

Former NSW premier Mike Baird paid \$887,000 for first six months at NAB

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Moving from politics to banking has been lucrative for Mike Baird, with the former NSW premier making \$886,845 in slightly less than six months in his new role at National Australia Bank.

But despite that, Mr Baird was still one of the lowest-paid executives in the bank, with chief executive Andrew Thorburn the highest paid on \$6.6 million, and retail banking boss Andrew Hagger paid \$3.5 million.



Baird felt 'personal cost in public life'

NSW Premier Mike Baird has announced he will retire from politics to help his parents and sister cope with 'serious health challenges'. Vision courtesy ABC News 24.

Mr Baird, who was paid about \$380,000 as premier, started in mid April at NAB as the chief customer officer of its institutional banking arm.

NAB's annual report, released on Tuesday, shows his statutory remuneration included a cash salary of \$535,766, as well as a short-term cash bonus of \$227,754 and some other benefits.

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Even so, it remains below the pay packets of most other top-level executives at NAB, which last year posted a 2.5 per cent rise in its profit to \$6.6 billion.

While Mr Thorburn, who for the past three years as CEO has been offloading NAB's low-returning businesses, was the top earner, his remuneration dipped from \$6.7 million to \$6.6 million.

Chief technology and operations officer Patrick Wright, who joined NAB at the same time as Mr Baird, was paid a total of \$4.38 million, including \$2.8 million to compensate for forgone payments at his previous job at Barclays in the United States. Chief operating officer Antony Cahill's pay was \$3.1 million, up from \$2.6 million last year.

The report said that taking into account dividends and share price moves, NAB shares delivered the highest returns of the big four banks last financial year.

"NAB is a big business, with executives holding responsibility for over 9 million customers, more than 30,000 employees, 570,000 shareholders and nearly \$800 billion in assets," a NAB spokesman said.

"When setting executive remuneration, the NAB board takes into account external market data, role complexity and responsibilities, the performance of the senior executives and the need to attract and retain talent in a globally competitive environment."

The report comes as banks are looking to cut costs in response to slowing returns.

Earlier this month, NAB said it would cut 6000 jobs over the next three years as it positions the bank for a world of increased digital banking. It is also hiring 2000 people as part of a plan to lift investment by \$1.5 billion.



NAB chief Andrew Thorburn's remuneration dipped from \$6.7 million to \$6.6 million. Photo: Jessica Hromas

NAB said there had not been an increase in fixed remuneration for the bank's most senior executives, and the maximum amount Mr Thorburn could make as a short-term-bonus had been lowered from 175 per cent to 150 per cent of his fixed pay. In the most recent year, Mr Thorburn received 49 per cent of the maximum short-term bonus.

The figures on pay reflect a statutory measure of remuneration, which includes the value of share bonuses that have not yet vested.

On this basis, Mr Thorburn was paid slightly less than the \$6.7 million earned by Westpac chief executive Brian Hartzler, who was the best-paid big four bank boss last financial year.

ANZ Bank's chief executive Shayne Elliott was paid \$5.6 million and Commonwealth Bank chief Ian Narev received \$5.7 million.

Separately, NAB said on Tuesday it would increase its commitment to "environmental financing" to \$55 billion by 2025, up from \$18 billion by 2022. Financing of "green infrastructure" and homes with six-star ratings for energy efficiency were key priorities, NAB said.

<http://www.smh.com.au/business/banking-and-finance/former-nsw-premier-mike-baird-paid-886k-for-first-six-months-at-nab-20171114-gzktc9.html>