Email: ian.butcher@aec.gov.au	

### TASMANIA BRANCH

- Branch President .....(1)
- Branch Vice-President .....(3)  
[of which at least one must be a woman]

#### ADDRESS FOR LODGING NOMINATIONS

Dale Emery	Australian Electoral Commission
Returning Officer	2 <sup>nd</sup> floor, 86 Collins Street,
HOBART TAS 7000	(Postal Address: PO Box 520,
Telephone: (03) 6235 0510	HOBART TAS 7001)
Facsimile: (03) 6235 0568	
Email: taselections@aec.gov.au	

### ACT BRANCH

- Branch President .....(1)
- Branch Vice-President .....(3)  
[of which at least one must be a woman]
- ACT Branch Council .....(6)  
[of which at least two must be women]
- Delegates to Branch Council [Actors Equity Section] .....(1)
- Delegates to Branch Council [ATAEA Section] .....(1)

#### ADDRESS FOR LODGING NOMINATIONS

Noopur Madan	Australian Electoral Commission
Returning Officer	Level 10, 59 Goulburn Street,
HAYMARKET 2000	(Postal Address: PO Box 496
Telephone: (02) 9375 6321	HAYMARKET NSW 1239)
Facsimile: (02) 9375 6336	
Email: nswelections@aec.gov.au	

### GENERAL BRANCH

- Branch President .....(1)
- Branch Vice-President .....(3)  
[of which at least one must be a woman]
- General Branch Council .....(7)  
[of which at least two must be women]

#### ADDRESS FOR LODGING NOMINATIONS

Noopur Madan	Australian Electoral Commission
Returning Officer	Level 10, 59 Goulburn Street,
HAYMARKET 2000	(Postal Address: PO Box 496
Telephone: (02) 9375 6321	HAYMARKET NSW 1239)
Facsimile: (02) 9375 6336	
Email: nswelections@aec.gov.au	

## FINANCIAL REPORT

Better than expected income, coupled with continued cost control, meant the Alliance again returned a surplus in the 2011-2012 financial year – the 15th straight surplus in our financial reports.

Although most income was flat in line with budget expectations, the media section income jumped ahead of budget off the back of a major recruitment campaign in daily newspapers during the winter of 2011. Income from imported artists was also up. However, the job losses in journalism in the winter of 2012 threatens the sustainability of this growth through the 2012-2013 financial year.

This current financial year is expected to be one of transition as job losses feed into Alliance income. As a result, the reserves we have been able to build out of our repeated surpluses of the past few years will be necessary to sustain the union through the current transition.

Staff remained the major cost for the Alliance. At the end of the financial year, the Alliance employed 77 staff either part-time or full-time, up from 71 at the beginning of the year. Full-time equivalent staff was about 74.9 at June 30, up from 67.6 over the 12 months. The increase was due to most previously vacant positions being filled.

To sustain the union, this figure will reduce to 71.7 by the end of March 2013 and, if necessary to 67.6 by the end of 2013. We are also undertaking a review of all non-staff costs, including travel, communications and printing costs with a view to reducing

Staff wages (included wages of elected employed officers) were adjusted during the year under a pay agreement that extends to staff rises that reflect the average rises under Alliance negotiated agreements. This involved a rise of 3.25 per cent on July 12, 2011.

Provisions for untaken long service leave and annual leave reduced significantly during the year, due to the departure of several long-term employees. As a result, the real cash provision set aside for staff entitlements is now sufficient to cover all entitlements of about \$969,000.

While the mortgage over Alliance properties was not reduced during the year, a significant payment was made in July 2012, which reduced the outstanding mortgage to \$591,000 underpinned by properties in Sydney, Melbourne and Adelaide with a book value of about \$5 million and a commercial valuation of about \$6.7 million.

Our net assets are now about \$6.8 million on a turnover of about \$11.4 million. Our working capital (the difference between current assets and current liabilities) is about \$2.15 million. This is down on our previous year due to refinancing our mortgage which resulted in it being treated as a current liability.

MEDIA, ENTERTAINMENT  
& ARTS ALLIANCE

# Financial Statements for the year ending June 30, 2012

## contents

26	Elected officers report
27	Federal secretary's report 30 June 2012
27	Federal secretary's declaration
28	Independent auditor's report
29	Statement of comprehensive income for the year ended June 30, 2012
29	Statement of financial position as at 30 June 2012
30	Statement of changes in equity for the year ended 30 June 2012
31	Statement of changes in equity for the year ended 30 June 2011
31	Statement of cash flows for the year ended 30 June 2012

**MEDIA, ENTERTAINMENT AND ARTS ALLIANCE  
ELECTED OFFICERS' REPORT  
30 JUNE 2012**

The Federal Management Committee and Federal Secretary present their report, together with the financial statements, on the Media, Entertainment and Alliance ("Alliance") for the year ended 30 June 2012.

**Federal Management Committee members**

The following persons were committee members of the Alliance during the whole of the financial year and up to the date of this report, unless otherwise stated:

Patricia Amphlett  
Simon Burke  
Simon Collins  
Peter Lewis (resigned on 17 May 2012)  
Christopher Warren  
John West  
Gina McColl (appointed on 17 May 2012)

**Strategy for achieving objectives**

To achieve our short and long term objectives there is 5 key strategic directions in place 1. Organise to Grow 2. Your rights at work 3. Build Better Benefits and Extended Services 4. Shape our industries through communications and campaigns 5. Be Part of Something Bigger

**Principal activities**

During the financial year the principal continuing activities of the Alliance continued to be a union and profession organisation that covers everyone in the media, entertainment, sports and arts industries.

**Auditor's independence declaration**

A copy of the auditor's independence declaration is set out on page 4. On behalf of the Federal Management Committee

Christopher Warren  
Federal Secretary  
25th October 2012  
Sydney

**FEDERAL SECRETARY'S DECLARATION**

- The attached financial statements and notes thereto comply with the Australian Accounting Standards – Reduced Disclosure Requirements, other mandatory professional reporting requirements and the Workplace Relations Act;
- The attached financial statements and notes thereto give a true and fair view of the Alliance's financial position as at 30 June 2012 and of its performance for the financial year ended on that date; and
- There are reasonable grounds to believe that the Alliance will be able to pay its debts as and when they become due and payable

Christopher Warren  
Federal Secretary  
25th October 2012  
Sydney

	Staff	Officers	2010-11
Under \$20,000	5	0	5
\$20,000-\$30,000	0	0	10
\$30,000-\$40,000	5	0	5
\$40,000-\$50,000	10	0	5
\$50,000-\$60,000	14	0	6
\$60,000-\$70,000	10	0	5
\$70,000-\$80,000	8	1	10
\$80,000-\$90,000	8	0	12
\$90,000-\$100,000	5	1	5
\$100,000-\$110,000	4	0	4
\$110,000-\$120,000	1	1	0
\$120,000-\$130,000	5	0	2
\$130,000-\$140,000	2	0	1
Over \$140,000	0	1	1
<b>TOTAL</b>	<b>77</b>	<b>4</b>	<b>71</b>

	2012-2013 Budget	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Total income</b>	11,700,000	11,915,332	10,991,799	10,480,906	11,039,723	10,706,162	9,913,677	9,010,401	7,655,953
<b>Total costs</b>	(11,500,000)	(11,437,707)	(10,226,481)	(9,143,369)	(10,230,635)	(9,931,254)	(9,470,269)	(8,753,424)	(7,394,694)
<b>Surplus</b>	200,000	477,625	765,318	1,337,537	809,088	774,908	443,408	256,977	261,259
<b>Stability Reserve</b>	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,017,514	958,496	725,237
<b>Fighting Fund Reserve</b>	1,500,000	1,365,473	1,288,099	1,024,801	554,617	254,905	0	0	0

### FEDERAL SECRETARY'S REPORT 30 JUNE 2012

On 22 October 2012 the Committee of Management of the Media, Entertainment & Arts Alliance (the "Alliance") passed the following resolution in relation to the general purpose financial statements (GPFS) of the reporting unit for the financial year ended 30 June 2012:

- The Committee of Management declares in relation to the GPFS that in its opinion:
- (a) the financial statements and notes comply with the Australian Accounting Standards;
  - (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar for section 270 of the Registration and Accountability of Organisations (RAO) schedule;
  - (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
  - (d) there are reasonable grounds to believe that the Alliance will be able to pay its debts as and when they become due and payable;
  - (e) during the financial year to which the GPFS relates and since the end of the year;
    - (i) meetings of the committee of management were held in accordance with the rules of the organisation; and
    - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
    - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
    - (iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
    - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule;
  - (f) in relation to recovery of wages activity:
    - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
    - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
    - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
    - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
    - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

#### Significant change in state of affairs

There has been no significant change in the Alliance's financial affairs or state of affairs during or since the end of the financial year.

#### Events after the reporting date

On July 30, 2012, the Alliance repaid \$500k in principal borrowings and renegotiated the ongoing facility to November 30, 2012.

Other than noted above, no matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Alliance, the results of those operations, or the state of affairs of the Alliance in future financial years.

For Federal Management Committee: Christopher Warren  
Title of Office held: Federal secretary

Dated this 25th October 2012

### INDEPENDENT AUDITOR'S REPORT

To the members of Media, Entertainment & Arts Alliance

#### Report on the Financial Report

We have audited the accompanying financial report of Media, Entertainment & Arts Alliance ("the entity"), which comprises the federal secretary's report, statement of financial position as at 30 June 2012, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the federal secretary's declaration.

#### Federal Management Committee's Responsibility for the Financial Report

The federal management committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Workplace Relations Act, and for such internal control as the federal management committee determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the federal management committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Workplace Relations Act.

#### Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Media, Entertainment & Arts Alliance as at 30 June 2012, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Workplace Relations Act.

#### Report on Other Legal and Regulatory Requirements

In our opinion, the financial report of the Media, Entertainment & Arts Alliance is in accordance with the Fair Work (Registered Organisations) Act including:

- (a) In relation to recovery of wages activity;
  - (i) that the scope of the audit encompassed recovery of wages activity;
  - (ii) that the financial statements, notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Industrial Registrar, including:
    - i. any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
    - ii. any donations or other contributions deducted from recovery money.
- (b) Any other requirements imposed by the reporting Guidelines or Part 3 of Chapter 8 of the RAO schedule in relation to recovery of wages.

#### BDO East Coast Practice

##### GRANT SAXON

Partner

Sydney, 25th October 2012

#### DECLARATION OF INDEPENDENCE BY GRANT SAXON TO FEDERAL MANAGEMENT COMMITTEE OF MEDIA, ENTERTAINMENT & ARTS ALLIANCE

As lead auditor of Media, Entertainment & Arts Alliance for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Australian professional ethical pronouncements in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

##### GRANT SAXON

Partner

BDO East Coast Partnership

Sydney, 25th October 2012

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>REVENUE</b>			
Revenue from ordinary activities	2	11,915,332	10,991,799
<b>EXPENDITURE</b>			
Depreciation and amortisation	3	(221,393)	(198,205)
Finance costs	3	(104,629)	(116,999)
Employee costs		(6,844,079)	(6,190,008)
Site costs		(635,538)	(454,807)
Affiliation fees	3	(275,415)	(278,068)
Printing and postage		(192,440)	(195,466)
Telephone		(167,130)	(191,552)
Magazines		(436,012)	(455,536)
Repairs and maintenance		(506,076)	(445,077)
Travel		(320,074)	(248,846)
Events		(1,005,220)	(911,834)
Other expenses from ordinary activities		(729,701)	(540,083)
<b>Total direct costs</b>		<b>(11,437,707)</b>	<b>(10,226,481)</b>
<b>Surplus before Income Tax expense</b>		<b>477,625</b>	<b>765,318</b>
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Surplus After Income Tax expense attributable to the members of media, entertainment &amp; arts alliance</b>		<b>477,625</b>	<b>765,318</b>
<b>Other comprehensive income for the year (net of tax)</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year attributable to the members of media, entertainment &amp; arts alliance</b>		<b>477,625</b>	<b>765,318</b>

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	4,729,381	4,633,657
Trade and other receivables	6	844,712	540,250
Other current assets	7	204,044	167,380
<b>Total current assets</b>		<b>5,778,137</b>	<b>5,341,287</b>
<b>Non-current assets</b>			
Financial assets	8	16,180	16,180
Property, equipment and vehicles	9	4,692,892	4,735,529
<b>Total non-current assets</b>		<b>4,709,072</b>	<b>4,751,709</b>
<b>TOTAL ASSETS</b>		<b>10,487,209</b>	<b>10,092,996</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	10	764,300	763,824
Short-term borrowings	11	1,091,173	-
Provisions	12	938,650	1,090,824
Other current liabilities	13	845,477	778,943
<b>Total current liabilities</b>		<b>3,639,600</b>	<b>2,633,591</b>
<b>Non-current liabilities</b>			
Provisions	12	30,450	28,698
Long-term borrowings	11	-	1,091,173
<b>Total non-current liabilities</b>		<b>30,450</b>	<b>1,119,871</b>
<b>TOTAL LIABILITIES</b>		<b>3,670,050</b>	<b>3,753,462</b>
<b>NET ASSETS</b>		<b>6,817,159</b>	<b>6,339,534</b>
<b>EQUITY</b>			
Reserves		4,620,534	4,142,158
Retained earnings		2,196,625	2,197,376
<b>TOTAL EQUITY</b>		<b>6,817,159</b>	<b>6,339,534</b>

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2012**

	Stability Reserve \$	Fighting Fund \$	Equity Foundation Reserve \$	SOMA Reserve \$	Walkley Foundation Reserve \$	Western Australian Journalists Reserve \$	Campaign Reserve \$	Special Leave Reserve \$	Property and Mortgage Reserve \$	Retained Earnings \$	Total \$
<b>2012</b>											
Balance at 1 July 2011	1,000,000	1,288,099	475,621	52,171	259,814	-	701,453	215,000	150,000	2,197,376	6,339,534
Net surplus attributable to members of the entity	-	-	-	-	-	-	-	-	-	477,625	477,625
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	477,625	477,625
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-	-
- Fighting Fund Strike	-	69,576	-	-	-	-	-	-	-	(69,576)	-
- Fighting Fund Reserve	-	7,799	-	-	-	-	-	-	-	(7,799)	-
- Equity Foundation Reserve	-	-	8,343	-	-	-	-	-	-	(8,343)	-
- SOMA Reserve	-	-	-	13,271	-	-	-	-	-	(13,271)	-
- Walkley Foundation Reserve	-	-	-	-	56,435	-	-	-	-	(56,435)	-
- Property Mortgage Reserve	-	-	-	-	-	-	-	-	322,952	(322,952)	-
<b>Balance at 30 June 2012</b>	<b>1,000,000</b>	<b>1,365,474</b>	<b>483,964</b>	<b>65,442</b>	<b>316,249</b>	<b>-</b>	<b>701,453</b>	<b>215,000</b>	<b>472,952</b>	<b>2,196,625</b>	<b>6,817,159</b>
<b>Supported by separate bank account</b>	<b>1,000,000</b>	<b>785,758</b>	<b>107,799</b>	<b>-</b>	<b>107,799</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,001,356</b>

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2011**

	Stability Reserve \$	Fighting Fund \$	Equity Foundation Reserve \$	SOMA Reserve \$	Walkley Foundation Reserve \$	Western Australian Journalists Reserve \$	Campaign Reserve \$	Special Leave Reserve \$	Property and Mortgage Reserve \$	Retained Earnings \$	Total \$
<b>2011</b>											
Balance at 1 July 2010	1,000,000	1,024,801	384,808	20,429	373,511	630	401,453	215,000	-	2,153,584	5,574,216
Net surplus attributable to members of the entity	-	-	-	-	-	-	-	-	-	765,318	765,318
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income attributable to the members	-	-	-	-	-	-	-	-	-	765,318	765,318
Transfers to & from reserves	-	-	-	-	-	-	-	-	-	-	-
- Fighting Fund Reserve (refer to Note 15 for a reconciliation of reserve)	-	263,298 (i)	-	-	-	-	-	-	-	(263,298)	-
- Equity Foundation Reserve	-	-	90,813	-	-	-	-	-	-	(90,813)	-
- SOMA Reserve	-	-	-	31,742	-	-	-	-	-	(31,742)	-
- Walkley Foundation Reserve	-	-	-	-	(113,697)	-	-	-	-	113,697	-
- Western Australian Journalists Reserve	-	-	-	-	-	(630)	-	-	-	630	-
- Campaign Reserve	-	-	-	-	-	-	300,000	-	-	(300,000)	-
- Property and Mortgage Reserve	-	-	-	-	-	-	-	-	150,000	(150,000)	-
<b>Balance at 30 June 2011</b>	<b>1,000,000</b>	<b>1,288,099</b>	<b>475,621</b>	<b>52,171</b>	<b>259,814</b>	<b>-</b>	<b>701,453</b>	<b>215,000</b>	<b>150,000</b>	<b>2,197,376</b>	<b>6,339,534</b>
<b>Supported by separate bank account</b>	<b>1,108,822</b>	<b>597,569</b>	<b>102,746</b>	<b>-</b>	<b>102,746</b>	<b>-</b>	<b>-</b>	<b>215,000</b>	<b>-</b>	<b>-</b>	<b>2,126,883</b>

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>Cash flows from operating activities:</b>			
Receipts from members and sponsors (inclusive of GST)		12,039,891	12,119,535
Payments to suppliers and employees (inclusive of GST)		(12,119,522)	(10,991,679)
Interest received		458,740	519,475
Finance costs		(104,629)	(116,999)
<b>Net cash provided by operating activities</b>	14	<b>274,480</b>	<b>1,530,332</b>
<b>Cash flows from investing activities:</b>			
Acquisition of property, equipment and vehicles	9	(178,756)	(146,953)
<b>Net cash used in investing activities</b>		<b>(178,756)</b>	<b>(146,953)</b>
<b>Cash flows from financing activities:</b>			
Repayment of borrowings		-	(400,000)
<b>Net cash used in financing activities</b>		<b>-</b>	<b>(400,000)</b>
<b>Net increase in cash held</b>		<b>95,724</b>	<b>983,379</b>
Cash and cash equivalents at beginning of year		4,633,657	3,650,278
<b>Cash and cash equivalents at end of financial year</b>	5	<b>4,729,381</b>	<b>4,633,657</b>

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Media, Entertainment & Arts Alliance (the "Alliance") is an entity created under the Fair Work (Registered Organisations) Act 2009, registered and domiciled in Australia. The financial statements of the Alliance comply with the Australian equivalents to International Financial Reporting Standards (AIFRS) as they relate to not for profit entities, and the reduced disclosure regime.

**New, revised or amending Accounting Standards and Interpretations adopted**

The Alliance has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

The Alliance has early adopted AASB 1053 'Application of Tiers of Australian Accounting Standards' and AASB 2010-2 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements'. No other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have been early adopted.

Any significant impact on the accounting policies of the incorporated association from the adoption of these Accounting Standards and Interpretations are disclosed in the relevant accounting policy. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Alliance.

The following Accounting Standards and Interpretations are most relevant to the Alliance:

**AASB 1053 Application of Tiers of Australian Accounting Standards**

The Alliance has early adopted AASB 1053 from 1 July 2010. This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements. The Alliance being classed as Tier 2 continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2.

**AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements**

The incorporated association has early adopted AASB 2010-2 from 1 July 2010. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the Alliance's disclosure requirements.

The following is a summary of the material accounting policies adopted by the Alliance in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

**Basis of Preparation**  
*Reporting Basis and Conventions*

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated. The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Accounting Policies**

**(a) Property, Equipment and Vehicles**

Each class of property, equipment and vehicles is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

**Property**

Freehold land and buildings are measured at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

It is the policy of the Federal Management Committee to obtain a valuation every 3-5 years.

**Equipment and Motor Vehicles**

These are measured on the cost basis less depreciation and impairment losses. The carrying value is reviewed annually by the Federal Management Committee to ensure it is not in excess of the recoverable amount from these assets.

The recoverable amount is assessed on the basis of the depreciated replacement cost of the asset or net cash flows that will be received from the assets' subsequent disposal.

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Alliance commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the

estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

Buildings	2.5%
Equipment and Motor Vehicles	10-50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Each asset class's carrying amount is written down immediately to its recoverable amount if the class's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**(b) Impairment of Assets**

At the end of each reporting period, the Alliance reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Alliance would, if deprived of the assets, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of assets, the Alliance estimates the recoverable amount of the cash-generating unit to which the class of assets belong. Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

**(c) Financial Instruments**

Initial recognition and measurement  
Financial assets and financial liabilities are recognised when the Alliance becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Alliance commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss in which case transaction costs are expensed to profit or loss immediately.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted. Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and (iv) less any reduction for impairment. The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

**Available for sale financial assets**

These include any financial assets not included in the above categories. They are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to the Statement of Comprehensive Income.

They are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period, which will be classified as current assets. Changes to fair value are taken directly to the Statement of Comprehensive Income.

**Financial liabilities**

Non derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

**Fair value**

This is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine

fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

**Impairment**

At each reporting date, the Alliance assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**(d) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

**(e) Employee Benefits**

Provision is made for the Alliance's liability for employee benefits arising from services rendered by employees to the reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**Long service leave**

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**(f) Provisions**

These are recognised when the Alliance has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

**(g) Revenue**

This is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. Grant revenue is recognised in the statement of comprehensive income when it is expended. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the statement of financial position as a liability until such conditions are met or services provided. Donations are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as deferred income in the statement of financial position until expended.

Membership subscription income has been accounted for on a mix of cash and accruals basis. Membership subscriptions outstanding at the reporting date have been brought to account as receivables where subscriptions are paid by the members' employers through salary deductions. All other membership subscriptions due to be paid are recognised when received. Membership income is deemed earned in the year to which it relates. Membership subscriptions relating to the unexpired part of the membership year are deferred and recognised as income in the next financial year.

Interest revenue is recognised when received. Dividend revenue is recognised when the right to receive a dividend has been established. All revenue is stated net of the amount of goods and services tax (GST).

**(h) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office or the New Zealand Inland Revenue. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cashflows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(i) Income Tax**

The Alliance is an income tax exempt entity under item 1.7 section 50 5 of the Income Tax Assessment Act 1997.

**(j) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Alliance prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**(k) Borrowings**

These are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. They are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses. They are classified as current liabilities unless the Alliance has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

**(l) Foreign Currency Transactions and Balances**

The financial statements are presented in Australian dollars which is the Alliance's functional and presentation currency and rounded to the nearest dollar.

**Transaction and balances**

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income. Exchange differences arising on the translation of non monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

**(m) Leases**

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

**(n) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**(o) Critical accounting estimates and judgments**

The Federal Management Committee evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Alliance.

**Key estimates Impairment**

The Alliance assesses impairment at each reporting date by evaluating conditions specific to the Alliance that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates. No impairment has been recognised.

**(p) New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Alliance for the annual reporting period ended 30 June 2012. The Alliance's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Alliance, is still in progress although they are not expected to have a material effect.

**2. REVENUE**

	2012 \$	2011 \$
Operating activities		
- Subscriptions and fees	8,706,984	8,431,079
- Grants, sponsorships and events income	1,751,244	1,442,175
- Interest from financial institutions	458,740	519,475
- Rental income	98,493	94,340
- Sundry income	899,872	504,730
<b>Total Revenue</b>	<b>11,915,332</b>	<b>10,991,799</b>

**3. SURPLUS FROM ORDINARY ACTIVITIES**

Surplus from ordinary activities has been determined after charging the following:

Finance costs		
- Financial institutions	104,629	116,999
Depreciation of non-current assets, incl. equipment & vehicles	64,309	46,167
Amortisation of non-current assets		
- leasehold improvements	157,084	152,038
<b>Total Depreciation</b>	<b>221,393</b>	<b>198,205</b>
Affiliation fees		
- International	83,411	95,747
- Other	192,004	182,321
<b>Total affiliation fees</b>	<b>275,415</b>	<b>278,068</b>
Legal fees	86,159	49,516
Donations	19,697	(2,781)
Honoraria	35,099	32,269
Rental expense on operating leases	107,795	119,468
Employee benefits to Elected Officials		
- salaries	429,171	695,593
- annual leave	55,617	116,470
- long service leave and severance pay	1,332	35,962
- redundancies	224,349	-
- superannuation	116,481	127,893
- benefits	7,800	5,963
<b>Total Employee Benefits to Elected Officials</b>	<b>834,750</b>	<b>981,881</b>
Employee benefits to Staff		
- salaries	4,391,889	3,610,047
- annual leave	310,219	340,509
- long service leave	24,595	76,561
- redundancies	64,417	53,417
- superannuation	568,025	498,153
- benefits	4,440	12,131
<b>Total Employee Benefits to Staff</b>	<b>5,363,657</b>	<b>4,590,818</b>

**4. KEY MANAGEMENT PERSONNEL COMPENSATION**
**(a) Key Management Personnel**

Names and positions held of key management personnel in office at any time during the financial year are:

Key Management Personnel	Position	Position
Christopher Warren	Federal Secretary	
Mark Ryan	Elected Official	Died 10 December 2011
Simon Whipp	Elected Official	Resigned 31 December 2011

Persons holding the position of salaried elected officials of the Alliance at any time during the year were: C Warren, S Whipp (resigned 31 December 2011), M Ryan (died 10 December 2011), S Culph (resigned 17 April 2012), L Connor, A Ivanica, M Sinclair Jones (resigned 12 August 2011) and M White.

#### 4. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT)

(b) Key Management Personnel Compensation

	Salary \$	Superannuation \$	Short-term and Long-term benefits \$	Termination benefits	Total \$
C Warren	80,302	50,000	37,800		168,102
All other KMP	79,273	13,157		177,691	270,121
Total 2012	159,575	63,156	37,800	177,691	438,222
2011	276,832	57,849	41,879	-	376,560

(c) Federal Management Committee

Each of the following persons were members of the Federal Management Committee during the year: C Warren, P Amphlett, S Burke, S Collins, J West, P Lewis (resigned 17 May 2012) and G McColl (appointed 17 May 2012).

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

C Warren's remuneration is included in Note 4(b) above. All other members of the Federal Management Committee receive an honorarium – refer to Note 3.

Fees paid to Alliance employees (including employed officers) for sitting on boards or committees are remitted to the union. Specifically, the federal secretary is one of the two board members nominated to the board of Media Super (Our other nominee is not employed by the union) and the Victoria branch secretary Louise Connor is nominated as an alternate. All fees of behalf of Mr Warren and Ms Connor which are general board fees and sitting fees are paid directly to the union. The policy of Media Super is to set board fees each year at the level of the bottom 10 per cent of industry funds. In the 2011-12 year, these fees were \$17,000 (inc GST) on behalf of Federal Secretary.

#### 5. CASH AND CASH EQUIVALENTS

	2012 \$	2011 \$
Cash on hand	10,446	6,099
Cash at bank	4,718,935	4,627,558
	<b>4,729,381</b>	<b>4,633,657</b>
Reconciliation of Cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	4,729,381	4,633,657
	<b>4,729,381</b>	<b>4,633,657</b>

#### 6. TRADE AND OTHER RECEIVABLES

##### CURRENT

Membership debtors	75,344	51,781
Other debtors	769,368	488,469
	<b>844,712</b>	<b>540,250</b>

##### (a) Other debtors

These amounts include a loan from a related party, Equity Trust	<b>318,324</b>	<b>237,694</b>
---	----------------	----------------

#### 7. OTHER ASSETS

##### CURRENT

Prepayments	199,422	160,527
Deposits refundable	1,962	1,802
Payroll clearing account	2,660	5,051
	<b>204,044</b>	<b>167,380</b>

#### 8. FINANCIAL ASSETS

Available-for-sale Financial Assets comprise:

Listed investments		
- shares - at fair value	1,037	1,037
- shares in listed trusts – at fair value	15,143	15,143
<b>Total available-for-sale financial assets</b>	<b>16,180</b>	<b>16,180</b>

#### 9. PROPERTY, EQUIPMENT AND VEHICLES

##### LAND AND BUILDINGS

Sydney - At cost	4,913,802	4,893,752
- Less accumulated depreciation	(1,919,894)	(1,809,368)
	<b>2,993,908</b>	<b>3,084,384</b>
Adelaide - At cost	204,628	204,628
- Less accumulated depreciation	(92,258)	(87,142)
	<b>112,370</b>	<b>117,486</b>
Melbourne - At cost	1,657,656	1,657,656
- Less accumulated depreciation	(229,100)	(187,658)
	<b>1,428,556</b>	<b>1,469,998</b>

##### EQUIPMENT AND VEHICLES

- At cost	1,540,725	1,382,019
- Less accumulated depreciation	(1,382,667)	(1,318,358)
	<b>158,058</b>	<b>63,661</b>
<b>Total property, equipment and vehicles</b>	<b>4,692,892</b>	<b>4,735,529</b>

## 9. PROPERTY, EQUIPMENT AND VEHICLES (CONT)

### (a) Movements in Carrying Amounts

2011	Land and buildings			Equipment and Motor Vehicle \$	Total \$
	Sydney \$	Adelaide \$	Melbourne \$		
Balance at the beginning of year	3,084,384	117,486	1,469,998	63,661	4,735,529
Additions	20,050	-	-	158,706	178,756
Disposals	-	-	-	-	-
Depreciation expense	(110,526)	(5,116)	(41,442)	(64,309)	(221,393)
Carrying amount at the end of year	<b>2,993,908</b>	<b>112,370</b>	<b>1,428,556</b>	<b>158,058</b>	<b>4,692,892</b>

### (b) Valuations of land and buildings

The Federal Management Committee has reviewed the book value of land and buildings and believes that the market value is substantially in excess of the book value. They have reviewed the assumptions used in each valuation and believe the key assumptions remain valid.

The latest valuation of the Sydney property was performed by CB Richard Ellis on 10 August 2009, when the property was valued at \$4,600,000. At 30 June 2012, the committee have performed a committees' valuation on the freehold land and buildings. The committee have reviewed the key assumptions adopted by the valuers in 2009 and do not believe there has been a significant change in the assumptions at 30 June 2012. The committee therefore believe the carrying value of the land correctly reflects the fair value less cost to sell at 30 June 2012.

The freehold land and building in Melbourne was independently valued on 15 April 2011 by CB Richard Ellis, when the property was valued at \$1,800,000. The valuation was based on vacant possession "as is". The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current demand for land and buildings in the area and recent sales data for similar properties.

The freehold land and building in Adelaide was independently valued on 30 June 2011 by CB Richard Ellis, when the property was valued at \$285,000. The valuation was based on vacant possession "as is". The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current demand for land and buildings in the area and recent sales data for similar properties.

### (c) Non-current assets pledged as security

Refer to note 11 for information on non-current assets pledged as security.

## 10. TRADE AND OTHER PAYABLES

	2012 \$	2011 \$
CURRENT		
Unsecured liabilities		
Trade payables	221,492	249,474
Goods and services tax payable	133,435	118,775
Creditors and accruals	409,373	395,575
	<b>764,300</b>	<b>763,824</b>

### (a) Included in creditors and accruals are the following:

Legal fees	67,530	116,382
Employee benefits to Office Holders and staff	1,363	29,103
	<b>68,893</b>	<b>145,485</b>

### (b) Amounts not expected to be settled within the next 12 months

There are no amounts not expected to be settled within the next 12 months.

## 11. BORROWINGS

	2012 \$	2011 \$
CURRENT		
Secured liabilities		
Bank loans	<b>1,091,173</b>	-
NON-CURRENT		
Secured liabilities		
Bank loans	-	<b>1,091,173</b>

### (a) Bank loans

On 30 July 2012, the Alliance repaid \$500k in principal borrowings and renegotiated the ongoing facility to 30 November 2012. The facility limit was \$1.6m.

### (b) Assets pledged as security

The Bank has a fixed charge over all land and buildings owned by the Alliance in Sydney and Adelaide.

The carrying amounts of non-current assets pledged as security are:

First mortgage over freehold land and buildings	<b>3,106,278</b>	<b>3,201,870</b>
---	------------------	------------------

## 12. PROVISIONS

	2012 \$	2011 \$
<b>CURRENT</b>		
Annual leave	504,450	506,154
Long service leave	419,450	517,333
Other provisions	14,750	67,337
	<b>938,650</b>	<b>1,090,824</b>
<b>NON-CURRENT</b>		
Employee entitlements	30,450	28,698
	<b>969,100</b>	<b>1,119,522</b>
Total officers employee entitlements	214,960	373,301
Total employee entitlements	754,140	746,221
	<b>969,100</b>	<b>1,119,522</b>

These entitlements are partly supported by funds of \$1,123,415 in a separate bank account.

## 13. OTHER LIABILITIES

<b>CURRENT</b>		
Deferred membership income	29,542	16,351
Deferred other income	781,271	734,387
Other current liabilities	34,664	28,205
<b>Total</b>	<b>845,477</b>	<b>778,943</b>

Deferred other income includes funds raised and expended by the Alliance Safety & Solidarity Appeal Fund. The following is the movement in the Alliance Safety & Solidarity Appeal Fund:

Balance as at 1 July	386,986	389,837
Funds raised during the year	36,962	40,480
Payments made during the year	(110,335)	(43,331)
<b>Balance as at 30 June</b>	<b>313,613</b>	<b>386,986</b>

These funds are invested in a separate bank account.

## 14. CASH FLOW INFORMATION

Reconciliation of cash flow from operations with surplus after income tax expense

Net surplus for the year after income tax expense	477,625	765,318
Non-cash flows in profit		
Distribution	221,393	198,205
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(341,126)	440,098
Increase/(decrease) in trade and other payables	67,010	(38,064)
Increase/ in provisions	(150,422)	164,775
<b>Net Cash provided by operating activities</b>	<b>274,480</b>	<b>1,530,332</b>

## 15. RESERVES

### (a) Stability Reserve

The Stability Reserve was set up to advance the working capital of the Alliance and has been invested in bank accounts.

### (b) Equity Foundation Reserve

The Equity Foundation Reserve has been set up to advance the interests of the Equity Foundation.

### (c) Symphony Orchestra Musicians' Association (SOMA)

The SOMA Reserve has been set up to advance the interests of orchestral musicians.

### (d) Walkley Foundation Reserve

The Walkley Awards Reserve has been set up to advance the interests of the Walkley Foundation.

### (e) Campaign Reserve

The Campaign Reserve has been set up to advance the interests of the members.

### (f) Special Projects Reserve

The Special Projects Reserve was set up to advance the interests of the Alliance.

### (g) Western Australian Journalists' Reserve

The Western Australia Journalists Reserve was set up to advance the interests of journalist members in Western Australia.

### (h) Fighting Fund Reserve

The Fighting Fund Reserve was set up to assist members undertaking action in support of Alliance objectives or other related activities in support of Alliance objectives.

**15. RESERVES (CONT)**

	2012 \$	2011 \$
<b>Analysis of transfer to Fighting Fund Reserve</b>		
Transferred from Alliance surplus	-	150,000
Interests received on Stability and Fighting Fund bank account balances	69,576	92,584
Sundry receipt	-	910
Fighting Fund donations received during the year	8,235	37,325
Fighting Fund donations paid during the year	(436)	(17,521)
<b>Net transfer to reserve</b>	<b>77,375</b>	<b>263,298</b>

**(i) Special Leave Reserve**

The Special Leave Reserve was set up to provide for unforeseen staff contingencies.

**(j) Property and Mortgage Reserve**

The Property and Mortgage Reserve was set up to provide for unforeseen costs or obligations regarding the Alliance properties and mortgage bills.

**16. CAPITAL AND LEASING COMMITMENTS**
**(a) Operating Lease Commitments**

Non cancellable operating leases contracted for but not capitalised in the financial statements

Payable - minimum lease payments		
- not later than 12 months	113,214	77,188
- between 12 months and 5 years	208,560	134,503
	<b>321,774</b>	<b>211,691</b>

The operating lease, which relates to the Brisbane office, will expire on 30 June 2014.

**(b) Capital Expenditure Commitments**

There are no material capital expenditure commitments as at 30 June 2012 (2011 : nil).

**17. FINANCIAL RISK MANAGEMENT**

	Note	2012 \$	2011 \$
<b>Financial assets</b>			
Cash and cash equivalents	5	4,729,381	4,633,657
Loans and receivables	6	844,712	540,250
Available-for-sale financial assets	8	16,180	16,180
<b>Total financial assets</b>		<b>5,590,273</b>	<b>5,190,087</b>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
- trade and other payables	10	764,300	763,824
- borrowings	11	1,091,173	1,091,173
<b>Total financial liabilities</b>		<b>1,855,473</b>	<b>1,854,997</b>

**Net Fair Values**

(i) For listed available-for-sale financial assets and financial assets at fair value through profit or loss the fair values have been based on closing quoted bid prices at the end of the reporting period.

In determining the fair values of the unlisted available-for-sale financial assets, the directors have used inputs that are observable either directly (as prices) or indirectly (derived from prices).

**18. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of RAO Schedule, as amended, the attention of members is drawn to the provisions of section 272(5) which read as follows:

- (1) A member of the Alliance, or a Registrar, may apply to the Alliance for specified prescribed information in relation to the Alliance, to be made available to the person making the application.
- (2) The application must be in writing and must specify the period in which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the Alliance.
- (3) The Alliance must comply with an application made under subsection (1).

## 19. MONIES HELD IN TRUST

At year end the Alliance was holding in trust an amount of \$5,769,476 (2011: \$5,019,139). This amount and the corresponding liability are not reflected in the statement of comprehensive income or the statement of financial position of the Alliance. These amounts are not consolidated as part of the Alliance financial statements under the Australian Accounting Standards as these funds are not directly controlled by the Alliance. The monies received on behalf of the performers are held in Trust prior to the quarterly distribution.

### Residuals

Equity Trust is responsible for distributing residual fees (residuals), which are fees paid by distributors to the performers concerned. They are sometimes referred to as "royalties", "repeats" or "second usage fees". These fees are negotiated by the Alliance and paid to qualifying performers who work on film or TV productions, after the initial use or exploitation of these productions. Equity Trust collects these fees on behalf of the performers and then calculates the residuals for each of them. These calculations are reviewed by the Alliance's external auditors, prior to paying performers each quarter. On occasion, there are discrepancies relating to performers entitlement to residuals or the attributed portion and these need to be resolved before payments are made.

All residual fees received are banked in accounts specifically designated as trust accounts.

Equity Trust monitors exploitation or sales which may trigger residuals and contacts the producer and distributor when money is due from them. Producers and distributors are required to provide regular reports on all income they have received and residuals owing.

Equity Trust aims to pay out all residuals received, but some performers are difficult to trace.

The Alliance Rules provides for the use of those amounts that are not able to be distributed within six years of being received by the Association; they may be applied by the Alliance for the interests of the general class of people for whom the money was received, that is, performers. If, after

six years, if any member can assert a right to any money received, the Alliance shall make good that money. Any net interest or related earnings for the interests can also be applied to the interests of performers.

### Superannuation contributions

Equity Trust also negotiates monitors and collects superannuation contributions on behalf of Australian performers working overseas and forwards their entitlement to the appropriate superannuation fund.

### Bonds

To safeguard the wages of performers and crew working on productions, Equity may require a bond to be lodged by the producer. In such cases, Equity Trust releases the bond after the production has provided a certificate from its accountants, certifying that all performers' and crews' wages, including superannuation and annual leave, have been paid.

Assets and liabilities of the Equity Trust not recorded in the financial statements of the Alliance were:

	2012 \$	2011 \$
<b>Current assets</b>		
Cash and cash equivalents	5,769,476	5,019,139
<b>Total current assets</b>	<b>5,769,476</b>	<b>5,019,139</b>
<b>Current liabilities</b>		
Bonds received and owing	43,500	55,140
Owed to cast members (see below)	5,361,753	4,680,405
Owed to Alliance	318,323	237,694
Provision	45,900	45,900
<b>Total current liabilities</b>	<b>5,769,476</b>	<b>5,019,139</b>

## OWED TO CAST MEMBERS – RECOVERY OF WAGES ACTIVITY

	2012 \$	No of Performers	2011 \$	No of performers
<b>Total owed to cast members at 1 July</b>	<b>4,680,405</b>		<b>5,614,765</b>	
<b>Monies received in the year</b>				
Residuals, claims and super received	5,660,123	5,635	6,556,959	14,269
<b>Monies paid in the year</b>				
Residuals, claims and super paid to performers	(4,011,984)	2,219	(6,711,416)	2,189
Payments made on behalf of performers to the Alliance:				
- Residual fees deducted from residuals on behalf of members, of which \$115,141 was paid including GST of \$10,467 to the Alliance as Member Income (2011: \$287,979 which includes GST of \$26,180)	(197,054)		(289,094)	
- Outstanding union subscriptions deducted from residuals on behalf of members and paid to the Alliance as member income (current)	(105,478)		(184,112)	
- Outstanding union subscriptions deducted from residuals on behalf of members and paid to the Alliance as member income (non current)	(87,583)		(5,394)	
- Administration fees deducted from residuals on behalf of non-members of which \$154,895 including GST of \$14,081 to the Alliance Equity Trust (2011: \$251,303 including GST of \$22,846)	(190,004)		(251,303)	
Amounts paid to the Alliance Equity Trust:				
- Interest Members Equity	(16,672)			
- Portion of amounts not able to be distributed within six years transferred to the Alliance Equity Foundation for the interests of performers	(370,000)		(50,000)	
<b>Total owed to cast members at 30 June</b>	<b>5,361,753</b>		<b>4,680,405</b>	
<b>The total owed to cast members at 30 June 12 includes undistributable amounts that are over six years old</b>	<b>1,473,151</b>		<b>1,256,000</b>	
<b>Interest received on recovered monies</b>				
- Interest received on Equity Trust bank accounts, of which \$293,523 (2011: \$323,374) was transferred to the Alliance.	264,958		354,091	
<b>Costs of administration (these have been accounted for in Alliance operations)</b>	-		306,850	

## 20. EVENTS AFTER THE BALANCE SHEET DATE

On 30 July 2012, the Alliance repaid \$500,000 in principal borrowings and renegotiated the ongoing facility to 30 November 2012. The facility limit was \$1.6m.

Other than noted above, no matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the

Alliance, the results of those operations, or the state of affairs of the Alliance in future financial years.

The financial statements were authorised for issue on 22 October 2012 by the Federal Management Committee.

## 21. RELATED PARTY TRANSACTIONS

At reporting date there are some employees with balances of less than \$2,000 either owing or payable due to salary packaging arrangements.

## 23. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or contingent assets as at 30 June 2012 (2011: nil).

## 24. COMPANY DETAILS

The registered office and principal place of business of the Alliance is: 245 Chalmers Street, Redfern NSW 2012.





