The Westfield Annual General Meeting: *press coverage*

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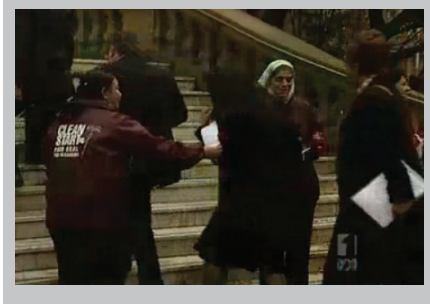

"We think there's a mutual interest here for cleaners and the company to get this right. There's a really important piece, it's about **public enjoyment of shopping centres**, it's about **safety**, it's about the **business risks of the company**."

Australian Financial Review

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Everything's coming up roses: Lowy

Robert Harley

Westfield Group chairman Frank Lowy had an upbeat view of the economy in his last annual general meeting as executive chairman.

Australia was "embarking on what could be its most productive and profitable era, thanks to the mining boom", he told the meeting in the Sydney Town Hall.

"There is more reason that ever to believe that the broad economic outlook is more positive than it has been at some time," he said.

"It is true that there are conflicting messages about the economy here; many sectors are finding conditions difficult. At present that includes the retail sector.

"But if we take a medium- to long-term view, the fundamentals of the Australian economy are strong, and its will underpin the growth of the shopping centres into the foreseeable future."

He said the latest sales figures supported the outlook.

Specialty store sales for March and April, which included Easter, were up 4 per cent in the United States, 4.4 per cent in Australia, 3.5 per cent in New Zealand and nearly 20 per cent in Westfield London.

"This is quite strong and convincing evidence that retail conditions in these markets are improving ... all these factors give us confidence to continue our redevelopment program," he said.

Mr Lowy said it was "quite an emotional time" as he stood down as executive chairman, and long standing directors David Lowy and David Gonski also retired.

He stressed that his move, to independent chairman, "has not changed our relationship with the company. I has been my life for more than 50 years, and I'm not ready to give it up."

Cleaner Kathy Daniels presents Frank Lowy with roses and a message ... "I barely earn enough to keep food in the cupboard." Photo: LOUIE DOUVIS

Westfield chairman presented with thorny issue

Robert Harley

The wage dispute between cleaning contractors and their employees took the floor at Westfield Group's annual meeting yesterday.

Cleaner Kathy Daniels presented chairman Frank Lowy with a bouquet in honour his career, but also made how much "hardship" it takes to keep the centres clean.

"Yet I barely earn enough food in the cupboard," she said.

Mr Lowy acknowledged the pointing out that the company's contractors, who employ cleaners, are under pressure to keep their costs down.

"We want to work at the lower levels. "It would be a pleasure to get in touch with the contractors and I hope a solution can be reached," he said.

The national secretary of United Voice, Louise Tarrant, said Westfield had a role to play in setting fair labour standards. Westfield paid about $600 a week for cleaning services and contract prices. Spotless employs around 61000 cleaners around the country but having signed up to the

Frank Lowy and cleaner...

I'm here to wipe the floor with you...

Bouquet followed by brickbats

Corporate agitators out there wanting to stir things up at annual general meetings were shown exactly how to do it yesterday. Soften them up with flowers first.

The brilliant manoeuvre took place in Sydney at the Westfield Group AGM, which also served as a bit of a farewell for chairman **Frank Lowy**, who is remaining in the role but in a non-executive capacity.

Lowy started well, noting in his speech that the venue, Centennial Hall in Sydney's Town Hall, was a bit of a favourite because he used to take his then girlfriend and now wife **Shirley** there for youth concerts as well as celebrating Westfield's 50th anniversary: "Let's hope it's an omen and it's third time lucky today and we have a successful event," Lowy said.

But then the questions from investors came. After one noting the company's accounts were "a quagmire" and another asking if Westfield's entities based out of the United Kingdom had tax-free status – a delicate topic given the Lowy family's battles with tax authorities here and in the United States – a shareholder stepped up to congratulate Lowy on a "fantastic career", then strode to the stage to present him with a bouquet. Lowy was beaming until the woman, who also works as a cleaner at a Westfield shopping mall, went back to the microphone to admonish the company for its treatment of cleaners. "Every time the contract comes up, our hours get cut and it gets harder and I have to run and sometimes finish the cleaning in my own time," she said. Taken aback, Lowy promised the board would meet the cleaners, who had also handed investors flowers with a note attached describing how hard life has become cleaning Westfield centres. More questions on the topic ensued before co-chief executive **Steven Lowy** eventually clarified the cleaners were employed by contractors, not Westfield.

The Australian

LOWY CONFIRMS $1.7BN GUIDANCE DESPITE DOLLAR DAMAGE

Easter delivers for Westfield

TERESA OOI

WESTFIELD has backed weak retail sentiment with strong Easter sales as the country's biggest shopping centre owner reaffirmed its operational earnings guidance of $1.7 billion for 2008.

Westfield chairman Frank Lowy, despite further difficult conditions for the retail sector, "the group was on track to deliver earnings of 24c per security and pay a distribution of 48.4c per security for this year.

"As we recently reported, the first quarter of 2008 has seen continued strong performance across the entire portfolio," said Mr Lowy, who earlier last year stepped down as executive chairman.

"The guidance is confirmed despite the falling value of the US dollar, which has depreciated more than 10 per cent ... since the original guidance was given."

In the same period, the value of the pound against the dollar had also fallen by more than 10 per cent.

He said the rapid recession in the US economy did have an impact on foreign income when reported in Australian dollars.

He attributed strong operational performance and prudent capital and treasury management to Westfield's ability to maintain its earnings.

Mr Lowy, who stepped down as executive chairman to become non-executive chairman at yesterday's annual meeting, said sales figures for March and April, which included the crucial Easter period, saw strong performance from its shopping malls in the US, Britain and Australia.

Specialty store sales in the US for the combined months of March and April were up 7 per cent on a comparable basis, while sales in Australia rewarded sales by 4 per cent, New Zealand was up by 3.6 per cent and Westfield London sales rose by almost 20 per cent.

"This is quite strong and convincent evidence that retail conditions in all these markets are improving and we are hopeful this trend will continue," he said.

Frank Lowy, in Sydney for yesterday's annual meeting, meets contract staff paid $600 a week before tax to clean Westfield centres

Courier Mail

"Plenty of Lowy wealth has gone into philanthropy. But yesterday's meeting was still taxed about Westfield's attitude to contractors, with Louise Tarrant, national secretary of union United Voice - which is campaigning for cleaners' rights - claiming those wielding a broom and mop to keep Westfield's malls sparkling **were being paid only about $600 a week**."

Online

Trading Room

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"Westfield Group chairman Frank Lowy has committed to meeting cleaners of the group's shopping centres on the same day he stepped down from the top role.

Louise Tarrant, National Secretary of United Voice, which is campaigning for cleaners' rights, told the Westfield annual general meeting that cleaning contracts were often "too lean"."

The Drum Online

"...More than 1,500 cleaners working at Westfield's network of Australian shopping centres earn a mere $32,000 a year for full time work. That should put the recent $150K "battlers" debate into perspective.

The Westfield AGM today marks Mr Lowy's retirement; he is passing the corporate baton to his sons. We'll be bringing flowers to the AGM not only in recognition of Lowy Senior's extraordinary career, but also as a way of introducing Westfield's faceless cleaners, who ensure we can have confidence in the hygiene and safety of our shopping malls. Every rose will have the story of one of Australia's lowest paid workers attached..."

Sydney Morning Herald

FLOWER POWER

After a copping a few pushy questions at his last annual meeting as an executive, the Westfield chairman, **Frank Lowy**, finally appeared to get some respect yesterday when one of the shopping centre group's cleaners was handed a microphone.

"I'd like to congratulate Frank Lowy on a fantastic career and for all you have done for our community," **Cathy Daniels** said. Daniels and one of her colleagues then presented Lowy with a bunch of flowers as a token of their appreciation.

But with Daniels wearing a Liquor, Hospitality and Miscellaneous Union polo top, Lowy's facial expression seemed to be aware that it was not all roses. And he was right.

"There is more and more pressure to work harder and harder," Daniels told him.

"It's a real struggle for me," she said, talking of paying for groceries. Daniels asked for Lowy to meet the cleaners to hear them out. Lowy responded: "It would be a pleasure for me, ah, to facilitate this kind of meeting for you."

"A senior member of our company will be talking to you," said Australia's sixth-richest individual.

He shook Daniels's hand after the meeting to thank her for the flowers.

CLEAN START
FAIR DEAL FOR CLEANERS