

E-BULLETIN Telecommunications

#14. Friday, 8 August 2014

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1. CWU meets with Telstra on Global Enterprises offshoring

The CWU National Office met with Telstra on 28 July over the proposed offshoring of cloud computing and managed network services work from Global Enterprises.

A follow-up meeting was held on 1 August and state branches were briefed about state-specific impacts on Wednesday 30 July.

The proposal affects 463 Telstra Global Services employees – roughly a third of the current total – and 205 contractors. Telstra says that where redeployment is an option, current internal staff will be given priority over contractors.



The CWU opposes the offshoring of any Australian job. Where it does proceed, however, the CWU believes that redeployment of those employees who want to remain with Telstra should be a number one priority.

This is especially so in this case. Telstra is experiencing high growth in its Global Enterprises business. At the same time, a number of its domestic clients require that their data be kept on-shore.

That means that a fully capable domestic workforce will have to be retained – it is just a question of its scale.

Global Enterprises says itself that it expects to expand its local business over the next 12 months so it makes sense to hang on to as many current staff as possible rather than have to rehire a few months down the track.

In response to union requests, Telstra has undertaken to speed up the redeployment process where possible.

CWU members affected by this offshoring proposal and wanting redeployment should inform their state branches so that the union can monitor progress and make representations in this area.

2. Reminder: offshoring petition

The CWU has created a new website as part of its campaign against offshoring in the Information and Communications Technology (ICT) sector.

The Stop Offshoring (SOS) website went live at the beginning of this month, as reported in the Special E-bulletin of Friday 1 August.

It includes an on-line petition aimed specifically at the issue of offshoring of Telstra jobs.

The CWU believes there is widespread concern in the community about the implications of offshoring. We need to tap into this if we are to put pressure on companies in the industry, both Telstra and others, to retain jobs in Australia.

We also need to be able to demonstrate to our politicians that this is a live issue that they must address.



Members are encouraged to help build the campaign by signing the petition and drawing it to the attention of colleagues, friends and family members.

3. Automated dispatch: what ISGM subbies think

ISGM sub-contractors are up in arms about the impacts of Telstra's decision to automate its scheduling and dispatch functions.

The new automated system currently only assigns jobs one at a time, so although both Telstra employees and ISGM subbies may have visibility of their entire day's work, they cannot organise it themselves.

Subbies say this is a lose-lose outcome. Telstra loses the efficiencies that can come from batching jobs while the supposedly "independent" subbies lose the ability to organise their working day in the way that best suits them.

The early indications are that the automated system will affect sections of the Telstra workforce differently, depending on whether workers are EA-based employees, AWA employees or sub-contractors. So far, however, all agree that the new arrangements will increase, not reduce, inefficiencies while potentially reducing the take home earnings of those paid on a piece-work basis.

The CWU has made representations to Telstra on these issues on behalf of both its Telstra and its ISGM members. Members are encouraged to stay in touch with their branches in relation to the new system so that the union can monitor experience in the field.

4. Performance pay: unions meet with Telstra on pay matrix

The Telstra unions have met with Telstra on two recent occasions to discuss the pay matrix for those on the Job Family pay system.

The majority of CWU members are employed under the Workstream model which provides union-negotiated wage levels and pay rises with a small "performance" wage component on top of that.

The CWU does, however, have members on the Job Family model where an individual's pay level and annual increase (if any) is largely at management's discretion. So while the union opposes this pay system, we regard it as important to try to make it as fair as possible.

In the recent discussions the CWU and CPSU both raised questions about aspects of Telstra's proposed pay "matrix" for the coming round of assessments.

Both unions of course criticised that aspect of the matrix that allows for some employees to get no pay rise at all over a year. In a world where some level of inflation is the norm, this in effect means that such employees are getting a pay cut even though they are doing their jobs.

This is unjust. But it is particularly irrational at the top end of any job salary range where, under some versions of the matrix, an employee can in fact meet expectations and get no pay rise i.e. get a real wage cut.

In response to this objection, Telstra has adjusted its matrix at this upper end (REM greater than 115% of range). It has also increased the rises for those who Partially Meet Expectations.

The CWU will be seeking the views of its members and other Telstra employees on the outcomes of the latest round of performance assessments and the system in general later this year.

5. Telstra Field Improvement Programme

The CWU has raised concerns about the implementation of Telstra's Field Improvement Programme and its relationship to performance measures for field-based staff.

As reported in E-bulletin #12, Telstra notified the CWU in late June that the three key areas of focus for field performance for FY14-15 would be:

- Customer experience
- Quality
- Productivity.

Telstra says its Field Improvement Programme is designed to identify the specific factors that lead to some individual CTs meeting performance targets in these areas and others missing them.

Nothing could sound more reasonable.



Individual performance is affected by many factors beyond employees' control.

will often only be achieved at the expense of quality. This is particularly so for workers who are employed on piece rates i.e. AWA staff and contractors.

The CWU met with Telstra over these issues in late July. Branches argued that current performance targets were unrealistic. Targets in NSW for instance have recently been raised to 10-12 jobs a day. The union believes that this is not achievable for employees working a standard 7 hr 21 min day.

In practice, though, employees' ability to score highly on any of these measures depends on a range of factors, including many beyond their control:

- the training they have received (or not received)
- the way work is scheduled by Telstra
- the complexity of the job
- the overall state of the copper network
- whether or not the targets are realistic in the first place.

For years the CWU has also pointed to the fact that performance measures based on quantity

To meet that target workers would either be doing unpaid overtime or cutting corners or both.

Branches also questioned the current use of unfiltered revisits data as a work quality measure. For instance, this data does not show instances where a revisit was needed because the customer was not home.

Of particular concern was Telstra's own admission that the reason for some workers' not meeting targets was inadequate training – for instance, workers not knowing how to use test equipment they had been issued with.

How can this be?

The answer must lie in part in the quick-fix training Telstra has encouraged in its attempt to remedy skill shortfalls caused by its own cost-cutting.

But to the extent that the problem is widespread it may also reflect Telstra's systematic attempts to undermine the current grading system by having less highly trained, and so less costly, staff perform functions above their skill and grading level.

The CWU is willing to work with Telstra to identify ways in which field work can be performed more effectively. But Telstra must recognise that no amounts of carrots and sticks at individual level will solve problems that arise from short-term thinking and cost-cutting at a corporate level.

6. Optus award modernisation update

Both the CWU and Optus have now made their final submissions prior to the Fair Work Commission (FWC) Full Bench award modernisation hearing. The hearing is scheduled for August 22.

Both parties are supporting the retention of an enterprise award but the CWU is arguing for a number of provisions that it believes would bring the award more into line with current industry practice.



The Optus award modernisation application will be heard on 22 August.

Optus has agreed to some of our proposals such as provisions to regulate the operation of 12 hour shifts.

However it is resisting CWU attempts to have certain conditions of employment, such as payments for travel, inserted into the award rather than being dealt with through company policies.

As the E-bulletin has emphasised before, the final decision on these questions will be made by the Commission and even where there is agreement between the parties, the FWC may decide on another course of action.

The FWC has, for instance, recently rejected an application by Qantas for a modern enterprise award for a section of its staff even though the application had union backing.

In fact the whole question of modern enterprise awards remains relatively uncharted territory and the Optus case looks set to be a significant one in determining in what circumstances an enterprise, rather than an industry, award will be appropriate.

7. Metadata: government seeks to expand surveillance powers

The federal government is proposing a major expansion of intelligence gathering activity that will put telcos at the centre of an enlarged surveillance system.

The plan would require telecommunications companies to retain “metadata” on customers’ phone and internet activity for a period of two years.

The proposal, which comes at the request of Australia’s intelligence agencies, has not been travelling well since it was announced, not least because the government has struggled to explain just what information would be stored.

Prime Minister Abbott suggested that it would be only the electronic envelope, as it were, and not the letter. But this is either ignorant or deliberately misleading. The information agencies are seeking will include browsing histories, call locations and durations and who you tweeted. Once you’ve got all that you don’t really need to read the “letter”.

Indeed, as the US National Security Agency’s former General Counsel Stewart Baker said in 2013, “Metadata absolutely tells you everything about somebody’s life. If you have enough metadata, you don’t really need content.”

Australian telcos such as iiNet and Optus are questioning the costs that these data retention requirements will involve.

But for the rest of us the question is the intrusion into our private lives and the threat to civil liberties this represents.

Blanket communications data retention was found by the European Court of Justice in April this year to violate the Charter of Fundamental Rights.

And last month United Nations High Commissioner for Human Rights (UNHCHR) Navi Pillay released a report “[The Right to Privacy in the Digital Age](#)”, that found that surveillance practices carried out by the major powers, the United States and the United Kingdom, in particular, violate basic principles of international law and are destructive of democratic rights.

The Australian government is now moving to follow in these undemocratic footsteps.

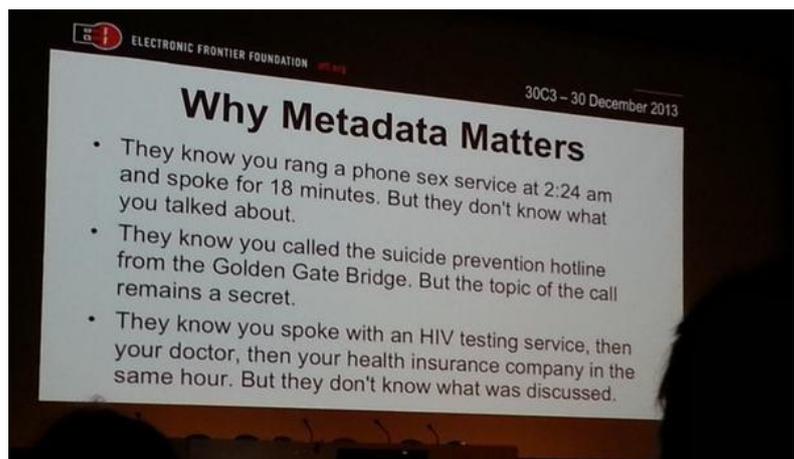
8. NBN Co prepares for HFC product offer

NBN Co is preparing for a launch of a wholesale Hybrid Fibre/Coax fast broadband product in 2015.

The company has issued a discussion paper to Retail Service Providers (RSPs) outlining the product and providing details of the role that HFC infrastructure will play in the Coalition’s multi-platform NBN model.

The 2013 Strategic Review of the NBN proposed that HFC be used to provide fast broadband to some 2.6 million premises by the end of 2016 with the number rising to 3.3 million by the end of 2020.

Reaching these targets will involve undertaking capacity upgrades to provide more bandwidth as more customers come on board, HFC being a shared spectrum platform. The paper confirms that NBN Co will also



in-fill gaps in the current combined Telstra and Optus HFC footprint and provide new drops to premises that are currently passed by but not connected to HFC.

The extent of these works would appear to be considerable. According to the 2013 Strategic Review, nearly 1 million premises within the 3.3 million target group are either not passed or passed but not connected. It can safely be assumed however that virtually all of them are connected to Telstra copper.

This raises the question of whether it is actually more economical for NBN Co to service these premises by HFC or by FTTN/B especially as the new model also involves purchasing the required HFC assets as opposed to compensating the current owners for the transfer of customers.

Speed is an issue, but with the capacities of copper being constantly expanded by new technologies it is not obvious that HFC will guarantee a better customer experience.

The costs of the proposed HFC upgrades were blacked out of the 2013 Strategic Review. It remains to be seen whether the next Corporate Plan will shed more light on these questions.

9. Burnout linked to performance management

The increasingly close policing of work and the pressure to perform is creating a generation of burnout victims, experts have warned.

Online publication *Equal Times* reports almost one worker in ten is at risk of burnout. In some professions, the numbers affected are as high as 40 per cent.



"It is often the people most devoted to their work that suffer from burnout," explained Dr Patrick Mesters, director of the European Institute for Intervention and Research on Burnout (EIIRBO) in Brussels.

"Burnout deprives companies of their best employees. And it's not at all surprising."

The symptoms of burnout are similar to those of depression: persistent physical and emotional exhaustion, aggressive behaviour.

What differentiates it, however, is the fact that all the symptoms are caused by the person's working environment – a universe that has evolved considerably in recent decades, to the extent that it promotes physical and emotional exhaustion.

"Many factors can lead to burnout," continued Dr Mesters. "They, of course, include overwork and the imbalance between work and personal life. But many people also complain about work losing its meaning and a lack of recognition from their colleagues and superiors. The individual feels increasingly isolated in his or her work. This can lead to feelings of overload and loss of control."

According to *Equal Times*: "The way the working environment is organised appears to be a major factor in the development of burnout. It is an environment that is increasingly dehumanised and pressurised, an environment that is increasingly taking over people's personal lives."

Sound familiar? Find out more in [Burnout: the flip side of the cult of performance](#) *Equal Times*; [European Institute for Intervention and Research on Burn Out](#).

Source: VTHC OHS Reps SafetyNetJournal.

10. BHP worker wins record compensation for asbestos exposure

A former BHP worker has won a record \$2.2 million payout after it was found his employer was responsible for his asbestos-related disease.

Steven Dunning, 54, is suffering from terminal mesothelioma as a consequence of the asbestos dust he inhaled while working on BHP's Newcastle steelworks as a 19-year-old in the early 1980s.

In late July, the Dust and Diseases Tribunal found that BHP had negligently exposed Mr Dunning to the asbestos, ordering it to pay him \$2.2 million in damages.

This is the highest amount of damages awarded in the tribunal's history and marks the first time BHP has been ordered to pay compensation to a former employee of the Newcastle steelworks with incurable mesothelioma.



BHP knew there was no safe level of exposure to asbestos.

During the course of the six-week trial, it emerged that BHP knew there was no safe level of exposure to asbestos. Despite this, the court heard that the company continued to use the substance until 1985.

Lawyers for Mr. Dunning said that BHP had fought the case for almost four years, arguing every available legal point.

His wife said she was disgusted by the fervour and determination with which BHP pursued the matter through the courts, rather than "standing up and accepting responsibility for their actions".

"It was disgusting. They just drag it out and drag it out until the poor victim has passed away, all so they can get off a little bit lighter.

"Do you think any of those executives calling the shots are getting sick? Absolutely not. I just really want to urge anyone else who's sick from asbestos to come forward. Hopefully now BHP will be more accountable."

CWU members who believes they have been exposed to asbestos in the course of work should contact their state branch for advice.



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