

# E-BULLETIN Telecommunications

#13. Friday, 31 July 2015

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## 1. Telstra to outsource more jumper running

Telstra has advised the CWU that it proposes to outsource more of its jumper running work to its major contractor, ISGM.

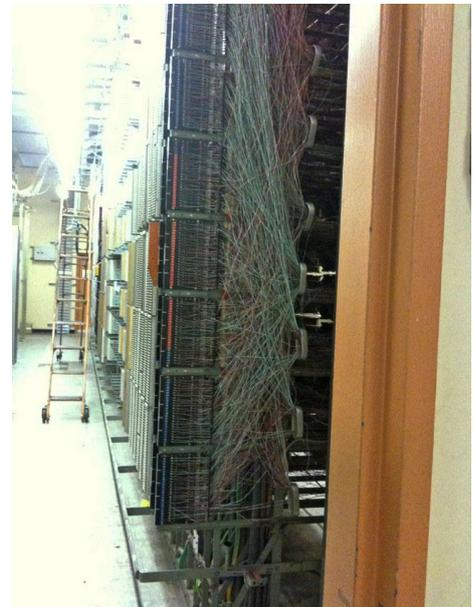
Telstra says that the outsourcing is intended to free up resources so that it can increase the number of people doing field activation work. Some 29 positions will be affected with staff currently involved in exchange jumper running being retrained to perform the new roles.

It appears Telstra is proposing to use the reassignment provisions of the current EA (Clause 16 - Moving Between Jobs) to implement this move rather than the redeployment procedures of Section 8 (Redundancy).

Under these reassignment provisions, employees can be transferred involuntarily to "suitable" positions within Telstra provided they are guaranteed maintenance of their current pay and conditions. Employees would not be entitled to redundancy payments if they did not accept reassignment.

Such a proposal obviously has implications above and beyond its immediate impact on those concerned. It also has a bearing on the suite of redundancy, deployment and reassignment issues currently being considered in enterprise bargaining negotiations.

The CWU will be pursuing these matters when it consults with Telstra on the proposal next week.



## 2. Fair Work Commission makes Optus modern award

The Fair Work Commission (FWC) has now made the Optus modern enterprise award, the Optus Award 2015.

The order making the award was issued by Commissioner Smith on 17 July. It marks the conclusion of over 18 months of discussions between Optus and the CWU, both inside and outside the Commission.

E-bulletin readers who have followed this saga will remember that in October last year the FWC made an in-principle decision in favour of making a modern enterprise award, rather than adopting the modern industry award (the Telecommunications Services Award 2010 (TSA)). Both Optus and the CWU has argued for this course of action – not least, in the CWU’s case, in order to preserve the existing award’s 40 week redundancy entitlement.



Since that time Optus and the CWU have held discussions over variations the CWU wanted to have made to the draft enterprise award submitted to the FWC by Optus. A number of these – but not all – were agreed to before the proposed award was finally brought back to the FWC earlier this month.

The new Optus Award 2015 does not differ dramatically from the previous award. It preserves the (maximum) 40 week redundancy entitlement together with a number of other provisions that are better than those in the TSA e.g. 20% rather than 15% night shift loadings.

However, the CWU was successful in also making some improvements to the previous Optus award:

- Clear limitation of the number of ordinary hours that can be worked in any day to 10.
- Provision of a 30% loading for continuous night shift.
- Regulation of 12 hour shifts (based on TSA wording).
- Inclusion of a number of allowances that were previously only found in policy (and so not enforceable):
  - An entitlement to reimbursement of travel and relocation costs
  - Entitlement to higher duties payment (after two months acting in the position (Optus’ prior policy was three months)
  - Explicit commitment to fund the costs of HSR training.

These new provisions will now become part of the award “safety net” to underpin the next round of enterprise bargaining with Optus, due to commence in early August.

### 3. Optus: enterprise bargaining negotiations to begin

Optus has notified the CWU that it will commence bargaining with its employees and their representatives for a new Employee Partnership Agreement (EPA).

CWU members should note that, under current law, the union automatically becomes their bargaining representative in negotiations for a new agreement.

There is no need for members to take any action themselves.



It is proposed that the first meeting takes place next week i.e. week beginning 3 August. Branches will be consulting with members to ensure all current issues of concern to them are represented at this and following meetings.

Members wanting input into these discussions should contact their state branch promptly.

### 4. iiNet shareholders back TPG takeover

iiNet shareholders have finally voted to accept the \$1.56 billion takeover offer from rival Retail Service Provider (RSP) TPG Telecom.

An earlier \$1.4 billion bid by TPG in March was rejected by the iiNet board under pressure from the company's founder, Michael Malone, who led shareholder opposition to the offer. Malone has now joined other shareholders in pocketing handsome profits from the deal which value at nearly \$10 shares that not long ago were trading for 20c.



The enlarged TPG will now be the second largest Australian RSP in terms of internet subscriber numbers, with 1.7 million broadband customers to Optus' 1.03 million. Even then, however, it will be dwarfed by Telstra's 3 million subscribers.

These are the numbers the ACCC will have to consider when deciding whether to approve the deal. While industry consolidation always raises concerns about consumer choice and competitive pressure, the fact is that

it is the only way that companies will be able to achieve the scale necessary to survive in the NBN world, let alone to challenge Telstra in the fixed broadband market.

## 5. Labor conference resolves to protect Australian jobs

The National Conference of the Australian Labor Party has listened to unions' warnings about the potential impacts of free trade agreements on Australian jobs.

Delegates to the conference, held in Melbourne in late July, backed union demands for changes to the China-Australia trade agreement struck by the Abbott Government, calling on the Labor Party to pursue all parliamentary processes to "remove the significant faults" in the deal.

An alliance of seven of Australia's largest unions, including the CEPU, has been calling for stronger protections for Australian jobs in both the China-Australia agreement and the still-to-be-finalised Trans Pacific Partnership (TPP) agreement.



Unions are particularly concerned about clauses in such agreements which allow foreign workforces to be brought into Australia on favourable terms.

The resolution passed by Conference calls on the ALP to block the China-Australia agreement unless these issues are addressed and, if unsuccessful, to renegotiate the agreement when it wins government.

Shadow trade minister Penny Wong said on Friday that Trade Minister Andrew Robb had failed to negotiate a high quality agreement and the deal required greater safeguards to protect Australian jobs, including improved capacity for labour market testing and skills testing.

She said if Labor was not successful from the opposition benches in changing the agreement, she would pursue changes with China - if the ALP was returned to government at the next election.

## 6. Labor to move on FIFO conditions

Construction unions have convinced the ALP national conference to support a wide-ranging crackdown on the working conditions of fly-in, fly-out (FIFO) workforces, including enforceable limits on "high compression rosters" (e.g. four weeks on, one off) plus bans on "motelling" and "hot bedding".

"Motelling" refers to the failure of companies to provide stable accommodation, so that a FIFO worker may have to use a different room each time they fly in to a workplace. "Hot bedding" involves workers from different shifts having to share the same accommodation.



The policy adopted by the conference recognises the "significant contribution" of the resources sector, where FIFO arrangements are common, to the Australian economy but argues that the growing preference by employers for non-residential workforces is having a significant impact on workers, their families and local communities.

It said a Labor government would work with state and local government to establish a regulatory body covering FIFO workforces.

It calls for a regulatory framework that includes:

- limiting FIFO arrangements to genuinely remote and temporary operations and ensuring that workers are provided with genuine choice over where they live;
- developing uniform standards that exclude certain forms of shared accommodation (motelling, hot bedding and double bunking) and take into consideration the unique challenges associated with FIFO work arrangements;
- implementing uniform standards on camp infrastructure, including uninterrupted access to modern digital technology including the internet, Skype and mobile phone reception;
- mandating the provision of independent on-site mental health professionals on all resource projects; and
- requiring all companies to submit a local employment policy plan establishing that a FIFO workforce is needed.

The move is a response to ongoing complaints from FIFO workers about accommodation standards as well as to concerns about the impact of FIFO practices on local employment opportunities.



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