communication workers union
CWUnion National

E-BULLETIN Telecommunications

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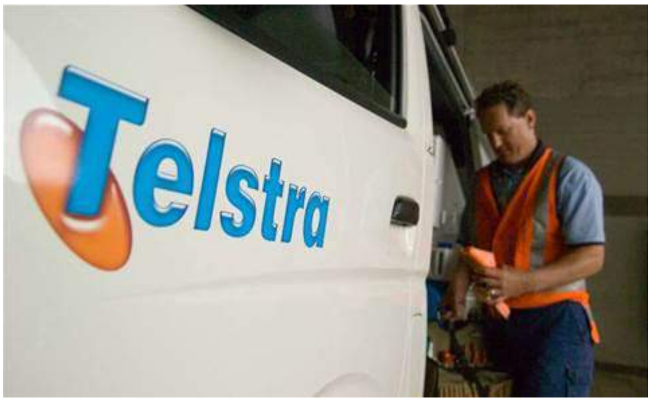
1. Telstra redundancies: CWU seeks assurances on use of contractors

Consultations are continuing between the CWU and Telstra over the proposed 1400 redundancies announced earlier this month.



In the CWU's case, discussions have been focussed largely on the job losses in Operations, especially in Customer Service Delivery, but the union is also involved in the consultations on redundancies in Retail and in Global Enterprise and Services.

On 28 June, following a face-to-face meeting the previous week, the CWU wrote to Telstra seeking detailed information on matters related to the proposed redundancies in Field Service Delivery (FSD). We want a clear picture of where contractors are being used as well as a breakdown of areas where there can be expected to be ongoing work for Telstra field staff through NBN-related contracts.

Telstra says that the transfer and/or retirement of network assets and services that will occur as a result of the NBN project provides a large part of the explanation for the FSD redundancies.

But the impacts of the NBN are being felt unevenly at field level because of the "patchwork quilt" nature of the roll-out and because Telstra has NBN operations and maintenance contracts (both CSL and OMMA) in some areas and not in others. The redundancies, on the other hand, look to be more evenly spread, with one role being typically shaved off each team across regional areas.

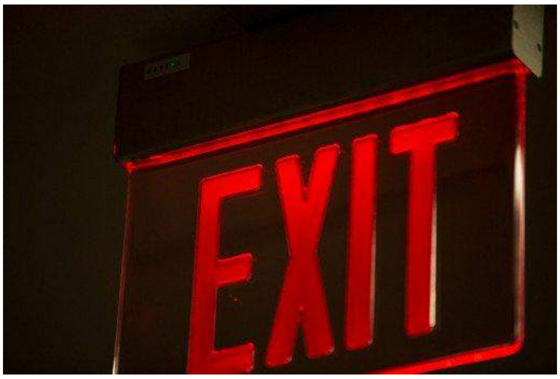
At the same time, the CWU understands that contractors are being engaged in these same areas. We are seeking assurance from Telstra that contractors are not being brought on to do the work of Telstra employees facing redundancy.

We are pursuing these questions with Telstra and welcome input from members who can provide information about what is occurring at local level in relation to work loads, work processes and use of contractors.

2. Wideband redundancies: CWU secures jobs for members

The CWU has been successful in ensuring that a number of members facing retrenchment as a result of the recent Enterprise Services reorganisation have been successful in finding roles in the new structure.

As reported in E-bulletin #10, that reorganisation involved a spill-and-fill exercise that finally resulted in some 90 employees being selected for retrenchment despite only 55 roles having been notified as being redundant. At the end of the selection process, roles were actually left vacant and were subsequently advertised both inside and outside the company.



There are many questions to be asked about this exercise and the CWU was prepared to explore these in the Fair Work Commission (FWC). We notified a dispute on Thursday 22 June.

Our immediate objective though was always to help those members who wanted to continue working in this area to secure a job, whether or not they had applied for it during the spill-and-fill.

We were able to achieve this without the assistance of FWC for all but one of those members we were aware of as being in this situation, other than a number whose jobs were declared redundant as a result of centralisation.

In the longer term, the CWU and other Telstra unions will be ensuring that there is no repeat of a process that led to almost twice as many employees being retrenched as there were roles redundant.

It is rare for Telstra not to be able to find sufficient volunteers when redundancies are proposed. That is no surprise, given the age profile of the workforce, the significant redundancy payout available and the deterioration of the work environment experienced by many employees. There would probably be a flood of volunteers if the gates were fully opened to anyone who wanted to leave.

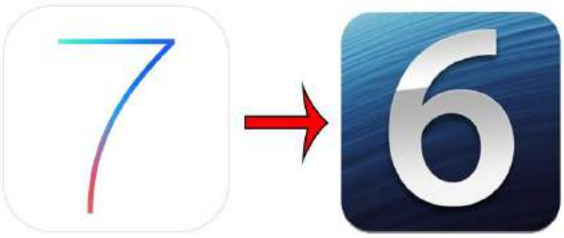
But those would not be genuine redundancies.

It is roles, not people, which become redundant. The redundancy provisions of the Enterprise Agreement are not designed to allow Telstra to "select" more people for retrenchment than there are positions redundant i.e. to purge and "refresh" its workforce under the guise of functional redundancy.

3. CWU to challenge Telstra design gradings

While the CWU was able to secure ongoing employment for most members who wanted to stay working in the areas of Telstra affected by the recent Enterprise Services reorganisation, there remain issues about the classification structure introduced as part of that exercise.

At the centre of these, in the CWU's view, is the effective broadbanding of the Wideband designer role and its classification as a CFW6.



The work which the new CFW6s will be expected to do combines both the external and internal design functions and so the CWU believes it should be classified as a CFW7.

The CWU has sought legal advice on how best to pursue this issue which not only involves a downgrading of the role into the future but of course also has financial implications for current employees from higher banding levels who either accepted or were assigned into the CFW6 positions.

Telstra has to date declined to offer guarantees of ongoing salary maintenance for these employees.

4. Silcar Communications: EA arrangements close to finalisation

The CWU met with Silcar Communications on Thursday 22 June to attempt to finalise outstanding matters in relation to the proposed new Enterprise Agreement (EA) arrangements.

As Silcar members would be aware, those arrangements, if endorsed by Silcar employees, will see the existing Silcar workforce transfer onto the Visionstream Field Workforce Agreement but with certain guarantees in relation to current entitlements.

Bargaining over those entitlements has now effectively concluded and while full agreement has not been reached the parties are now focussing on the details of the proposed transfer.

This is an unusual process and both the CWU and Silcar are keen to make sure that there are no unanticipated legal problems with it.

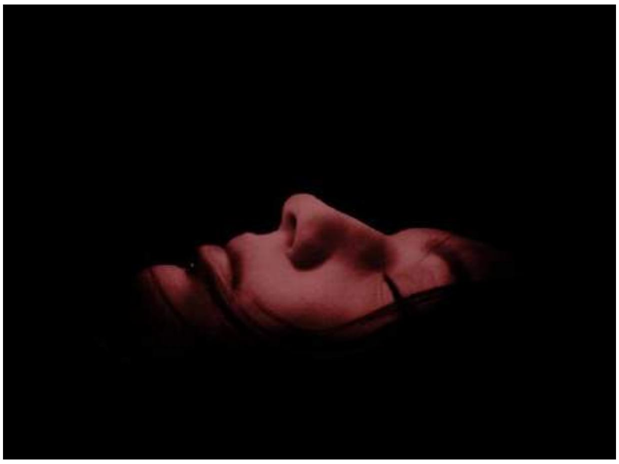
The CWU's lawyers have raised a number of technical issues which we put before Silcar at the meeting and which Silcar has undertaken to address.

As soon as these have been dealt with another round of employee consultations will be held. The intention is to have all the relevant paperwork available at these meetings, including both the proposed EA and the letters to individual employees outlining their conditions under the transfer arrangements.

The aim is to hold a vote before the end of July.

5. Still no movement on ACMA agreement

Bargaining for a new agreement at the Australian Communications and Media Authority (ACMA) remains in a politically-induced coma thanks to the Turnbull government's public sector wage policy.



While the government has tweaked its original policy a little since it was introduced in 2014, pay rises are still capped at 2% per annum and even then are supposed to the "bought" through trading off conditions.

This formula has not been popular with ACMA employees who have now twice rejected proposed agreements based on it.

CWU members have been considering ways of squeezing some value out of the meagre offer on the table and have recently proposed a wage rise schedule of 3 +3 +0 over three years as a way of making up lost ground more quickly in the short term while still staying within an average 2% regime.

But it is by no means clear that the Commonwealth will agree to this approach. Meanwhile, ACMA continues to ask for "offsets" in return for any wage increases.

The CWU believes the agency may try to put the agreement –or non-agreement – out for a vote again some-time in the coming 6-8 weeks.

Third time lucky? Perhaps not.

6. No agreement on Broadcast Australia pay rise

The CWU and other bargaining representatives remain at odds with Broadcast Australia (BA) over the pay rise in the next Enterprise Agreement (EA).

Members are looking for a rise of 4% per annum but to date BA has been unwilling to consider anything beyond 2.3% or CPI, whichever is higher.

Official national CPI is currently running at 2.1% per annum, but this figure can mask regional differences and, notoriously, does not capture all the impacts of increases in housing costs.

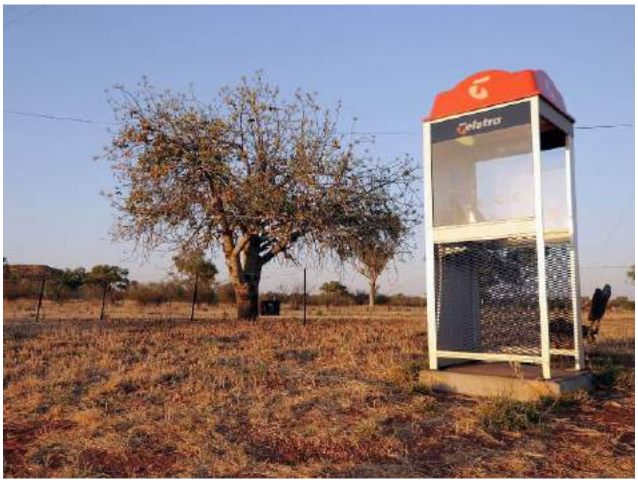
The CWU met with BA on 28 June to negotiate this and other unresolved EA issues. These include a number of late items arising from unexpected changes to the current EA that surfaced when the first draft of a new agreement was circulated by management.

It appears some of these changes may simply be drafting errors. However, others appear to have intentional impacts on current conditions of employment and will require further attention.

The CWU anticipates a further meeting in the next 10-14 days but a date has yet to be agreed.

7. Wind up USO scheme by 2020 says Productivity Commission

The current scheme that guarantees access to voice telephony to all Australians should be wound up by 2020 according to the Productivity Commission – a date clearly designed to dovetail with the scheduled completion of the NBN roll-out.



In the meantime, Telstra would continue to be the national provider of last resort for the standard service and payphones while government works out how to unstitch the 2012 NBN deal which cemented Telstra in the role for 20 years.

The Commission's final report, released 19 June, describes the Universal Service Obligation (USO) as a "blunt" instrument of "declining relevance". Perhaps –but it has provided a high degree of certainty about access to certain fundamental services for over 25 years.

The question is what will be put in its place- and how any sharper and more relevant scheme will be funded.

The delivery and the cost of the telecommunications Universal Service Obligation (USO) has been the subject of intense debate ever since it was formally established in the early 1990s.

Since that time, companies such as Vodafone and Optus – both now wholly foreign owned – have never stopped complaining about their contributions to the costs of funding loss-making services in Australia.

More recently, changes in technology have put more pressure on the USO scheme, which covers voice services only together with the provision of payphones. Increasingly there has been a demand for a universal broadband data service while Australians are also coming to expect universal access to mobile services, both voice and data.

Last but not least, the NBN project has further complicated the issue by creating a national fixed broadband network provider on a structurally separated basis.

The NBN will in future be the logical (and in most places the only available) fixed network provider and under legislation now before parliament will have a statutory obligation to provide a base line broadband service of Mbps 25/5 nationally.

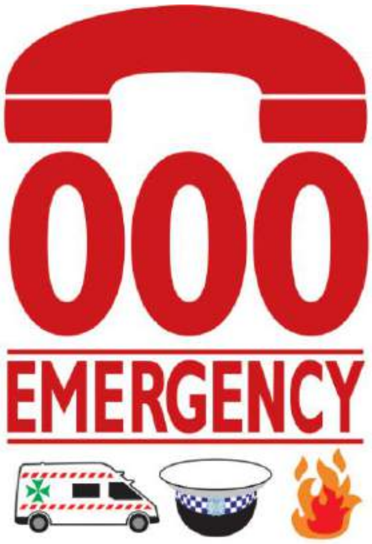
But this is at the wholesale level. The NBN will not actually offer end (retail) services, nor as Australians are now learning, can it guarantee retail service speeds or service quality.

All this adds up to a perfect storm – and navigating will not be easy. No wonder the Turnbull government has responded cautiously, saying that any changes will implemented in a “constructive, careful and considered manner.”

8. Government calls for tenders for Triple Zero

The federal government has called for tenders for what it describes as a “next generation” Triple Zero national emergency call service, capable of providing integrated location-based data services.

Last year the government began the process of reviewing the delivery and the operation of the Triple Zero service, issuing two separate requests for Expression of Interest (EoI) – one for the provision of Triple Zero services as currently defined and another for location based data services.



The first arose from the requirement under the former Labor government’s 2012 NBN agreements with Telstra that the Triple Zero service be put out to tender by 2017. The second reflected the fact that the majority of 000 calls now come from mobile phones, raising potential problems in locating callers.

The government has now decided to issue just one tender which will require the successful bidder to offer Advanced Mobile Location (AML) technology as part of the Triple Zero service.

This really is a “no-brainer” as any other approach would involve inefficiencies in terms of both investment and service coordination.

The provider will be required to have its call centres in Australia.

Last year when the request for EoIs went out, the CWU called on the government to ensure that the 000 service continued to be provided wholly within Australia.

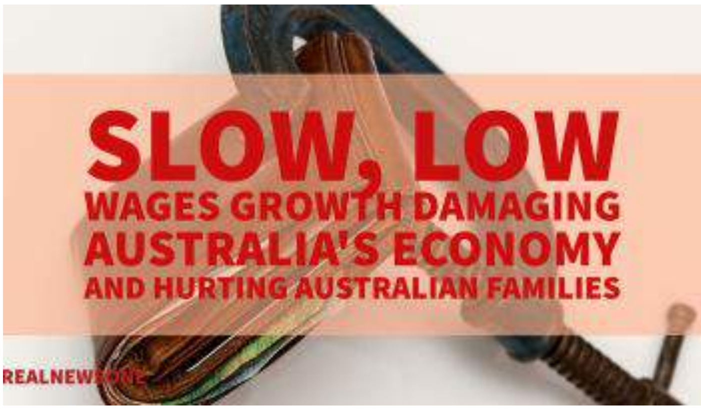
The union also believes that Telstra, the current provider, remains the logical choice for the future by virtue of its long experience, its network reach (both fixed and mobile) and ..by no means least—its deep pockets.

Funding to Telstra for 000 is currently capped at up to $20 million a year (not indexed) for 20 years.

9. RBA wants workers to earn more

The head of Australia's Reserve Bank (RBA), Phillip Lowe, thinks it would be a good thing if Australia's workers earned more – and unions agree.

It's unusual, to say the least, for a senior government officer to be calling for wage rises when what we are used to hearing is calls for wage restraint. But then we are in an unusual situation, with both wage growth and workers' share of national wealth at all-time lows.



Business is doing well, with profits up. But what's good for individual businesses is not necessarily good for the economy as a whole. It won't grow if demand stagnates because no-one has money to spend.

So Lowe wants workers to be "re-energised" and demand bigger wage rises.

Actually, though, they are demanding them right now – it's just that employers aren't agreeing to give them. Funny that!

Lowe seems unaware that the whole aim of the changes we have seen to workplace laws in the last 10 years (if not longer) has been to weaken workers' bargaining power by limiting opportunities for industrial action and undermining the ability of unions to advance their members' interests.

It's effective collective action –or the prospect of it – that drives wage growth across the economy, not individual workers' going cap in hand to the boss.

That's why unions are saying that changes in workplace laws are needed if we are to have wage justice in Australia – and give the economy a boost at the same time.

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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