communication workers union
CWUnion National

E-BULLETIN Telecommunications

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1. CWU slams Telstra's shock job cuts announcement

The CWU says it has been shocked by the scale of the 1400 job cuts announced by Telstra on Wednesday 14 June.

But it is also angry that a full half day went by before the CWU and other Telstra unions were formally notified of the proposals, despite the fact that the media had been running the story since early morning.

So much for consultation!

Telstra always argues that it can't brief its employees' representatives before it announces a decision and that its first responsibility is to the stock exchange, then directly to its employees themselves.

But setting aside any flaws in these arguments (after all employees have chosen to be represented by their unions), they hardly explain the extent of the delay on this occasion.

Disorganisation? Or a conscious disregard for the rights and choices of union members? The CWU believes the answer is clear enough.

As for the cuts themselves, the CWU considers that these are clearly being driven by top-down financial targets rather than actual functional redundancies. The fact that Telstra has flagged some 500 job losses later this year but does not yet know quite where they will come from speaks for itself.

This is a recipe for future resource shortfalls such as those that led to Telstra's needing to introduce "rostered" i.e. compulsory overtime in the field workforce last year.

Someone always pays for this sort of mismanagement – either employees, through work intensification or customers, though delays in service, or both.

2. Telstra field workforce cuts to hit regional areas

The CWU and other Telstra unions met with Telstra on Thursday 15 June for an initial briefing on the sweeping restructure announced the previous day.

The move is expected to lead to the loss of some 1400 positions across the company. The cuts come on top of a reported decline in Telstra employee numbers of some 1100 in the first six months of the current financial year.

Hardest hit will be Telstra Operations which is set for a net reduction of some 349 roles now and a further possible 500 roles by the end of 2017.

Of the 479 current roles going out of Operations, over half (259) are coming out of Customer Service Delivery (CSD). And of these, about half (145) are from Field Service Delivery (FSD), mainly from regional areas. While there are new roles being created in some parts of CSD as a whole, there are no new roles being created in FSD to offset these regional job losses.

Telstra says that the redundancies reflect declining work volumes, largely due to NBN migration. The CWU pointed out that Telstra is still hiring contractors in at least some of the areas where it is claiming that work is falling off.

Members are also telling the CWU that there has been no slowdown in work in areas where job numbers are being reduced.

The union is seeking membership feedback from all areas affected by these cuts so that we can effectively represent these issues to Telstra during the consultation period. Union officials will be meeting with Telstra again on Tuesday 20 June.

3. Telstra restructure creating uncertainty says CWU

While reporting of the organisational changes being introduced in Telstra has naturally enough focussed on the resulting job losses, many of the queries that the CWU has been receiving from members relate to ongoing conditions of employment in the company.

The restructuring that Telstra is undertaking is extensive and will involve changes in line control for thousands of employees. CWU members are asking whether these changes might also involve changes to working conditions and/or work locations.

At our meeting with Telstra on 15 June, the CWU asked for more detailed information on the organisational changes and for assurances about their impacts on employees, over and above the question of redundancies.

Telstra has subsequently confirmed the changes will have no impact on current RDO arrangements – an issue raised by some of our members.

As members are probably aware, eligibility for RDOs no longer depends on work/business unit location but on the past eligibility of individual employees.

As for relocations (other than in circumstances of redeployment), Telstra said this was unlikely but has undertaken to clarify this issue.

Employees' core conditions of employment are, of course, protected by the current Enterprise Agreement which will continue to apply until late 2018.

4. CWU meets with Telstra on Design redundancies

The CWU met with Telstra on Friday 16 June over the redundancies that have arisen as a result of the reorganisation and related spill-and –fill exercise in Design and Service Delivery.

This process was supposed to result in a net number of 55 positions becoming redundant, the majority of them in the wideband design area.

But Telstra is now saying that the total number of redundancies is in fact 90 – or, at least, that 90 people are facing retrenchment.

Meanwhile 49 of the positions created through the reorganisation have not been filled and Telstra has begun advertising both internally and externally to fill them.

This process obviously raises serious questions. For a start, it is positions that become redundant, not people. How have 45 further positions over and above those notified become redundant…and if they are redundant, why is Telstra advertising for them to be filled?

If the positions are not redundant, on what basis have decisions been made to retrench the additional 45 staff?

The meeting of 16 June did not, in the CWU's view, produce any satisfactory answer to these fundamental questions and the union is continuing to pursue them with Telstra.

In the meantime, Telstra has agreed to reassess decisions that have resulted in employees who want to continue working in this area being slated for retrenchment.

Any CWU members in this position should contact their state branch immediately.

5. Broadcast Australia: bargaining continues

Bargaining for a new Enterprise Agreement (EA) in Broadcast Australia continues with a two day face-to-face meeting being held in Sydney on Thursday 15 June.

BROADCASTAUSTRALIA

The parties are making good progress on resolving most of the issues still under discussion (e.g. higher duties payments, payment of home away allowance) although some fine tuning of these clauses is still needed.

The real sticking point in negotiations, however, may be the pay increase. The CWU and other bargaining representatives have tabled a claim for a 4% or CPI +2% per annum rise over a three year agreement.

That claim has been flatly rejected by BA.

CWU feedback from employees suggests that they are looking for a rise that will provide a substantial real pay increase i.e. one that is significantly above CPI.

Another meeting is scheduled for Thursday 22 June.

6. Minimum wage decision adds to penalty rates pain

The latest minimum wage increase won't be enough to keep low paid workers out of poverty, unions say, especially when they are already facing cuts to penalty rates.

On 6 June, the Fair Work Commission announced a $22.20 a week increase in the national minimum wage, less than half the amount that unions argued is necessary to ensure a decent living standard for all Australian workers.

Nearly one in four Australian workers are dependent on either the national minimum wage or minimum rates award wages and many of these work in areas which will be hit by the phase out of penalty rates.

These workers are taking a double hit at a time when corporate profits are booming. National economic data for the year to March shows business profits up 39.7 per cent, while wages growth is a dismal 0.9 per cent.

"It is now urgent that Australians' wages are increased given wage growth in Australia is at a 76-year low," ACTU Secretary Sally McManus said. "The cost of living is rising and 700,000 people are about to get a penalty rate cut."

"If our current rules can't deliver a decent pay rise, then they need to change."

7. Workers' share of national wealth at all-time low

Australian workers' share of the wealth they create is now at its lowest level since relevant statistics started to be published.

A recent report by the Centre for Future Work (CFW), based on data from the Australian Bureau of Statistics (ABS), found that workers' share of national gross domestic product has now shrunk to 46.2%. The previous low was back in 1959 and was 46.4%.

The reason? A decline in collective bargaining and low minimum wage increases according to the author of the report, Jim Stanford.

Stanford said that in the 12 months up to the end of March 2017, Australia's quarterly GDP grew by $31.7bn, but just $3.1bn reflected higher compensation for workers in the form of wages, salaries and superannuation.

That's 10 cents in every dollar of GDP produced.

Of course changes to Australia's industrial laws over the last 20 years have been designed to achieve exactly this result by putting more and more obstacles in the path of collective i.e. union action.

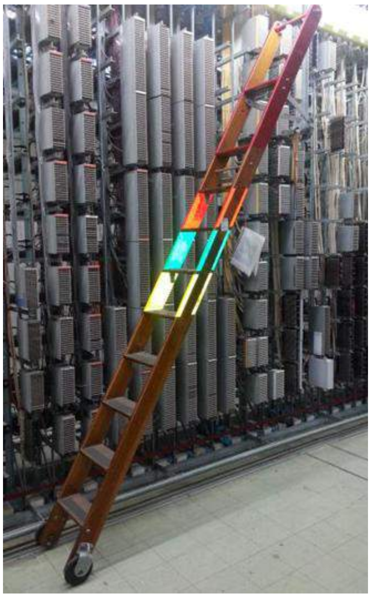
And the recent moves to reduce penalty rates will make matters even worse as what amount to wage cuts flow through large sections of the workforce.

"Contrary to traditional assumptions, economic growth does not automatically trickle down into shared prosperity," he said.

"It takes deliberate effort to ensure that the gains of economic growth are broadly shared, and right now that is not happening."

Source: ***Workforce.***

8. Contracting out: a threat to health and safety



A recent incident at a Telstra exchange has once again highlighted the health and safety risks that can arise from contracting out.

In this case, an NBN sub-contractor entering a Telstra exchange did not notice – or claimed not to notice – an employee working up a ladder. He pushed the ladder aside to gain access to a rack and the employee fell off, sustaining serious injuries.

In the days when Telstra exchanges were staffed, every employee there would be aware of ladder safety issues.

Even today, when exchanges are likely to be empty, Telstra field staff entering a building could be expected to check whether a ladder was being used before moving it.

Proper training, familiarity with the work environment and a sense of collective responsibility that comes from being part of the same workforce would all work in favour of safe work practices.

Erode these factors through outsourcing and add the time-is-money pressures of sub-contracting and you have a recipe for accidents such as this.

The CWU understands that Telstra has approved the compensation claim of this employee. But that is cold comfort to the injured worker.

The aim is prevention, not compensation.

9. AT&T workers win improvements in job security

E-bulletin #9 reported on recent industrial action by employees of US telecommunications giant, AT&T.

The strike was significant because it included demands for greater job security as well as being the first that had included employees of AT&T's satellite-based pay TV arm, DIRECTV.

The Communication Workers of America (CWA) has now reported that a tentative agreement, subject to membership ratification, has been reached with the company in relation to its operations in some states.

The proposed four-year settlement provides for pay raises, improvements in job security and retirement benefits, continued affordable healthcare, and other improvements for AT&T West and DIRECTV West workers in California and Nevada. This proposed contract is the first for DIRECTV workers.

Details of the job security provisions will be reported in the E-bulletin when they become public.

We welcome your comments and contributions – send us an email and let us know what you think via enquiries@cwuwa.org

Check out our webpage at www.cwuwa.org

Regards,

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