

E-BULLETIN Telecommunications

#22. Friday, 29 November 2013

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1. Telstra voluntary redundancies update

The CWU has met twice with Telstra during this last week to discuss the company's proposal to create some 300 voluntary redundancies in Customer Service Delivery (CSD).

Since the proposal was first floated, Telstra managers have been actively seeking volunteers with the result that a significant number of employees have put up their hands to leave the company.

Telstra has now identified 203 jobs which it wants to declare redundant after the employees in these positions indicated they were willing to take a package.

The jobs are spread across the country, but are concentrated in NSW and Victoria. They include a significant number of installer/repairer and construction positions.

According to Telstra, a bit under half of the 203 volunteers have specific personal reasons for accepting redundancy, such as health concerns or being close to retirement age. The CWU well understands why members and other employees in such circumstances might welcome a redundancy payout.

The CWU remains concerned, however, about the implications of these job losses for service quality and for the work pressures on those who remain with the company. The simple fact is that CSD is under-resourced and cannot afford to lose any employees. But it seems that upper level management, where the bean counters sit, does not recognise this reality.

The CWU has asked for further details of the locations of the 203 jobs in question and of the work being performed by those who have volunteered to leave.

We have also advised Telstra that even though the redundancies are voluntary they still need to be processed strictly in accordance with the redundancy provisions of the Enterprise Agreement.



2. Redundancy and workers' compensation: look before you leap

The CWU has received a number of reports of redundancy offers being made to Telstra employees who are currently on workers' compensation.

According to the reports, these employees are being told by Telstra that if they want to take a voluntary redundancy package they need to go to their doctor and "close off" their compensation claim. Then they will be eligible for redundancy.

Members should in no circumstances proceed along this path without seeking advice from the union or another suitably qualified source.



The fact is that there is nothing to prevent Telstra offering a *voluntary* redundancy opportunity to someone on workers' compensation. You do not need to "close off" your claim.

On the contrary, depending on your circumstances, you may be eligible to continue receiving compensation payment after you are made redundant.

An employer's liability in this area does not cease just because an employee is no longer in the job or company where they were injured.

Making an employee who is on workers' compensation involuntarily redundant is another matter and may be grounds for an unfair dismissal claim if the redundancy can be shown to be discriminatory. That is not what is involved in this current round of redundancies however. But any member who is faced with this situation in future should also contact the CWU.

Lastly, there are the members who have previously been on workers' comp but whose cases have already been closed off. The offer of voluntary redundancy may be welcome to such employees and presents no obvious pitfalls.

Telstra has said that the advice some managers are giving about closing off claims is not its policy and that a memo to this effect will be sent out to the field. Any pressure on employees to "close off" their compensation claims should be reported to the CWU immediately.

3. CWU challenges Telstra on Premium Technician grading

The CWU and Telstra have appeared before the Fair Work Commission over the correct grading of the Premium Technician role.

As previously reported, with the growth of the digital home/office market, Telstra needs its Communication Technicians to be able to perform an enlarged range of functions within the customer premises, including customer engagement and education.

To meet this need, Telstra has created a new category of CT – the Premium Technician – at the CFW Band 4/4i level.

Telstra says this is a new job. The CWU says that it is an existing job i.e. one which fits within the current classification structure. We say it should be graded at the CFW 7 level.

The issue went before FWC on Monday 25 November but the results were inconclusive.

Telstra argued that the CWU has not gone through all the steps of the Dispute Resolution process and so FWC had no scope to hear the matter. They also, of course, continued to argue that the Premium Technician role was a new job.

Although the question as to whether or not FWC was able to hear the matter was not resolved, it was agreed that Telstra and union representatives will jointly investigate the actual work being done by the Premium Techs to assess the complexity and range of functions involved in the role.

4. Testers case in Magistrates Court

The CWU and Telstra have appeared in the Victorian Magistrates Court in relation to the question of the appropriate grading level – and hence pay – of testers.

As reported in earlier E-bulletins, the case involves a number of members who were previously on AWAs and who decided to come onto the current Enterprise Agreement. When they did, Telstra banded them as CFW5s. The CWU considers they should be CFW7s.

The CWU has taken the matter to the Magistrates Court as a case of underpayment.

The parties met for mediation on Friday 22 November but were unable to reach any agreement. The matter will now be listed for hearing in the New Year.

5. Crunch time for ISGM trainees

A training scheme designed to turn out sub-contractors for Telstra installation and maintenance work is about to face a moment of truth.

Trainees who have been part of the “accelerated” training scheme run by group training company AiGTS on behalf of Telstra prime contractor ISGM are nearing the completion of their 6 month course.

But there is no job for them at the end of it. Instead, they will be expected to borrow the money to set themselves up as sub-contractors – effectively to buy their jobs.

Many former Telstra employees have trodden the sub-contractor path, but typically with a large redundancy payout and years of experience behind them.

These trainees are in an entirely different situation.



Keen to learn - but what kind of living will he be able to make?

For the scheme to receive government funding the trainees had to be drawn from the long term unemployed or other relatively disadvantaged groups. By and large it can be expected they have few financial resources.

That is why a scheme has been introduced to enable them to borrow for their set-up costs. The CWU estimates that these costs could be of the order of \$50,000.

Financing for tools and equipment will be available for 12-36 months and for up to 60 months for vehicles.

Now most of the trainees will have no industry experience. Indeed they are not expected initially to be able to do more than 3 jobs a day.

A subbie working at this rate may be lucky to clear \$700 a week (after running costs). But the repayment schedule proposed by the “preferred partner” and equipment supplier Techpac ranges between some \$230 and \$340 a week, depending on the type of vehicle purchased.

Another \$80 a week will go to the auditing firm that has been thoughtfully provided to assist the inexperienced sub-contractor manage his/her books, prepare tax statements etc.

How is the newly fledged ISGM subbie to eat?

The CWU has questioned whether the AiGTS/ISGM training programme will produce workers competent to perform the work assigned to them.

But over and above that issue the CWU considers that the scheme is not only inequitable but also unrealistic and, in all probability, unsustainable.

It also represents an attempt to depress conditions, earnings and training standards in the industry severely. For these reasons it will continue to be opposed by the CWU.

6. Optus award modernisation

Optus has informed the CWU that it will apply for a modern enterprise award to replace the existing Optus award.



Under a process initially set in train by the Howard government and continued under Labor, all awards have to be modernised.

Industry awards were modernised during 2010, but awards specific to single enterprises such as Telstra, Optus and Australia Post have been able to continue up until the end of this year.

If there is no application to modernise them by the end of 2013, however, they

simply cease to operate and the relevant modern industry award becomes the new “safety net” for collective bargaining.

Unlike Telstra, which wanted to get rid of its enterprise awards and move to the industry award (the Telecommunications Services Award - TSA), Optus wants to stay with its own company-specific award. This in part reflects the fact that Optus already has a single award while Telstra has 11. Simplification is part of what Telstra wants out of the modernisation process.

But Optus also has less to gain by going to the TSA. The Optus award already has the 38 hour week, for instance, so there is nothing to be gained by Optus in this area.

The CWU is currently assessing the draft award which Optus has developed before finalising its position on Optus’ proposal. We need to be sure that Optus employees will be just as well off under the proposed award as they would be under the TSA.

Members will be kept informed of progress in this area.

7. Optus to proceed with mobile network outsourcing

Optus will proceed with Project Cortez, the outsourcing of the extension of its 4G mobile network to Visionstream.

Visionstream was chosen to do the work following a tender earlier this year. The move was put on hold, however, after media revelations about possible collusion between Visionstream and fellow Leighton's company, Silcar over NBN work.

The dust raised by this episode now appears to have settled sufficiently to allow Optus to go ahead with its initial plan.

This involves the transfer of some, but not all, current Optus mobile staff to Visionstream – a move which was initially viewed with some concern by Optus employees.

The CWU has been in discussion with Optus about these proposed transfers and has confirmed that all accumulated entitlements of these employees will be preserved in line with the transmission of business provisions of the Fair Work Act.

Following these discussions Optus also provided additional incentives for transferring employees including bringing forward a scheduled pay rise and offering a sign-on bonus.

Any CWU members involved in this restructure of Optus' operations and unsure about their options and entitlements should contact their state branch.



8. Optus considers fixed wireless play

Optus has announced that it is conducting trials of a fixed wireless broadband product as it seeks to diversify its product offerings and reach new market segments.

The core of Optus' business has always been mobiles. But the growth of mobile revenues is slowing in mature markets such as Australia's, with Optus now actually experiencing negative revenue growth (down 6% for the September 2013 quarter) in this area.

The fixed wireless trials appear designed to open up new opportunities for the company.

They will be conducted in Sydney, Melbourne, Brisbane and Adelaide and will be used to test the suitability of this platform for delivery of broadband services to the consumer market – households and small businesses – where it may provide a relatively cheap deployment option in areas not covered by Optus' HFC or Telstra's ADSL networks.

The platform will not offer super-fast broadband. But with the current plans for the NBN in flux, a space has been opened up for a range of interim broadband solutions to be experimented with, especially in the wireless area.

9. The E-bulletin reports a fault

Is Telstra's service suffering from under-resourcing, as the CWU claims? Does off-shoring boost productivity, as opposed to simply lowering labour costs? The E-bulletin's recent experience sheds some light on these questions.

For some time, the E-bulletin's fixed line at home had been crackling ominously but it is used so infrequently that the E-bulletin delayed reporting the problem. When the crackling, as of dead twigs and leaves being swirled by the wind, became so loud that conversations were impossible the E-bulletin stepped into the ring of fire that is the Telstra fault reporting process. Date: Monday 11 November.

Things began badly. Somehow the automated system could not pick up the home phone number entered and the E-bulletin was told it was being transferred to a consultant and put on hold for some 30-40 minutes.

A second attempt was more successful. The wait was only about 5 minutes and the E-bulletin found itself speaking to an apparently faraway consultant who walked through the usual questions (first socket? handset? xDSL connection?), reported that the line tested "OK" and warned that if the fault was in the handset the E-bulletin would be charged a fee for any call-out.

A subsequent text message from Telstra confirmed that the line tested "OK" and that if no further contact was made within 24 hours the fault would be closed.

This was irritating. The E-bulletin was sure that the dead leaves noise meant water in the cable. Still, it made a mental note to check the handset (later found to be "OK").

It then rang the call-back number and was told that the non-existent fault had been escalated to Level 2 status. A follow-up message from Telstra committed to the repair of the fault by 7 pm the next day i.e. within the Customer Service Guarantee time frame. All good.

Here the E-bulletin's memory of the exact sequence of interactions blurs a little. But Tuesday 12 came and went without the fault being fixed. On or about the next day the E-bulletin re-engaged with Telstra. On the first occasion it was greeted with a hearty good morning even though it was mid-afternoon. The apparently faraway consultant confirmed that the fault had been escalated.

On a subsequent call, a pleasant young man advised that the fault was indeed in the external cabling but it could not be fixed yet because it was raining and Telstra employees could not work in the rain.

The E-bulletin expressed some surprise at this, not least because all it could see out the window was a very light misty drizzle. Telstra explained that this was an Occupational Health and Safety issue. The fault would be fixed in the next few days (weather permitting). Was this OK?

The E-bulletin asked whether it was being tacitly invited to waive the Customer Service Guarantee. A slightly awkward pause followed. The E-bulletin decided not to press the issue. What was the point? On Thurs 14 it received a further text message "commitment" from Telstra to repair the fault by 22 November.

Somewhere in the following days (Friday 15?), the E-bulletin received a phone message from someone in Telstra who sounded as if he knew what he was talking about. Probably a member.



He explained the problem was in the joint and that several customers were affected. (Interesting, given the length of time the line had been faulty before the E-bulletin reported it. How many other customers had been experiencing faults and delays?) Wet weather was a difficulty but C&M were on the case. All to be good by 22 November.

On Monday 18 November (a week after the initial report) the E-bulletin received a voice message from Telstra confirming the 22 November date. A case manager was promised if the new commitment was not met.

The E-bulletin subsequently went interstate. Returning home on the evening of 24 November, it lifted the handset (out of curiosity) and found the line clear!

The next day, Monday 25 November it received a call from Telstra promising to fix the fault within the next few days and asking whether any assistance with alternative services was needed! No mention was made of the case manager.

Does Telstra – or its faraway consultants – know what time of day it is? Does the left hand know what the right hand is doing? Do CTs work in the rain?

E-bulletin readers can draw their own conclusions about the degree of effective integration of Telstra's reporting (and testing) systems and about the company's ability to coordinate these with deployment of its increasingly scarce field resources.

But one thing is clear. This is not the time to be shedding more staff from Customer Service Delivery.



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