

# E-BULLETIN Telecommunications

#11. Friday, 27 June 2014

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## 1. Telstra to undertake major FTTN trial

Telstra will roll out Fibre-to-the Node to some 206,000 premises on behalf of NBN Co in a major trial of the Coalition's preferred wireline broadband platform.

Communications Minister, Malcolm Turnbull, says the trial represents an "interim step" while negotiations with Telstra for access to its copper assets nationally are being finalised.

### Rollout regions

- Belmont, New South Wales
- Bribie Island, Queensland
- Boolaroo, New South Wales
- Gorokan, New South Wales
- Morisset, New South Wales
- Hamilton, New South Wales
- Bundaberg, Queensland
- Caboolture, Queensland
- Gympie, Queensland
- Warner, Queensland

According to the *Australian Financial Review*, the contract is worth about \$150 million, implying a cost per premises passed of some \$728.

This contrasts with contract prices for the full fibre roll-out (FTTP) which the E-bulletin understands were generally in the \$1,000 – 1,200 range, prices on which prime contractors lost money.

The trial will be held in NSW and Queensland and, as anticipated by the E-bulletin, will be conducted largely in regional areas. These include areas which have been categorised as "underserved" and which the Coalition has said it will make a priority in any roll-out.

Deployment in these areas will also allow testing of the economics of FTTN, as opposed to wireless platforms, at the margin of the proposed fixed network footprint.

It remains to be seen what elements of the roll-out will be conducted by Telstra itself and what will be contracted out.

The CWU is seeking a briefing from Telstra on the trial and its implications for our members, including as regards retraining and redeployment opportunities within Telstra.

## 2. Telstra automated despatch trial

The CWU has been involved in monitoring Telstra's trial in South Australia of a new automated despatch system.

Steve Butterworth, President of the CWU SA/NT Branch, has participated in a ride-on with field staff using the system and has also had access to despatchers involved in the trial. His feedback from the field suggests that, as usual, there remains a gap between the goals of the trial and the realities of the working day.

At a hook-up held on Wednesday 25 June, Telstra reported that it was happy with the trial metrics so far and that efficiencies such as reduction of staff travelling distances were being achieved.

But some members have told Steve that their travelling time has actually increased.

And those working on piece rates (AWA employees, contractors) claim the new system is actually reducing the number of jobs they were completing by an average 1.5 a day.



Telstra says that some of the current difficulties arise from the fact that in the trial at present field staff are being "drip fed" jobs rather than having them batched. It also has acknowledged that specific issues, such as parking availability in the Adelaide CBD, may not be being factored in by the system.

But these are familiar types of issues and go to the heart of the problem with automated despatch – its inherent lack of flexibility and prompt, real-time responsiveness to specific local conditions.

The CWU will continue to monitor this trial and to seek feedback from members so as to better understand its impact on the different sections of Telstra's field workforce. But the union remains of the view that there is no substitute for locally informed human oversight of work schedules.

## 3. Telstra flags redundancies in Billing and Credit Management

Telstra has advised the CWU that it proposes to further rationalise its Billing and Credit Management functions in its Business Support and Improvement section.

The move will result in 167 positions becoming redundant (including 23 current vacancies) with an unspecified number of these roles being off-shored to an as yet unnamed "industry partner". At the same time 159 new roles will be created and a further 25 positions which are currently vacant will continue.

The positions involved are chiefly Corporate Support Service and Customer Support (Non-Technical) roles at the Job Family 2, 3i, 3ii and 4 levels (or Workstream equivalent) and are located predominantly in Melbourne and Sydney. A small number of positions in Canberra, Brisbane and Perth will also be affected.

Telstra says that those affected will be given priority in the filling of the new positions created by the restructure. Clearly there is considerable scope for redeployment in this case and any retraining required should be provided to affected employees in line with the provisions of the current Enterprise Agreement.

The CWU will be pursuing this issue with Telstra in the coming days.

## 4. Visionstream EA discussions continue

Negotiations for a new Enterprise Agreement in Visionstream are continuing with the most recent meeting being held on Tuesday 24 June.

While discussions have proceeded in a positive spirit, several key issues have yet to be resolved. These include:

- The classification structure
- Allowances
- Portability of long service leave
- Travelling time
- Who is covered by the agreement
- Length of agreement

There is also no agreement to date about the size of the pay rises under the EA.

We expect that a draft document that covers all matters discussed to date will be available for the next round of negotiations.

## 5. CWU meets with NBN Co on new agreement

The CWU met with NBN Co on Wednesday 18 June for further discussions for a new Enterprise Agreement covering technical staff employed directly by the company.



The current agreement, which covers technical staff working at the Network Operations Centre, reaches its nominal expiry date on 1 August this year.

The CWU has put forward a number of claims including moving to a 36 ¾ hour working week and increasing the scope of the agreement to include any other directly employed technical staff at the company.

For its part, NBN Co has indicated that it wants to introduce an element of performance-based pay into its remuneration system. The CWU's position is that such payments should be over and above the annual union-negotiated pay increases received by all employees.

Agreement is yet to be reached on these issues.

## 6. Involuntary redundancy: always contact your branch.

From time to time the CWU is contacted by individual members asking whether –or why – the union has “approved” their being made redundant.

The answer is that the CWU never “approves” any individual redundancies, either in principal or in practice.

The union is aware, of course, that in some cases it suits members to take a redundancy package. But where an individual is being made involuntarily redundant, the CWU relies on that member contacting the union before we can take any action on his or her behalf.

This is because the CWU does not receive any notifications from Telstra that identify individual employees facing redundancy.

Under the Enterprise Agreement (EA), Telstra has to consult the CWU about any major changes to its operations, such as the 1,100 redundancies announced last year.

This usually triggers national level discussions which may result in some changes to Telstra's proposals, as they did in that case. But the names of individuals who may be affected by the proposals are not made available.

Then, if redundancies do proceed, the CWU is notified of specific redundancies in line with the Redundancy provisions of the EA (formerly the Redundancy Agreement).

Again though it is positions that are notified, not the individuals – and not, of course, whether the people in question are union members or not.

That is why the union relies on its members to tell us whether they are individually affected. It is only then that we can take up any particular issue such as lack of redeployment opportunity, suspected victimisation, blocking of swaps and so on.

Always contact your state branch if you receive notice of redundancy.



## 7. Award modernisation update

The CWU remains in discussions with two major telco employers over the development of modern enterprise awards.

In the case of **Telstra**, discussions have reached a point where the CWU and other Telstra unions believe that the Fair Work Commission needs to be involved.

This is because there remain some fundamental differences of approach between us. Telstra still wants the modern industry award to form the basis on the new enterprise award while the unions have taken the current Telstra award conditions as their starting point.

The unions have written to Telstra indicating their view and the Commission has now been approached to convene a conference on the matter.

In the case of **Optus** there have been fewer disagreements although there remain some outstanding matters, largely in relation to rest breaks and allowances, which may have to be resolved by the Commission if agreement cannot be reached in the coming weeks.

The Optus application for a modern enterprise award, which the CWU supports, is listed for a Full Bench hearing on 22 August.

## 8. CWU President calls for community action against Abbott budget

CWU National President Len Cooper says that grass roots community action is needed to push back against the Coalition's budget cuts.

Speaking at a meeting of the North East Border Trades and Labour Council in Wodonga on 16 June, Cooper labelled the Abbott budget as "deceitful", saying it was based on completely false claims that Australia's economic affairs were in crisis.

"There is no budget crisis," Cooper said.

“Australia’s budget deficit is small by international standards. Australia has the sixth lowest deficit and is much lower than those of the USA, Britain, Canada and most of Europe. The budget deficit is 1.9% of GDP; very modest on a world scale. “



*CWU National President, Len Cooper. The fight against the Abbott budget must be built on the ground.*

“The only budget crisis that exists in Australia are the budgets of the working class who are trying to make ends meet. Abbott’s budget will make their situation much worse.”

Cooper warned that the budget represented a major step towards taking Australia down the US path – a path towards greater inequality and the creation of a large number of “working poor”.

“We must see this as a long term struggle,” he said, “and we need to establish organisation in order to facilitate that.”

Cooper said that people needed to organise at local level to build opposition to the government’s direction and to develop alternative policies.

A full text of the speech will soon be posted on the CWU website.

## 9. Unions to continue fight for weekend penalty rates

The fight to defend penalty rates will be taken to the Federal Court by unions.

The move follows a recent decision by the Fair Work Commission (FWC) that would see the pay of already low paid restaurant and café staff reduced by 14% on Sundays.

ACTU Secretary Dave Oliver said that United Voice, the union representing the affected workers, would have the backing of both the wider union movement and the community in this important fight.

“The decision by the Fair Work Commission to carve out the most vulnerable workers and decide they are entitled to less is one that we won’t stand for,” Mr Oliver said.

“We support United Voice appealing the decision. These workers do not deserve to have their Sunday penalty rates cut.”

The FWC decision represents a major win for an employer campaign that has been waged relentlessly for years but which has intensified in recent times. There is no doubt that it will be used by employers as a platform to cut penalty rates across the board – with the full support of the Abbott Government.

That’s why it is in the interests of all workers – but especially those who rely on penalty rates to make a living wage – to support t



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