

# E-BULLETIN Telecommunications

## #12. Friday, 11 July, 2014

1. CWU meets with Telstra on scheduling and dispatch redundancies.
2. Customer Service Delivery restructure continues.
3. NBN Co to launch second major FTTN trial: report
4. Telstra introduces new on-line performance management system.
5. Customer Service Delivery performance measures.
6. Reminder: annual leave loading in Telstra.
7. Union-won wage and superannuation rises flows through to millions of workers.
8. Unpaid overtime threatening productivity, report warns.
9. Tasmanian anti-protest legislation a threat to labour, civil rights.
10. Unpaid superannuation: a billion dollar problem.

### 1. CWU meets with Telstra on scheduling and dispatch redundancies

National CWU representatives met with Telstra on Tuesday 1 July over proposed scheduling and dispatch redundancies.

The previous day, Telstra had notified the CWU that the implementation of its automated dispatch system would make 136 internal jobs redundant. A further 46 jobs currently filled by agency staff will also go.

The company plans a major centralisation of the scheduling and dispatch functions, with the number of sites from which workflow is managed being reduced from 25 down to 5.

Victoria, NSW and Queensland will be the states hardest hit by the site closures.

Telstra has told the CWU that as a result of the proposed changes there would be 90 roles within scheduling and dispatch that “a number” of affected Telstra employees would be able to be redeployed into.

Looked at this way, the net number of Telstra jobs lost is 46.

But more than 46 Telstra employees will probably face redundancy. It is never easy to redeploy staff where it involves relocation as this exercise in centralisation will do.

During the trial of this system, Telstra told the CWU that it was one of the few companies in the world that had a system that could provide fully automated scheduling and dispatch but didn't use it.

The CWU told Telstra there was a reason for that. Automation of dispatch has not worked in the past because of the loss of local knowledge and real-time problem solving ability that occurs when such systems are introduced.



The centralisation that Telstra is now proposing will make matters even worse.

State branch officials have also been briefed by Telstra on these redundancies. Affected members should contact their branch for further information.

## 2. Customer Service Delivery restructure continues

The extensive restructuring of Customer Service Delivery (CSD) which began in September last year continues.

Late last month, Telstra notified the CWU that as a result of further proposed changes to business unit structures within CSD, 70 positions would be made redundant from within Business Strategy and Enablement and Field Operations.

The following roles will be affected:

### Business Strategy and Enablement

- Business Capability
- Business Planning
- Business Improvement

### Field Operations

- Operational Performance
- Business Operations
- Systems and Process
- Strategic and Commercial Projects

Telstra says that 21 of those roles are currently vacant and 1 role is being performed by a contractor, not employed by Telstra. Overall, this means that 48 current Telstra employees would be affected by this proposal.

The CWU and other Telstra unions met with Telstra to discuss these proposals on 12 July. Telstra says it is actively exploring options for redeployment of employees but can make no final decisions or proposals until the formal consultation period is concluded.

Affected members should contact their state branches for further information and advice.

## 3. NBN Co to launch second major FTTN trial: report

NBN Co is about to begin a second large-scale FTTN trial, according to press reports.

The *Australian Financial Review* says that construction companies will be asked to tender for the roll-out of a 300 node FTTN network at Umina on the NSW south coast.

The trial would represent an extension of the earlier 11 node pilot that was undertaken in the area earlier in the year.

According to the AFR, the trial will involve Telstra's being involved in the design of the network but not in its construction.

In the case of the 1000+ node trial announced last month, Telstra will be responsible for both design and construction, although it is likely to contract out at least some of those construction functions.

Which construction model will work best?



*Telstra will reportedly design but not construct the 300 node trial FTTN network.*

The fact is that the restructuring that has occurred in the telecommunications industry over the last two decades has left it without any one single player with the resources and integrated, end-to-end skills to undertake a project of this scale by itself.

Telstra has outsourced its civil works and hollowed out its construction workforce. The major contracting companies, for their part, are light on design and project management capabilities as the Strategic Review of the NBN last year found.

Meanwhile, on the ground, the sub-contractors who currently form the majority of the project's workforce may not have all the skills appropriate to the new platform being rolled-out –or the previous one, if it comes to that.

The supply, supervision and coordination of the NBN workforce at all levels remains a major problem for the project – one that these two trials may shed further light on but are unlikely in themselves to solve.

#### **4. Telstra introduces new on-line performance management system**

Telstra has begun rolling out My Future, a new on-line performance management system which it says is designed to encourage employees to seek out training and development opportunities in the company.

Telstra says the system will also:

- Automatically identify any training requirements relevant to individual employees (e.g. regulatory compliance training).
- Maintain and update training records.
- Allow the individual employee to create an ongoing electronic record of work experience inside and outside Telstra.
- Allow employees to identify their own performance goals and negotiate a performance management timetable with their supervisor/manager.
- Help the Telstra “talent team” which has responsibility for recruitment to identify internal candidates for positions in the company.



The CWU was briefed on the system on 9 July. Our first concern was the degree to which My Future information would be accessible to anyone other than the individual employee.

Telstra has told the CWU that the only people who will have access to individual records are the person concerned, his/her manager and the talent team.

My Future will also not link directly with Telstra's performance rating system so it will not be possible to access confidential rating information by this means.

The CWU will monitor the introduction of My Future. Members experiencing any problems with the system should report them to the union.

Members might also consider the advantages of building up an electronic profile, including records of training, project experience etc, on the system. Such a record could be useful for employees facing redundancy or considering redeployment. Telstra has advised that such records will be accessible and available for download by the individual concerned.

## 5. Customer Service Delivery performance measures

Telstra has advised the CWU that it has begun briefing Customer Service Delivery (CSD) staff on performance criteria that will apply in their area in the 2014-2015. One-on-one meetings between employees and their managers have also started.

Telstra says the three areas of focus in CSD will be:

- Customer experience
- Quality
- Productivity.

It will be interesting to see what impact the automation and centralisation of dispatch functions has on individual metrics in these areas.

During the trial of the system in Adelaide last month, members reported experiencing longer travel times and less efficient batching of jobs than had been occurring under the manual system. It would clearly be inequitable for individual employees to suffer any disadvantage in their performance assessments as a result of system inefficiencies.

Members experiencing system-related difficulties are advised to keep a record of such problems and report them to their local union branch.

Meanwhile members should note that while Telstra will use its new performance management system, My Future, to manage one-on-one meeting times and spell out performance expectations, the system will not provide access to individual performance data – except to the relevant manager and to the Telstra “talent team”.

## 6. Reminder: annual leave loading in Telstra

CWU branches continue to receive some queries from members about payment of the 17.5% annual leave loading that has been a long-standing entitlement.

Members will recall that as part of the last round of Enterprise Bargaining it was agreed that this loading would be included in an employee’s Fixed Remuneration as from 1 July 2013.

Appendix B (p.51) of the Telstra Enterprise Agreement 2012-2015 sets out the relevant calculations for both continuous shiftworkers and for all other workers.



*Since 1 July 2013 annual leave loading has been included in all Telstra employees’ Fixed Remuneration.*

Under the terms of the Agreement, all Telstra employees should have received an explanation of this change and of the way their Fixed Remuneration was calculated before the changes were introduced.

The Agreement also allows for disputes over these calculations to be dealt with under the dispute resolution process.

Members who believe that their Fixed Rem does not properly reflect their entitlements, including annual leave loading and Telstra superannuation contributions, should contact their state branch.

## 7. Union-won wage and superannuation rises flows through to millions of workers

1.5 million Australian workers will see an \$18.70 boost in their pay packets from 1 July and around 8.4 million workers will see their superannuation contributions increase to 9.5% - all hard fought for by Australian workers and their unions.

“Australian working people deserve decent wages when they’re working and security in retirement,” ACTU Secretary Dave Oliver said.



“From 1 July, the minimum wage will increase to \$16.87 per hour, or \$640.90 per week and the superannuation guarantee will be lifted from 9.25% to 9.5%.”

“Workers should keep an eye out to make sure their pay packets reflect these important changes.”

Mr Oliver said that unions were the only ones who fought to increase the minimum wage.

“Employers didn’t want minimum wages to rise in real terms at all, having sought an increase somewhere between nothing and \$10 per week – a real wage cut,” Mr Oliver said.

“The Abbott Government didn’t go into bat for an increase in the minimum wage either, which is unsurprising given they are considering a plan to cut the minimum wage every year for ten years.”

Mr Oliver said that the superannuation guarantee had been due to rise to 12% by 2019 but the Abbott Government had not only put this on ice but was scrapping the valuable low income super contribution (LISC), which means people earning \$37,000 or less won’t receive an added contribution to their super accounts.

This will cut the retirement savings of almost 3.6 million workers, including 2.2 million women – half of Australia’s female workforce,” Mr Oliver said.

## 8. Unpaid overtime threatening productivity, report warns

Requirements for employees to work unpaid overtime are posing a “huge problem” for staff retention and threatening productivity, a recent report has found.

A survey by recruitment firm, Hays, found that employees were increasingly looking to change jobs in search of a better work/life balance.

The survey found that one in three employees worked overtime in the last 12 months. Nearly two thirds (65%) of the 2500 workers surveyed said that the overtime they worked was unpaid.

Of the businesses where employees worked overtime, 40% said they were routinely working an extra 5 hours a week.

“It’s been slowly progressing over the past four years,” a Hays spokesperson was quoted as saying, “and [it] is starting to impact on people and they’re ready to change organisations.”

“I think there will come a time .where productivity will be negatively impacted .and we’re now at a tipping point.”

Unpaid overtime tends to be a bigger problem in less unionised areas of the economy and at the professional/managerial levels of the workforce, especially in the private sector.

But employers everywhere will be willing to squeeze extra time out of their workforce if they think they can get away with it.

Any such attempts to get CWU members to work unpaid overtime should be reported immediately to the relevant state branch of the union.

**Source: *Australian Financial Review***

## **9. Tasmanian anti-protest legislation a threat to labour, civil rights**

Protesters and picketers could face gaol sentences under new legislation put forward by the Liberal Tasmanian government.

The Workplaces (Protection from Protesters) Bill 2014, passed by the House of Assembly late last month, makes it a criminal offence to protest in a manner that disrupts or invades workplaces, or to incite such a protest.

It provides for minimum "on the spot" penalties, via infringement notices, of \$2,000, increasing to a minimum of \$5,000 if offenders contest the matter in court.

The legislation also increases police powers including the ability to arrest offenders without a warrant.

Protesters who commit a second offence attract mandatory imprisonment of three months.

It doesn't apply to industrial action that is protected under the Fair Work Act, or lawful industrial action by state public sector employees, and it also excludes protests at charities, schools, universities, hospitals, and government offices.

But that doesn't mean workers and their unions have nothing to worry about.

While on the face of it the legislation is aimed first and foremost at environmental activists and protests against logging, it clearly represents an attack on labour rights and civil liberties more widely, including freedom of speech and assembly.

Any one advertising a protest action that "disrupts or invades" a workplace would potentially be caught by the legislation.

So presumably would anyone organising or advertising a stop-work meeting outside a period of protected industrial action. The Tasmanian penalties in this case would be much more severe than those available under the Fair Work Act with second time offenders facing mandatory detention.

What next? Does anyone hear the clink of chains?

This legislation, if passed by both houses of the state parliament, will set a dangerous precedent and should be opposed by the whole labour movement.



***Proposed Tasmanian workplace laws are aimed at workers, not just at logging protesters.***

## 10. Unpaid superannuation: a billion dollar problem

Unpaid superannuation is a problem for many hundreds of thousands of workers, unions say, and it is the role of unions and superannuation funds to do something about it.

ACTU Assistant Secretary, Tim Lyons was responding to the latest developments in the Abbott Government's royal commission the way unions are run. The commission has been inquiring into a case where superannuation fund membership details were provided to the construction industry union, the CFMEU.



Such information can be used to chase up rogue employers who are not making superannuation payments for their workers.

"As the Royal Commission has started to look at superannuation," Lyons said "there is a danger of missing the real issue: that superannuation payments are workers entitlements and failing to pay them is a form of theft."

*Queensland construction industry fund BUSSQ has been busy: chasing up employer contributions is a legitimate role for funds and unions.*

"Our view is that all superannuation funds have a responsibility to fund members to ensure that superannuation, both compulsory and salary sacrifice contributions are paid in full by employers," Mr Lyons said.

"Unions also have a vital role in ensuring that that happens."

Lyons said that although the Australian Tax Office (ATO) had the power to investigate no-payment of super, it was under-resourced to perform that role.

"Even still, between 2009 and 2013 the ATO recovered \$1.3 billion in unpaid super. Our experience on the ground is that this is a tiny part of a much bigger problem."

The fact is, of course, that the Abbott government's financial sector backers hate the industry superannuation funds and would love to get their hands on the billions of dollars of workers' entitlements sitting in them. That essentially is what this element of the Royal Commission's activity is all about.



Download our CWU phone app



**We welcome your comments and contributions –**  
send us an email and let us know what you think via [cwu@cwu.org.au](mailto:cwu@cwu.org.au)  
Check out our webpage at [www.cwu.org.au](http://www.cwu.org.au)