



Media Statement

Friday, 27th August 2010

BSP responds to media reports and union statements

Recent press reports and union statement's misrepresent the status of the Industrial Conciliation Process which BSP and the Papua New Guinea Banks and Financial Institutions Workers Union are engaged.

BSP and the Union have continued to meet, under the Chairmanship of the Department of Labour, to discuss the outstanding issues contained in the 2007 MOU.

Of the nine initial "parked items" only one, Housing Allowance" remains unresolved.

The last meeting took place at the Departments offices on Tuesday 24th August.

BSP's position was represented by Deputy CEO/CFO Johnson Kalo and GM Human Resources Giau Duruba.

Both the CEO Ian Clyne and Deputy CEO/CRO Robin Fleming are currently overseas but are constantly updated on the status of the conciliation process.

BSP maintains that it has entered the conciliation process in good faith and offers "industry best" remuneration and benefit packages to its staff.

In light of inaccurate press coverage and misleading Union statements all BSP staff were advised on Thursday 26th August, in an Executive Bulletin, that the National Court has ruled that any industrial action taken while the industrial conciliation process is in progress is illegal. (Attached)

Staffs were also advised that The National Court has also ruled that Anton Sekum is restrained from conducting any form of union activity and holding himself out as President of the PNG Banks & Financial Institutions Workers Union as his employment with BSP was terminated. (Attached)

Any BSP staff member participating in industrial action would be in breach of Section 16.3 of the 2007 Consolidated Industrial Agreement -

16.3 STOP WORK MEETINGS

- (1) The Bank will not encourage or allow Staff to attend any illegal stop-work meeting. Any strike action must be approved by the Department of Labour and Industrial Relations through the Industrial Relations process.
- (2) Any Staff that participates in any illegal strike/stop work meeting shall be terminated from employment forthwith.
- (3) The Union agrees that prior to holding any Labour & Industrial Relations approved stop work meetings it must seek Managements approval.
- (4) Any absence by Staff under Section 16.3.2 will be treated as Leave Without Pay.

BSP management has called on all staff to attend to normal work duties and allow the industrial conciliation process to proceed.

Ends