communication workers union
CWUnion National

E-BULLETIN Telecommunications

#8. Friday, 22 May 2015

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1. Telstra EA: no change to redundancy entitlements

Telstra has now confirmed – twice – that it is not seeking any change to the current 80+ weeks (maximum) redundancy payout entitlement in the Enterprise Agreement (EA).

Telstra clarified its position on this issue at the second EA negotiating meeting on 14 May.

Following representations from the union negotiating team, Telstra reiterated this commitment at the next meeting of 19 May. The CWU had received some queries about the wording of the first statement on Yammer, which Telstra is using for its internal EA communications.

These commitments should finally lay this issue to rest.

Members can also be assured that the retention of the 80 weeks was not “bought” through a trade-off of other current conditions. The entitlement did not in fact have to be renegotiated in this way because it was never threatened in the first place.

CWU members can now focus on the matters that are actually on the table in these negotiations. These are being reported on regularly in special Bargaining Bulletins which are available from your state branch or from the CWU national website at www.cwu.org.au.

2. EA negotiations: unions table issues

The most recent Telstra enterprise bargaining meeting was held on Thursday 21 May. At the meeting the three unions involved in the negotiations, the CWU, CPSU and Professionals Australia, made a joint presentation to Telstra of the issues their members had raised during EA consultations.

As might be expected, there had been considerable overlap in the issues identified by the unions’ members even though they represent different sections of the Telstra workforce.

Performance management/assessment and performance-based pay problems have ranked high on the list of concerns of all union members'. So has the availability of flexible work arrangements, especially, in the CWU's case, the availability of RDOs.

The ability of members to move between Job Family and Workstream work models is also a shared concern as are banding/grading issues, although of course there are particular banding problems specific to members of the different unions.

And members want to see more commitments from Telstra about job security and retention of work within the company, rather than the outsourcing and offshoring of Australian jobs.

Other matters put on the table by the unions include:

- Rest breaks
- Future increases to employer superannuation payments.
- Current redundancy and redeployment procedures, particularly the group selection process.
- Use of GPS for performance monitoring and disciplinary action.
- Health and safety hazards in Telstra exchanges and other infrastructure.

At the meeting of 21 May, Telstra and the unions agreed to establish a working party to deal with these health and safety issues.

It is still early days in these negotiations and neither side has yet presented its full "wish list" in terms of specific claims. The coming weeks should provide a clearer picture of the "bottom line" priorities of both Telstra and the unions.

Members will be kept informed through regular bargaining updates in special Bargaining Bulletins available from your state branch and from the national website at www.cwu.org.au.

3. Rest breaks: Telstra digs in

Telstra is continuing to maintain its current position on rest breaks for employees working in Directory Assistance centres despite the CWU having notified the Fair Work Commission of a dispute in this area.

On Friday 15 May, the CWU and Telstra attended a conference called by Fair Work Commission to consider the CWU's claim that Telstra had not properly consulted employees over the changes. These reduce scheduled rest break time in these centres by about two thirds.

The CWU argued that Telstra has not responded adequately to calls from employees for an independent risk assessment to be carried out before the new arrangements were introduced.

At the conference before Commissioner Gregory, the CWU said that it was already receiving reports from members about the increased stress being caused by the reduction in breaks. The union has also been told that some employees have been required to use at least one break for administrative tasks.

For its part, Telstra says that it has complied with all its consultation obligations under the Enterprise Agreement and has arrangements in place in the centres to mitigate any health and safety risk. It has rejected the CWU proposal for an independent risk assessment

The CWU will now seek further evidence from its members and other Telstra employees about how the new arrangements are affecting them and will consult with them about the next steps in this dispute.

We have also put the issue on the agenda for the current EA negotiations.

4. Telstra still sending jobs offshore

The steady flow of technical work out of Telstra continues, with another 8 positions, this time from Service Assurance Operations (SAO) being sent offshore to “service partner” Infosys.

The jobs are from the Transmission team and Telstra says they largely involve the performance of simplex, high volume and repetitive work. However as the jobs are currently banded at the Jo Family 3i and 3ii level they can scarcely be categorised as unskilled.

A further 24 positions are being taken out of the Applications Management Group which is part of the IT Operations team in Telstra Service Operations (TSO). Telstra says these jobs aren’t being sent offshore but the move still represents a further loss of capacity from within the company.

Telstra’s ongoing outsourcing and offshoring of skilled work is affecting the members of all three union currently involved in Enterprise Agreement (EA) negotiations with Telstra – the CPSU and Professionals Australia, as well as the CWU.

The unions have agreed that it is an issue that must be addressed in the next EA and commitments around skill retention and job security will form part of the unions’ formal log of claims in the current negotiations.

5. Optus sheds more jobs, signals cost restraint

Optus has notified the CWU of its decision to make some 40 positions in Managed Services and Delivery redundant. The redundancies will mostly affect senior and middle management roles.

Optus says that none of the roles is being sent offshore.

The decision comes as Optus CEO Allen Lew announced both increases in Optus’ capital spending plans and an ongoing emphasis on cost control, especially labour costs.

“Managing of our cost is a very key part of what we have to do in Optus," Lew told a recent analyst briefing.

Optus CEO Allen Lew: cost control is a priority.

"What is not visible to all of you is the stuff that we are doing to reduce our service costs in terms of how do we get customers to go onto the internet, online to interact with us both from a sales and a service perspective, because as you know manpower costs in Australia are extremely high.”

Like Telstra, Optus clearly intends to try to reduce these labour costs by encouraging more customer on-line self-service.

Optus has reportedly said that such measures would not lead to any decrease in service quality or an overall fall in jobs. But seeing will be believing. Watch this space.

6. Optus award discussions continue

Discussions with Optus over the content of the Optus modern award have resumed following a Fair Work Commission conference convened to discuss certain unresolved issues.

At the conference, Deputy President Smith indicated that it would be best if the content of the award could be settled between the parties rather than having it referred to a Full Bench for decision.

Optus and the CWU are currently working towards reaching such a resolution. At present the major sticking point is the payment of allowances, including those that cover expenses incurred in the course of work (.g. for travel, or relocation).

Optus has yet to say "Yes" to award improvements proposed by the CWU.

The CWU argues that a number of these allowances should be specified in the new award while Optus wants to have such payments, where applicable, determined by company policy.

Both parties are working towards having these issues settled before negotiations for a new Employee Partnership Agreement (EPA) start in the second half of this year. However, as is the case with all modern awards, it will finally be up to the FWC to determine the content of the new award, not Optus or the CWU.

7. nbn puts new agreement out to vote

nbn (formerly NBN Co) has advised the CWU that it has sent copies of its proposed *nbn and CEPU Technical Employees Agreement 2015 – 2018* out to employees. It has also advised them of the time, place and method of voting on the proposed agreement.

It has done this despite the fact that the parties were still engaged in negotiations.

The vote on the agreement will open at midday Thursday 21 May and close on 5pm Tuesday 26 May (AEST). Voting will occur by way of an electronic ballot which nbn says will be conducted by Elections Australia Pty Ltd.

Members should be clear that this proposed agreement has not been agreed to by CWU negotiators and cannot be recommended to members for approval.

Although it contains no major changes to conditions, the pay offer it contains is well below that sought by your union representatives. The total 4.5% rise over three years will almost certainly end up being below inflation and so would represent an actual wage reduction over the life of the agreement.

It is obviously less than nbn employees deserve.

The CWU is disappointed that nbn has chosen to end negotiations unilaterally and put out this sub-standard offer for a vote. Members should now know, however, that the larger culprit here is the Abbott government which is hell bent on implementing a destructive and punitive industrial relations policy at the expense of its own employees.

The CWU negotiating team has advised nbn that they would not be able to endorse an agreement with such a low pay rise. It will now be up to employees as to whether the agreement is accepted or rejected.

8. No jobs in federal budget, unions say

Unemployment in Australia is running at an unacceptably high rate – 6% for the population as a whole and a worrying 13.65% for those under 25. Unemployment rates among 15-19 year olds have hit 20%.

But for the Coalition government this problem doesn't seem to exist – not, at least, if we're to judge by the federal budget.

ACTU President Ged Kearney: budget a missed opportunity to create jobs.

Of course the budget was billed as a win for workers and their families. But union leaders say that in fact the big ticket items announced in the budget, such as the tax concessions for small business, won't be enough to stimulate employment in this sector.

After all, while $20,000 might buy you a new ute, it's not going to be enough to encourage you to take on more staff. And if the money's spent on imported manufactured goods there's no boost to local employment either.

Meanwhile, there are no significant measures to create jobs and rise productivity through infrastructure spending or through skills and training development.

"This budget is a missed opportunity to stimulate the economy with spending on infrastructure that would have boosted our manufacturing industry and created new jobs and apprenticeships," ACTU President Ged Kearney said.

"It's the work of a government more interested in keeping its own jobs than creating jobs for Australians."

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