

S.The Signal

Issue No. 602
13 October 2010

■ **In this issue:**

1. Telstra Employ on AWAs – We're All In This Together.
2. Telstra Follow Up: EA Issues
2. CEPU Neg EA With NBN Co
3. Unions Want Govt To Act On Contractor Arrangements
3. Wages Share Of National Income Falls To 46 Year Low
3. Poverty On The Rise In U.S.
4. CEPU Queries Telstra On Job Cut Reports
4. Telstra Pay System: Info Req
4. .Optus May Do NBN Deal

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TELSTRA EMPLOYEES EMPLOYED ON AWAs - WE'RE ALL IN THIS TOGETHER

Many Telstra employees on AWAs are being denied a pay rise this year by Telstra's top multi-millionaire earning management. For many this is the second year in a row. Let's summarise the situation currently for Telstra employees generally:

Apart from the mistreatment of most AWA employees.

- **Employees on non-union collective contracts (ECAs) are being denied important conditions of employment and rights at work.**
- **Employees on ITEAs (another individual contract like AWAs) are being denied wage increases and basic rights at work.**
- **Employees on EBAs have been short changed in wages and entitlements which should have applied during the 2008/2009 year.**
- **Now Telstra is ramping up the use of individual common law contracts to further exploit Telstra employees.**

It should be clear to every employee that we are all in this together.

If we were all united under one enterprise bargaining agreement instead of being divided into AWAs, ITEAs, ECAs and EBAs what a mighty, irresistible force we would be in protecting and improving the pay, conditions and rights of all Telstra employees.

How do we get there? How are we getting there?

Firstly, all ECA employees will be merged with the EBA workforce in the next EBA in 2012. This was agreed between the CEPU and Telstra in the recent EBA negotiations.

Secondly, the CEPU managed to ensure that current AWA employees on expired AWAs, working in the technical workforce, and all AWA employees in the customer field workforce have the right to choose the EBA category 1 (meaning regular negotiated annual wage increases and negotiated and agreed job banding salaries). The EBA of course also means improved rights at work, better redundancy protections and other conditions.

Thirdly, ITEA employees all have the right by law to choose the EBA (they all expired 31/12/2009), except if they are employed in a part of the business covered by an ECA.

What we now have to do is to win the right for all other AWA employees to choose the EBA, and category 1 of the EBA if they wish, and not to be forced to wait until their AWA expires, or to be forced into category 2 of the EBA (with no negotiated and agreed pay increases and no negotiated and agreed classification pay) as Telstra currently forces you to do.

The next steps for Employees on un-expired AWAs are these:

1. Establish whether you have reason/s to get off your AWA (e.g. being disadvantaged). Under the Fair Work Act you can get off by agreement with the employer. Contact the CEPU if you think you have a case or you wish to consider the possibility.
2. Check whether your AWA was properly registered with the Fair Work Authority when you signed it.

On the off-chance that Telstra failed to register your AWA with the Workplace Authority in 2007/2008, when you signed up to the AWA (the employer was required by law to have the AWA registered with the Authority),

you should send the following email to the Workplace Authority:

Attention: Peter Smith
Fair Work Australia
Agreement Unit

E. Peter.Smith@fwa.gov.au

Dear Mr Smith

I am enquiring as to whether you have on record, a workplace agreement between myself and Telstra? Such an agreement should have been registered with you in late 2007 or early 2008.

[Full Name]
[Postal Address]
[Email Address]
[Telephone]

If by chance the AWA is not formally registered with the Authority, (apart from this being a breach of the law by Telstra), then your AWA would not be legitimate and it may be possible to transfer to the collective EBA sooner, rather than later.

Please notify the CEPU with any developments in this regard and we will help you decide on your options.

- Send an email to us at the CEPU (cdtsvic@victs.cepu.asn.au) to tell us if you support a campaign to give you the right to choose to transfer to the EBA (category 1 or 2) at any time.

If your AWA expired before the EBA and you are considering exercising your option to transfer to the EBA, please contact the CEPU to help you examine the pay rates and

other issues, to make sure you are not being disadvantaged.

Be careful of information on these issues given to you by Managers, as the information is often wrong and in some cases very "loaded" to suit the company's interests

TELSTRA FOLLOW UP EA ISSUES

The CEPU has met with Telstra to try to clarify a number of issues relating to the operation of the Telstra Enterprise Agreement 2010-2012 which was approved in Fair Work Australia on September 17.

In relation to the EA:

Telstra has agreed to further consultation with the CEPU over the process for new starters in the CFW and TW workstreams. Under the agreement, all new CFWs will automatically go onto Category 1 conditions but TWs will have a choice between Category 1 and 2 when they commence employment.

The union is keen to ensure that this choice is a well informed one. Telstra has agreed to further discussion about the materials and procedures that will be used when new TWs are making this decision.

Telstra has confirmed that current NDC travel arrangements and riggers allowances will remain as they are currently i.e. they will not be overridden by the new EA.

Telstra has confirmed that although the term "swaps" does not occur in the new EA in relation to the redundancy processes, it is intended that this be an option within the overall provision for volunteers. Telstra has undertaken to ensure that managers are aware of this position.

In relation to pay issues, the CEPU raised additional concerns in relations to the performance bonus payments of \$1000:

The CEPU flagged that it was seeking further advice about Telstra's position on payment of the full \$1000 customer performance bonus to employees who took protected industrial action during the EA dispute.

Telstra is saying that payments for those days would be illegal under the Fair Work Act and that a proportion of the bonus will have to be docked in these cases. The CEPU disagrees.

The CEPU raised what it believes are systemic problems in Telstra's new pay system – problems Telstra regards as mere "glitches". The union has undertaken to provide evidence of what it understands to be widespread problems.

Discussions on these issues and others to come are ongoing, and members will be kept updated on progress.

CEPU NEGOTIATES EA WITH NBN CO.

The CEPU has, in Victoria, at the soon to be established Network Operations Centre (NOC), finalised an Enterprise Agreement that will cover technical staff directly employed by NBN Co.

Negotiations began several weeks ago but have been held up by the uncertainties about the company's future that were caused by Coalition policies announced during the federal election campaign and other factors.

However, employment conditions are broadly aligned with those in the Commonwealth public sector and Telstra. These include 14 weeks paid parental leave on top of the new Government scheme, 13 weeks long service leave for each 10 years of service and redundancy entitlements of up to 48 weeks.

Members will be kept updated with further details. The majority of

Australians have embraced the concept of a world class National Broadband Network which if they were consulted they would prefer to have it in public ownership.

However there are problems yet to be resolved in the roll out and beyond.

UNIONS WANT GOVERNMENT TO ACT ON CONTRACTOR ARRANGEMENTS

Unions will press the Labor minority government in Canberra to crack down on sham contracting arrangements which open the door to exploitation of thousands of workers.

The former Howard Government encouraged the growth of independent contracting in line with its anti-union and individualist outlook. The creation of individual Australian Workplace Agreements (AWAs) was part of the same agenda.

The problem, however, is that while many workers may genuinely want to “work for themselves” as small independent businesses, many in fact have no choice. Many also have little or no power to determine their “contract” conditions.

This is the situation of sub-contractors in the telecommunications industry. Major contracting companies like Service Stream and Visionstream do not employ large permanent workforces. Instead they use sub-contractors.

And because work - mainly on Telstra’s access network – is concentrated in the hands of a few head contracting companies, these companies can generally dictate the sub-contract terms. Workers in these situations are “independent” in name only and face constant threats to their income and conditions.

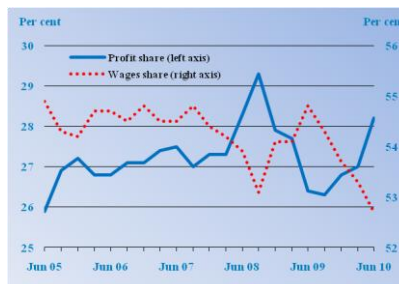
The Australian Council of Trade Unions is arguing that the Labor Government should consider a raft of changes to the way contractors are treated under current laws, including their tax status and the restrictions on their ability to bargain collectively and take industrial action.

The aim would not be to eliminate genuine small business initiatives but to protect industry conditions from being undermined through what are effectively “sham” arrangements.

WAGES SHARE OF NATIONAL INCOME FALLS TO 46 YEAR LOW

Australian workers are continuing to lose out when it comes to sharing national wealth according to the latest statistics.

Figures released by the Australian Bureau of Statistics earlier this month show that the wages share of Australia’s national income fell by 0.6% over the June 2010 quarter to reach 52.7%, its lowest level since 1964. For the full 12 months to



June 2010, wages averaged a share of 53.5% of national income.

Profits, on the other hand, are increasing their share of the cake, growing to 28.6% in trend terms, equal to the level achieved in the December quarter of 2008 and just below the record 28.8% level reached in the September quarter the same year.

The ABS data also shows that while real labour costs have fallen substantially in recent years, productivity has gone up.

Australian wages, in other words,

are not reflecting the real productivity gains that are being made in the economy.

And it is Australian corporations, not Australian workers, who are getting most benefit from Australia’s relatively strong economic performance during the financial crisis.

On the whole, Australians have been spared the real wage cuts and the attacks on the “social wage” – on pensions, healthcare and other social services – that are occurring in Europe and the US.

But the ABS figures are a reminder that Australia is not immune from the broad effects of the economic crisis and from the longer-term trends which are favouring the corporate sector at the expense of working people world-wide.

POVERTY ON THE RISE IN U.S.

According to the OECD, the US has avoided a “double dip” recession – in fact the Great Recession ended nearly a year ago.

Financial markets responded with enthusiasm to the news.

But for millions of Americans, there is little to celebrate. With real wages falling, house foreclosures still rising and with unemployment levels running at some 10% it somehow just doesn’t feel as though the good times are about to roll again.

Indeed, US figures released just prior to the OECD’s findings shows the real state of affairs in the world’s largest economy.

Data from the 2009 US census shows that the poverty rate in that country has soared in last 12 months – since the point the OECD says the recession ended.

Some 45 million Americans - one in seven Americans - are now living below the official poverty line. One in five children is living in poverty.

And the poverty rate for the working-age population is the highest it has been since the mid 1960s, when US President Lyndon Johnson launched the "War on Poverty", particularly on that in the South.

These figures make a nonsense of technical measures of economic recovery. The fact is that the US faces long-term economic decline as a result of global changes that have seen the motor of world growth relocate to Asia.

This situation calls for a major shake-up of the current highly unequal distribution of wealth and power in the US if even more millions of Americans are not to sink into poverty.

CEPU QUERIES TELSTRA ON JOB CUT REPORTS

The CEPU has sought an explanation from Telstra about reports that the company will slash 6,000 jobs over the next three years.

Reports carried in the Financial Review on 30 September suggested that the cuts would come as a result of Project New, which is designed to focus Telstra more closely on its product development and retailing operations.

The aim is to address sagging revenue levels as well as to prepare Telstra for a future market where it may no longer be a fixed network provider.

Communications Division Assistant Secretary, Burt Blackburne, said the union was shocked at the scale of the possible cuts which he said would inevitably lead to further problems with services.

"The industry regulator had criticised Telstra for poor service performance - how they intend to improve that by slashing staff is beyond me," he said.

Telstra flagged the likelihood of more cuts at its Investor Day briefing on 29 September but no

numbers were mentioned. The fact that it has set aside \$220 million for redundancies in this financial year, however, suggests it is planning for more than the 900-1000 job cuts which it has already publicly announced.

In a message to staff, the company said that the move was all about improving customer satisfaction. But reading between the lines it is clear that the number one priority is reducing costs – through replacing direct customer contact with "self-serve" online systems and through outsourcing further functions.

The CEPU will continue to press Telstra to clarify its intentions. The current uncertainty is the last thing that staff need if they are genuinely expected to help improve customer service. The CEPU will raise this matter and other issues at Telstra's forthcoming AGM of Shareholders.

OPTUS MAY DO NBN DEAL

Optus is on the verge of doing a deal to transfer its cable broadband customers to the NBN, according to press reports. This raises the interesting question of what will become of Optus HFC assets.

The Financial Review says that the company is in talks with the Government to move its 510,000 telephony and 425,000 broadband cable customers across to the proposed wholesale-only company, in a move that would parallel Telstra's in-principle deal with NBN Co.

What commercial benefit to Optus there might be in such an arrangement is not yet clear. Unlike Telstra, it is not being forced into such an agreement under threat of forced divestiture of its network. But industry commentators believe that the company has long had a positive interest in selling its underutilised HFC network to NBN Co.

The NBN Implementation Study prepared for the Federal Government leaves the door open for such an acquisition.

An upgraded Optus HFC network could deliver 100 Mbps downloads to the 2.2 million homes it passes and, under NBN Co ownership, allow for the roll-out of high speed broadband services well ahead of the current NBN timetable – and at lower cost.

TELSTRA PAY SYSTEM: INFORMATION REQUIRED

As reported in earlier E-bulletins, the CEPU continues to receive complaints from members about the operation of its new pay system.

The union has made representations to Telstra about the issues but the company's line is that the problem is not systemic – there are just a few glitches at present.

The union has undertaken to provide Telstra with evidence of just how widespread the problems are. Members who have experienced problems with the new system are urged to forward the information to their state branches.

LEN COOPER Branch Secretary

HAVE YOU OR YOUR WORK AREA RELOCATED RECENTLY?

Yes? Then please do us a favour and send CEPU your new location/contact details.

Maintaining the union data base accurately to reflect members' current details is very important to us. So we would really appreciate your help. Please contact us:

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