

Question: how prevalent are pay secrecy clauses in the finance sector?

Response:

In contracts of employment

1. Of the Big Four banks 75% issue contracts that contain confidentiality clauses:
 - CBA and WBC clauses mention explicitly that remuneration should be kept confidential
 - ANZ contract clauses require that the terms of the whole agreement are to be kept confidential but it would be implied that pay and remuneration are to be kept confidential as they form part of the contract
2. Of the other employers such as Generals and Insurance, we have been provided contracts of employment from about 100 different employers. Of those 100 employers approximately 20% issue contracts that contain pay confidentiality clauses.

In relation to enterprise agreements there are no pay confidentiality clauses in any of the major banks' EAs. In Insurance and smaller banks and credit unions there are a large number but also didn't find any pay confidentiality clauses.

The preference by employers seems to be to insert such clauses into contracts of employment.

Confidentiality clauses in enterprise agreements

No clauses found in any of the enterprise agreements covering the Big Four banks, or a sample of Generals and Insurance, that the FSU is covered by, that require employees to keep details about pay confidential.

Confidentiality clauses in contracts of employments

Of the Big Four Banks, contracts issued by CBA, ANZ and WBC contain confidentiality clauses about pay and remuneration:

CBA: "In particular, the terms and conditions of your employment (including remuneration arrangements) are strictly confidential. It is a condition of your employment that you do not discuss these matters with any other person other than your legal or financial advisers or immediate family members"

ANZ: "It is a condition of our employment that you keep the terms and conditions of this employment agreement confidential"

WBC: "Confidential information... includes, without limitation, information relating to...the terms of your employment with Westpac"
"You must also maintain the confidentiality of your remuneration and the terms of the Agreement as a private matter between yourself and Westpac"
"You must also not disclose your remuneration, the terms of this Agreement except...to an advisor for the purposes of obtaining legal, tax or financial advice or...to your spouse or partner" (St George)

Generals and Insurance employers whose contracts contain confidentiality clauses

Associated Marine Insurers:

"This agreement, including any amendments, is confidential. The employee must not disclose it to any other person, other than for the purpose of obtaining professional legal or accounting advice, without prior approval of the Company"

American Express:

"You will appreciate that salary and other employment conditions are confidential and must not be discussed with other employees of American Express"

Baycorp: "Details of your remuneration package and future changes to your remuneration are confidential between you and Baycorp. You must not discuss these details with other Baycorp employees"

BCU: "You will appreciate that salary and other employment conditions are confidential and must not be discussed with other employees of bcu or persons outside of bcu (with the exception of your legal and financial advisers)"

GE Finance: "The terms of this Agreement are confidential and may not be disclosed by you to any other person, other than for the purpose of obtaining professional legal or accounting advice, without the prior approval of the Company"

IAG: "You may not disclose the terms of this contract of employment to any person other than your legal and financial advisers, or to the extent required by law. You agree to consult with the Group in advance about the extent and manner of any disclosure required by law"

IMA: "You must not disclose the terms of this agreement to any other person other than your legal and financial advisers, or to the extent required by law. You agree to consult with the Group in advance about the extent and manner of any disclosure required by law"

FIFE: "I agree to keep my employment arrangement, including salary details, confidential at all times"

Suncorp: "You must not disclose the details of your remuneration to other employees within the Suncorp Group"

Clearview: "The terms of this Agreement and any subsequent amendments are confidential and may not be disclosed by you to any other person other than for the purpose of obtaining professional legal or accounting advice without the written approval of the Company"

AMP: "This agreement is confidential and may not be disclosed by you to any other person without the prior approval of AMP, other than for the purpose of obtaining professional legal or accounting advice"

AIB: "The terms and conditions of this Agreement and the negotiations leading up to this Agreement are confidential and must not be disclosed directly or indirectly in whole or in part by any party to this Agreement to any person other than the parties' professional legal or accounting advisers or as may be required by law"

Collection House:

"Remuneration and individual conditions of employment are deemed confidential information and therefore must not be disclosed or discussed with other employees"

Catholic Financial Services:

"This agreement...is confidential and may not be disclosed by you or any person, other than for the purpose of obtaining professional legal or accounting advice without written approval"

QBE: "You agree that remuneration and other employment conditions are confidential and must not be discussed with other employees of QBE"

Superpartners:

"Your salary and remuneration details are confidential and should not be discussed with your colleagues under any circumstances"

Xchanging: "As you are aware, compensation is personal and should not be discussed with other employees"

Veda Advantage:

"Your remuneration is confidential and should not be discussed with any other employee of the Company"

NRMA: "Discussing your grade or rate of pay with your co-worker is highly discouraged"

Finance Sector Union: answers to questions taken on notice at a public hearing in Melbourne on 27/10/2016. Received 04/11/2016.

Wesfarmers: "The employee is required to keep information about their remuneration confidential"