communication workers union
CWUnion National

E-BULLETIN Telecommunications

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1. **Telstra proceeds with GES job cuts**
2. **Automated dispatch: Telstra agrees to discuss impact on AWA staff**
3. **ISGM unfair dismissal: when is a subbie really an employee?**
4. **ACMA enterprise bargaining starts**
5. **CWU takes anti-offshoring message to Canberra**
6. **Visionstream contract loss raises redundancy fears**
7. **Government moves to reduce redundancy entitlements**
8. **Is your employer paying you super?**
9. **Asbestos in customer premises: are you at risk?**

1. Telstra proceeds with GES job cuts

Telstra has formally notified the CWU that it intends to proceed with the proposed redundancies in Global Enterprise and Services.

Telstra announced in late July that it intended to offshore a major part of its cloud and managed network services to industry "partners" as part of its regional expansion strategy.

At the time just under 700 jobs were targeted. The total is now 633, with the number of permanent Telstra jobs being eliminated now standing at 412 as opposed to the original 463.

221 contractor or agency positions will also be made redundant. The table below shows the areas most affected by the cuts.

Area	Number of jobs lost
Managed Network Services and Operations	249
Cloud Service Delivery	104
Integrated Solutions	19
Professional Services	203
Integrated Service Management	51
Customer Service Unit	7

The modest reduction in the number of redundancies originally proposed is of course welcome as is the potential for 11 new positions in Cloud Services and Managed Network Services and Operations which Telstra has flagged. These positions will be in Sydney and Melbourne.

But the loss of jobs and of skills is still unacceptable, especially coming from a growth area.

Telstra has just reported a 17.7% jump in annual revenue from cloud services operations within Network Assisted Services (NAS) which was folded into the newly created Global Enterprise and Services division late last year. Managed network services revenues grew by 20.7%.

Telstra is anticipating further growth in these areas, in both the domestic and regional markets.

Telstra says these latest redundancies will occur over a 13 month period, between September 2014 and October 2015.

It should commit to ensuring that affected staff are found new jobs in the business over that time.

2. Automated dispatch: Telstra agrees to discuss impact on AWA staff

Telstra has agreed to meet with the CWU over the ongoing fallout from its decision to automate its field workforce scheduling and dispatch functions.

The CWU has consistently warned Telstra that automation would create all the same problems that have occurred when similar systems have been introduced in the past.

And this is just what has happened. Members are reporting longer travelling times and inefficient sequencing of work orders.

The result for those who rely on piece rates for a living – Telstra AWA-based employees and ISGM sub-contractors – has been a drop in income and/or an extension of working hours.

As reported in the last E-bulletin, some ISGM subbies have taken the matter into their own hands and taken time off from ISGM work to attend to other aspects of their businesses. But this is not an option for Telstra AWA employees despite their situation being similar.

The CWU believes that Telstra needs to reassess the practical impacts of its decision to automate dispatch on all sections of its workforce. This is the only way that genuine process improvements can be made and a fair outcome for all workers can be achieved.

The union is keen to hear from all sections of the field workforce on this subject. Contact your state branch if you can help us document the problems currently being experienced.

3. ISGM unfair dismissal: when is a subbie really an employee?

A case brought before the Fair Work Commission (FWC) by the CWU has highlighted the issue of sham contracting in the telecommunications industry.

The case concerns a member who until recently worked as an "independent" contractor for ISGM, the sole head contractor to Telstra for field installation and maintenance work. Although theoretically independent, such subbies typically depend on ISGM for daily work flow and are managed directly by that company in coordination with Telstra –just like an employee!

Following a number of performance assessments which ISGM said were not satisfactory, the member was told that he would no longer be getting any work from ISGM.

The member believes this decision, and the way it was made, were "unfair" and the CWU is supporting him in his claims to that effect. The question for the Commission though is whether he was "dismissed" as an employee or simply had his contract terminated – properly or improperly – in his capacity as a small business person.

This is not an academic question: it goes to the heart of the whole practice of sub-contracting and the way it is increasingly used to avoid employer obligations such as superannuation, leave entitlements and health and safety protections and workers' compensation.

The matter went before the FWC on Friday 5 September for conciliation but was not resolved. It will now go to a formal hearing in October when the question of the member's employment status will be tested.

4. ACMA enterprise bargaining starts

The CWU and other relevant unions met with the Australian Communications and Media Authority on Friday 5 September as a first step towards negotiating a new Enterprise Agreement (EA) for Authority staff.

The meeting was very much a preliminary one designed to set the parameters for negotiations. Chief among these are the current federal government guidelines for Australian Public Service (APS) bargaining which require that any "enhancements" to current conditions, including wage rises, must be offset by productivity gains or other savings.

In other words, "trade-offs" are compulsory. Heads, the Abbott government wins, tails the public sector employees lose.

Judging from some of the ideas for offsets canvassed briefly at the meeting, it is not going to be easy to identify productivity boosting measures or cost cuts that are going to have a significant impact on the ACMA budget.

That means ACMA must be expecting their employees, like thousands of other public servants, to accept wage rises – if any - well below inflation (i.e. real wage cuts) unless they are willing to accept major reductions to current entitlements.

Such an outcome is hardly likely to be acceptable to CWU members and other ACMA employees. We have every reason to expect that a difficult round of bargaining lies ahead.

5. CWU takes anti-offshoring message to Canberra

The CWU has been seeking support from federal parliamentarians for its campaign against the offshoring of jobs from the telecommunications sector.

CWU representatives recently took the union's message to Canberra where they met with representatives of all the major parties and with members of the cross-bench.

While we are concerned about the loss of any and all Australian jobs through offshoring, our discussions in Canberra focussed largely on the offshoring of high tech jobs such as those from Telstra's Global Operations Centre (GOC) and from its growing Enterprises and Services business.

The transfer of this work overseas raises issues about both network and data security, including the security of private customer information. It also threatens to deskill our local workforce in an area critical to modern economies.

The CWU believes that there is considerable concern in the parliament about these trends and is optimistic that it will be able to get support for a private member's bill aimed at erecting barriers to offshoring.

These might include unfavourable tax treatment for companies who offshore and/or tighter privacy laws governing the transfer of data overseas.

The next step will be to meet with other unions also affected by offshoring to see whether there is a basis for a joint campaign around these issues.

6. Visionstream contract loss raises redundancy fears

News that Visionstream will not retain its current contract with Telstra for pit remediation has raised fears of redundancies in the company.

CWU officials learned last week that the current contract for pit remediation work in Victoria and Tasmania had been terminated. A number of redundancies has already occurred in Tasmania but to date the union has not been notified of any in Victoria, with Visionstream saying that they are still investigating options for redeployment of affected staff.

The CWU understands that the contract decision may reflect a move to rationalise the current pit remediation programme, part of which is being undertaken as part of the NBN roll-out and part of which is independent of that project.

If this is the case, Visionstream may win back the work when the revised contracts are put out to tender.

In the longer term though the Coalition's NBN Mixed Technology Model (MTM) will involve less work on existing pits, ducts and conduit than Labor's all-fibre plan.

Meanwhile, Visionstream faces further uncertainty as a result of the restructuring of parent company Leighton Holdings by Spanish-owned majority shareholder Hochtief. This has seen key sections of the Leighton business, including construction companies John Holland, Visionstream and Thiess, put on the market.

The CWU will remain in discussions with Visionstream about the likely impacts of these changes on its members in the company.

7. Government moves to reduce redundancy entitlements

The Abbott Government has introduced a Bill in the House of Representatives to cap redundancy payments under the Fair Entitlements Guarantee scheme at a maximum of 16 weeks, describing the current benefits for employees of insolvent companies as "overly generous" and as creating a "moral hazard".

The Fair Entitlements Guarantee scheme provides protections for employees of companies which go broke and don't pay their workers what they're owed in leave, redundancy payments or other entitlements

The original scheme was introduced by the Howard Government in 2001 with an eight week cap on redundancy payments, which it increased to 16 weeks in 2006.

The Rudd Government removed the cap at the start of 2011, guaranteeing redundancy benefits of up to four weeks' per year of service. But the Abbott government says that is "very generous by community standards" and out of step with the National Employment Standards (NES). The NES entitlement provides a maximum 16 weeks payout.

The government says it is not its job to “prop up” businesses that fail to meet their responsibilities. Perhaps not, but propping up businesses and ensuring workers receive their actual entitlements are two different things.

A government that paid more than lip service to supporting “honest workers”, as the Abbot government says it does, would ensure they are paid what they are owed.

8. Is your employer paying you super?

The Australian Taxation Office (ATO) is currently on the hunt for employers who are not meeting their Superannuation Guarantee obligations.

Many CWU members are employed in large companies such as Telstra and Optus where employer superannuation payments are made regularly. In smaller companies, however, it is not unheard of for employers to delay making these payments –or not just pay them at all.

If you are in this position, contact your state CWU branch and the union will refer the issue on to the ATO. The ATO will recognise the union as a legitimate “third party” in the matter of superannuation payments and will automatically take the matter up.

The ATO advises that it takes action on every referral it receives from third parties such as the CWU.

9. Asbestos in customer premises: are you at risk?

The recent Mr Fluffy saga in the ACT region revealed that dangerous asbestos fibre insulation was sprayed directly into the ceiling spaces and the wall cavities of private homes and some businesses.

It is now becoming clear that many homes throughout country NSW, especially in the southern and western regions, may also have had the banned insulation used in their buildings.

Asbestos was widely used in domestic premises in NSW for insulation before its use was banned.

Asbestos is a known killer and is currently banned for public use but it was extensively used in many buildings throughout Australia for decades as loose fill insulation and as fibre board (fibro). It is also found in everyday items like floor tiles and carpet underlay.

The extension of the Mr Fluffy warnings beyond Canberra and into country NSW is alarming for residents of these homes.

But it also highlights the likelihood that many dozens and perhaps hundreds of communications technicians were also and indeed still are at risk by having entered these spaces to run cable or drill into these walls to fix sockets and equipment.

Prior to the deregulation of the communications cabling market the vast majority of these workers would have been Telstra employees but the danger still exists for all customer premises workers today, including Telstra CTs, who are out there installing phone lines, ADSL type services or NBN-ready gear into private homes and business premises.

Action required…

All communications techs, past and present, who believe they may have inadvertently been exposed to asbestos fibres in the course of their work should immediately take steps to have that possible contact recorded.

This should be done by first raising an incident notification with your employer and have them register it but also make sure you cc your union branch who will also log it. It is also advisable to register your exposure with the Federal government's ASEA (Asbestos Safety and Eradication Agency). All correspondence regarding this needs to be done in writing or in ASEA's case by filling in the on-line survey stating where <u>at work</u> you may have been exposed.

Do it now!

Because the lag time between exposure to the fibre and any resulting ill health can be up to 10 or even 20 years later it is vital that the correct records are created now so that if by chance you or your family need to lodge a claim for compensation in the future you have evidence to support it.

If you suspect you may have been exposed but it was years ago it is still important to do it now. Your union can offer advice if you are unsure what information is relevant.

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We welcome your comments and contributions –
send us an email and let us know what you think via cwu@cwu.org.au
Check out our webpage at www.cwu.org.au

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