

E-BULLETIN Telecommunications

#7. Friday, 8 May 2015

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1. Telstra EA: bargaining to begin 12 May

The first meeting of this coming round of enterprise bargaining negotiations will be held on 12 May.

As explained in the last E-bulletin, the CWU is automatically your bargaining representative unless you choose otherwise. Members of the other two major unions in Telstra, the CPSU and Professionals Australia will also be represented by their organisations.



The CWU has informed Telstra that it will be represented by two senior national officials, the Divisional President, Len Cooper and the Divisional Assistant Secretary (Telecommunications) Ken Hardisty.

This core team will be supported through the Divisional Office and may be supplemented during negotiations as necessary – for the creation of working parties, for instance.

Members will be able to keep up to date with the progress of the negotiations through the E-bulletin and through the national website at www.cwu.org.au.

Remember too that if you have not done so already, it is not too late to put items on the bargaining agenda through the survey at <https://www.surveymonkey.com/s/NL6WTTG>, by contacting your state branch or by writing directly to the National Office at cwu@cwu.org.au.

2. Telstra redundancy entitlements: again!

In the run up to the start of EA negotiations, CWU national officials have issued a statement regarding the Telstra redundancy entitlements. It can be found on the national website at www.cwu.org.au.

Telstra members are urged to take the time to read this statement. It addresses the misinformation on this issue that is being spread within the union during the run-up to the coming union elections.

Members in some areas are clearly being encouraged to believe that their redundancy entitlements have been put at risk by the recent award modernisation process.

This is simply not true.

The new modern Telstra award does not determine your redundancy benefits – your Enterprise Agreement does. And that agreement can't change unless you and other Telstra employees vote for such a change.

How likely is that?

Stronger award protections.

What the modern award actually does is create a minimum "safety net" entitlement to underpin bargaining– a much stronger one, in fact, than existed before.

The old Telstra awards have never had **any** redundancy payout – zero. Now you have 40 weeks. How does this make you worse off or more at risk?

What's more, the maximum payout available under all other private sector modern awards is 16 weeks, which is what Telstra originally wanted. The CWU has done very well in this area compared to other unions.



choose
to KNOW!
STOP
misinformation!

You can see this for yourself by going to the Fair Work Commission website at www.fwc.gov.au/awards-and-agreements/awards/find-award/modern-awards-list.

But the main thing to remember is that none of this reduces your **EA-based entitlement**. That remains protected by the EA and by you, the union members. It can't be changed by a few union officials – only by Telstra employees.

An early answer.

Your EA redundancy payout has not in fact been put at risk. But to set members' minds at rest, your EA bargaining team will be seeking formal agreement from Telstra on this issue early in the negotiations.

In the meantime, members wanting further clarification of the facts can contact the national office at cwu@cwu.org.au.

3. Membership plebiscite advice



CWU members should by now have received a ballot paper for an internal union membership vote (plebiscite).

The issue you are being asked to vote on concerns the rules of your union, the CWU, which is the Communications Division of the larger CEPU.

The other two divisions of our larger union are the Electrical and Plumbing Divisions.

Under our current Communications Division rules, the CWU can only merge with another section of the larger CEPU if a majority of **all CWU** members agree to do so. If they did agree, the **whole division** would then merge.

Under the proposed rule change, **individual CWU branches** could decide to merge with another section of the CWU if their **Branch Committee of Management** agrees to do so.

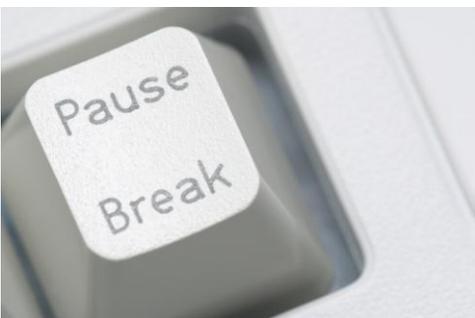
The arguments for and against this proposed change should have come with your ballot paper. Please read and consider them carefully.

This question might seem rather technical, but the ballot result will have a major impact on the way your union operates and on how effective it is in representing you.

If you have not received a ballot paper or if you have damaged your paper you should contact the returning officer for the ballot. He can be reached on 0417 588 121.

4. Directory Assistance rest breaks: CWU notifies dispute

The CWU has notified the Fair Work Commission of a dispute with Telstra over changes to rest breaks in Directory Assistance (DA).



Telstra notified the CWU of its proposal to reduce the number of breaks available to workers in this area in March this year. During subsequent meetings we argued that the proposal represented a dramatic reduction in relief from the stress of DA work without any equivalent change in the nature of the work itself.

We also argued that the changes should not proceed without any independent risk assessment of the proposal being conducted. Needless to say, Telstra did not agree to this proposal.

A hearing of the dispute has been set for Friday 15 May. Members will be kept informed of developments.

5. Optus award update

The CWU and Optus attended a conference before the Fair Work Commission on 7 May to deal with a number of issues relating to the modernisation of the Optus award.

The Commission decided last year that Optus should retain an enterprise award rather than be covered by the general industry award, the Telecommunications Services Award 2010.

But not all details of the new award were finalised at that time.

The conference of 7 May dealt largely with some technical issues relating to the minimum wage rates in the new award and with a number of variations to the current award proposed by the CWU.



It was agreed that the CWU and Optus would attempt to resolve these matters between them rather than taking them to a Full Bench of the Commission. We expect to meet with Optus on these questions during the coming week.

6. nbn pay offer not good enough, says CWU

The CWU has told NBN Co (now known simply as nbn) that it cannot recommend its proposed Enterprise Agreement while the pay offer it contains remains so low.

The company is proposing a three year agreement with annual pay rises of 2.5%, 1% and 1% between 2015 and 2018 – an offer that would almost certainly deliver a real wage cut (i.e. a total rise below inflation) over that time.



The CWU met with nbn on Monday 4 May to discuss the proposed agreement for technical staff which was provided to the union on 29 April.

The agreement would essentially preserve current conditions except where, according to nbn, changes are necessary to comply with current federal government policy.

Predictably, those changes are largely designed to give more flexibility to the employer and to limit the activities of workplace delegates and the union

generally in the company.

In fact both the proposed pay rise and the changes to the content of the current agreement simply reflect the current policies of the Abbott government, rather than the genuine interests of either nbn or its employees. The CWU considers that given this situation, the bargaining that has gone on so far between nbn and its unions can't be said to have been conducted in good faith.

The CWU intends to meet with the other unions involved in this round of nbn bargaining to consider its next steps. For its part, nbn has indicated that it intends to put the agreement to employees in mid-May with a view to holding a vote on it by the end of the month.

7. NBN Co rebadges – to nbn

NBN Co has decided it needs a new look. The company has changed its name to nbn and adopted a new logo. It has reportedly spent over \$700,000 in the process – and that's before changes to stationary, vehicle badging and so on.

That's all money that could have been spent on pay rises for CWU members and other employees!

The company has also adopted the motto "nbn: bring it on" – very apt, given the history of delays that has marked the project to date.

NBN Co – or rather nbn – says the change is designed to be "bold and inspiring".

"The new brand positioning is modern, inspiring and aspirational – it shows how the nbn network will help harness the full potential of everyone in Australia," an nbn spokesperson is quoted by the *Melbourne Age* as saying.

"It's intended to create a sense of optimism and inspiration."



It will need to. Today, just over 6 years since the NBN was launched, there are still only 394,000 active customers using the network.

And research released by the company to coincide with the rebranding revealed that while most Australian supported the aim of the project, a third did not understand that they would need to switch to the NBN to maintain a fixed line service.

Problems also persist in those areas where cutovers have occurred, such as delays in connection times and unavailability of substitutes for those services (e.g. medical alarms, ATMs) that cannot readily be migrated to the new platform.

nbn is reportedly making headway in these areas. But it will take more than a new logo to drive the changes needed –especially in the area of skills supply and workforce conditions – to get the project on track.

8. Bidding war for iiNet heats up

The bidding war between TPG and M2 for retail service provider iiNet has taken another turn, with TPG upping its original offer for the current no.3 telecoms service provider by another 11%.

TPG made the first move in the consolidation play in late March with a \$1.4 billion bid, amounting to \$8.60 a share.

That would have meant a healthy profit for any long-term shareholders. iiNet shares were as low as 20c in the early 2000s after the dot.com boom had taken its toll on the industry.



But it was not considered good enough by iiNet founder and former CEO Michael Malone, despite the iiNet board's initial acceptance of the offer.

Malone led a shareholder rebellion which opened up the space for a rival bid. Enter M2, which made a \$1.6 billion offer late last month.

The iiNet board has now accepted TPG's revised offer, though some analysts believe there is still a possibility that M2 could make a further bid.

Either way, the door is open to a further concentration of the service provider market as companies seek scale in order to survive the challenges of the superfast broadband market –not least of which is the structure of nbn wholesale charges which favour larger operators

9. Temporary visas – a front for “slave labour”?

A recent ABC programme has confirmed what unions have known for some time – temporary work visas are being used by many Australian businesses to engage workers on what are virtually slave labour conditions.

The *Four Corners* programme focussed on migrant workers on working holiday (417) visas. It found that exploitation of these workers, together with bullying and sexual harassment, was common.

Such workers typically work on farms or in factories in the food industry, often for companies supplying produce to the big supermarket chains.

At a chicken processing factory, the ABC programme found migrants who were being forced to work 18 hours a day, seven days a week.

Some “holiday”!!

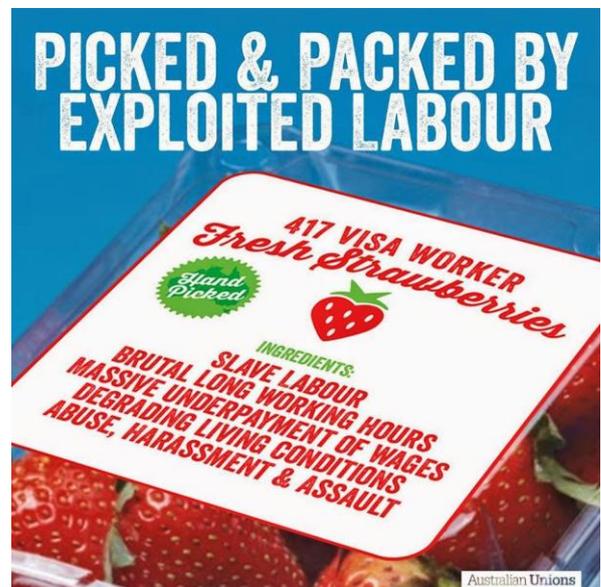
The report also aired allegations of unscrupulous contractors propagating black market labour, hiring migrants on expired or invalid visas. Some are paying workers half the legal wage, or as little as \$3.95 an hour.

Unions say that urgent action must be taken by the Federal Government to clamp down on and regulate the entire temporary visa and labour hire system and remove rogue operators.

ACTU President Ged Kearny said that the Senate Inquiry that has been set up to examine the temporary migration system and particularly 457 visas should also examine the abuse of 417 visa workers.

“It is unbelievable that the Abbott Government is seeking to expand and further deregulate the temporary visa system despite allegations of exploitation having been aired for some time,” she said.

But then again maybe not so unbelievable from a government which has yet more attacks on working people and their organisations planned.



10. Victorian government to set up inquiry into labour exploitation

In the wake of the recent revelations about experiences of 417 visa (“working holiday”) workers, the Victorian Labor government has announced it will set up an inquiry into labour exploitation.

Victoria's Minister for Industrial Relations Natalie Hutchins said the inquiry would seek to crack down on unscrupulous labour hire practices.



"We're just in the process of putting some terms of reference together and putting a committee together to actually do the investigation," she said.

"We're hoping to get some pretty quick outcomes around how we can actually regulate probably some of the worst labour hire practices that we've seen in a long time.

"We need to get the message out loud and clear that every unethical labour contractor that's operating needs to know that these activities won't be tolerated in Victoria."

Many workers in the food industry are brought to Australia by exploitative labour hire companies

Calls for tighter regulation have also come from other states as well as from peak grower and farmer bodies. To date, however, there has been no indication that the federal government is interested in cracking down on these exploitative practices.



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Check out our webpage at www.cwu.org.au**