



Corporate and Industry Affairs

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Mr Clive Mathieson
Editor
The Australian
GPO Box 4245
SYDNEY NSW 2001

Dear Mr Mathieson,

Your articles today 'Senators agog at \$800k air bonuses' and 'Houston, we have a problem' (Friday, 19 June 2015) have made a number of inaccurate and misleading claims, including several issues that have previously been drawn to the attention of *The Australian*. The approach taken seems to be contrary to News Limited's own Professional Conduct Policy.

As stated in my letter dated 15 June with regard to the story 'Air salaries up and Houston pushed to clarify \$4m blowout' (Monday, 15 June 2015), it is inaccurate and misleading to claim that the salary pool for Airservices Australia executives increased by 40% and the bonus pool increased by 60%. You have published this false claim on three separate occasions in today's paper.

The information that you have relied on from our Annual Report relates to remuneration data that is presented in accordance with required accounting standards and it is not a salary or bonus pool. The number of executives included in the reported figures was different between 2012-13 and 2013-14 and it is inaccurate and misleading to make a direct comparison between the two years and imply this is a change to a 'salary pool', 'bonus pool' or to imply that individual members of the executive have had big salary increases.

As we have informed *The Australian*, executive remuneration reported in 2012-13 was unusually low for numerous reasons that have been put to you. This includes the fact that there were only eight executives included in the 2012-13 data, which is three fewer than the following 2013-14 year, which included 11 executives. Other considerations include that the CEO was only employed for part of the 2012-13 year compared to a full year of remuneration in 2013-14.

The article today claimed that Airservices had originally indicated that executive remuneration had increased by 2.25 per cent and that we now say that with bonuses the average rise is 5.2 per cent. This claim is wrong. At no stage has Airservices stated that the increase is 5.2 per cent. We maintain that prior to the pay freeze, the executive remuneration increase in 2013-14 was 2.25 per cent on average. Subsequently, Airservices implemented an Executive pay freeze for the 2014-15 financial year and for the upcoming 2015-16 financial year. This pay freeze continues the restraint in executive remuneration by Airservices for many years.

Finally, the article continues to refer to a case of credit card fraud as being worth \$10,000 to \$20,000. We have advised *The Australian* that the public record shows that the credit card misuse in this case had a total of less than \$3,000 and this fact was acknowledged by your reporter in his questions to us.

These inaccurate and misleading claims are damaging to the good reputation of Airservices and not what the public expect of *The Australian*. We ask that you refrain from repeating them and publish corrections at the earliest opportunity.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mairi Barton', written in a cursive style.

Mairi Barton
Executive General Manager
Corporate and Industry Affairs

19 June 2015