

E-BULLETIN Telecommunications

#8. May 2017

1. Telstra Wideband Design update.
2. Silcar Communications: negotiations near conclusion.
3. Silcar Communications: long service leave alert.
4. Broadcast Australia: EA negotiations begin.
5. Telstra: when are you covered for workers' compensation?
6. Optus profits down, investment up.
7. NBN, Vodafone contractor goes broke.
8. Telstra points to telecoms skill shortages.
9. Wages growth now lower than inflation.
10. Penalty rates cuts will hit regional economy says report.

1. Telstra Wideband Design update

The CWU is continuing to dispute Telstra's re-grading of design and related functions in Wideband.



The CWU and Telstra have now met several times over this issue.

On the most recent occasion, Telstra asked the union for a more detailed explanation of its objections to the grading decisions, based on the particular functions performed by employees, both currently and under the new work model.

Telstra's re-organisation of Wideband has involved collapsing the Internal and External Design roles into one role, graded at Band 6 and, similarly, the CAN

and Tech Appraiser roles into one role, graded at Band 7. Our discussions to date have focussed chiefly on these two roles.

Telstra has made it a condition of any further meetings that the CWU provide our objections to these moves in writing. The CWU has responded with arguments focussing in the first instance on the re-structured Designer role which we believe should be a Band 7. If the correct grading of this position can be agreed upon, grading of the higher positions should follow.

Members will be kept advised on developments.

2. Silcar Communications: negotiations near conclusion

The CWU is continuing to work with Silcar on finalising the documents that will accompany the transfer of employees currently covered by the Silcar Communications Enterprise Agreement to the Visionstream Field Workforce Agreement.

Although these negotiations have been conducted as though the parties were bargaining for a new Enterprise Agreement, the actual process that has been agreed upon is that the former Silcar Comms

employees, who are now part of Visionstream, will transfer to the Visionstream agreement while preserving certain, but not all, of their current conditions.

Where key conditions such as hours of work, overtime payments and redundancy pay arrangements are better in the current Silcar Communications agreement, management is proposing either to preserve those conditions until the next round of bargaining for the Visionstream EA or to buy out the conditions with a one-off payment.



The company has already put what it says is its final proposal in these core areas to employees in a series of consultation meetings.

However there has been a significant number of other issues, including such matters as payment of allowances, paternity leave provisions, training commitments, disciplinary and consultation procedures, where differences between the two current agreements have had to be resolved.

The parties have recently met on two occasions to attempt to finalise these issues. They will meet again on Thursday 25 May in what the CWU anticipates will be the last meeting before a final round of employee meetings is held.

3. Silcar Communications: long service leave alert

A number of employees at Silcar Communications (now part of Visionstream) have recently contacted the CWU over long service leave problems.

The current Silcar Communications Enterprise Agreement, which is still in force, provides for employee long service leave entitlements to be paid into a portable long service leave fund. The actual fund varies from state to state but the principal is the same wherever an employee is based.



Portable Long Service Leave

It appears however that this has not been happening in Victoria and possibly elsewhere.

This issue was raised by Victorian employees earlier this year during enterprise bargaining discussions and the CWU understood the matter was being addressed.

However employees have since reported that on resigning from Silcar/Visionstream to go to a new employer they have been told that their leave entitlements have not been paid into the relevant fund and they would be paid out by Silcar, whether they wanted that or not.

The whole point of this clause in the EA is to ensure that employees in a volatile industry are not disadvantaged by being paid out their long service leave before they want to take it – or indeed not being eligible for any at all. Affected employees are justifiably angry about this situation which in fact is a breach of the EA.

Following CWU representations, Silcar is conducting a national review of procedures which should be completed by the end of the week beginning 14 May. In the meantime, payouts for employees leaving the company have been suspended.

All Silcar employees are encouraged to check whether or not their entitlements are going into the funds specified in the current EA. Employees should note that these arrangements have been “red circled” in the current EA negotiations i.e. they will continue until at least the end of 2018.

4. Broadcast Australia: EA negotiations begin

Negotiations with Broadcast Australia (BA) for a new Enterprise Agreement kicked off this week, with meetings on both Monday 14 and Thursday 17 May.

At this stage, neither BA nor the CWU (on advice from its members) is seeking a major overhaul of the existing agreement. However, as ever, there are a number of issues that relate to day-to-day work practices and interpretation of the current EA that need to be resolved.

As usual, these are interrelated and include:

- Operation and application of certain allowances (Away from Home, Wellbeing)
- Operation of the current work hours “bucket” arrangements
- Call out arrangements
- Rest break issues.
- Management of TOIL



BA is also drafting a new policy around Transition to Retirement which will be discussed during the negotiations.

The next meeting is scheduled for Thursday 25 May. Any CWU members not yet involved in these discussions and wanting to have input into them should contact their state branch or Dave Smithwick at the Divisional Office.

5. Telstra: when are you covered for workers compensation?

Every few years the CWU gets a report that Telstra’s compensation officers have refused a claim by a field-based member injured while travelling to or from work under the log-on arrangements (Section 12 of the current Enterprise Agreement).



Staff turnover is obviously eroding Telstra’s corporate memory.

This question has been dealt with by the union on a number of occasions, most recently in 2014.

And in fact the answer was put beyond doubt by Comcare a decade ago.

Correspondence from Comcare to the CWU at that time confirmed that employees who are required to use a work vehicle and are using it for work-related purposes, including travelling to and from work, are deemed to be “at work” for the purposes of the Safety, Rehabilitation and Workers’ Compensation Act 1988.

Any member having difficulty with Telstra on this point should contact the CWU immediately.

6. Optus profits down, investment up

Optus says it will spend an additional \$1.5 billion on its mobile network over the next 12 months as it moves both to extend regional coverage and add capacity in metropolitan areas.

The move comes despite Optus announcing a 12% fall in profits for its 2016-17 financial year (which ended in March) and follows the recent (draft) decision of the Australian Competition and Consumer Commission (ACCC) not to declare domestic mobile roaming.

Both Optus and Telstra had argued strongly that giving the ACCC the power to regulate the price mobile carriers charged each other for connecting to their networks would act as a disincentive to those carriers' investing in network extensions and upgrades.

They have both now put their money where their voices have been, with Telstra also flagging further extensions to its 4G network to achieve 99% population coverage by later this year if the ACCC decision is confirmed.



Meanwhile, though, despite growth in its mobile customer base, especially in 4G, and in its broadband customer numbers (up 7% over the year), Optus earnings have gone backwards, with revenues taking a hit from lower mobile termination rates and with the costs of the English Premier League content deal still weighing on the balance sheet.

Optus, in short, is still making heavy weather of it as it seeks to negotiate the challenges of operating in an increasingly data-centric market, including those posed by the impending transition to 5G mobile networks.

For its employees' sake it is to be hoped it can make good use of the breathing space provided by the ACCC roaming decision.

7. NBN, Vodafone contractor goes broke

A contracting company that has provided services to nbn as well as to mobile carriers Vodafone and Optus has gone broke, owing millions of dollars to unsecured creditors and employees.



The company, Daly International, has offices in Australia and in the UK but its operations appear to have been largely in Australia.

Industry newsletter *ItNews* reports that its contracts included a \$27.7 million project with nbn to provide fibre to multi-dwelling units in Brisbane, the Gold Coast and Western Australia. Daly also designed an NBN passive fibre network in Sydney and Melbourne, as

well as site acquisition, town planning and design for the fixed wireless component of the NBN.

Earlier work included design and construction work for Vodafone Hutchison and Optus.

It is not yet clear what has led to the company's collapse but work on the NBN project has already proven to be a poison chalice for many contracting companies, both large and small. And of course it is not only commercial creditors and shareholders who feel the pain.

Of the debt so far identified, \$2.1 million is owed to employees in wages, superannuation and leave entitlements. All 80 of the company's Australian-based staff were terminated when the Daly was put into administration last month.

Source: *ItNews*

8. Telstra points to telecoms skill shortages

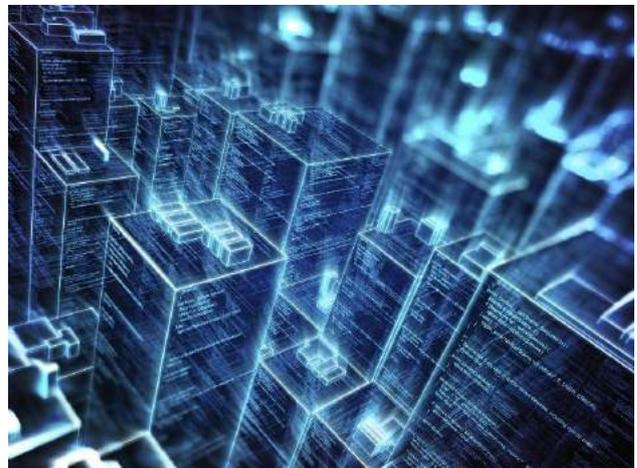
Telstra has sounded a warning about what it believes is a dangerous skill shortfall in the local and regional telecommunications sector.

In a recent column for Telstra Exchange, Telstra senior technology services executive Darrin Webb says that concerted action is needed if skills are to keep pace with the unprecedented rate of change in technology and the ever-increasing demand for data and connectivity, on both a national and regional basis.

For instance, some forecasts are predicting that demand for capacity on regional subsea cable network will quadruple over the next five years.

“This means we will need more people – engineers, developers and network architects – in more places around the world to ensure the demands of a connected world can be met,” says Webb.

“At the same time, we need this workforce to have new capabilities in areas like software, automation and security.”



Webb says Telstra is already addressing the skills gaps through a number of initiatives, including its Graduate Programme in Australia, Hong Kong and Singapore and its three year Business Technology Services (BTS) Academy programme which is designed to produce network and security specialists.

The company has also partnered with the Box Hill Institute in Melbourne to train around 500 of its technologists, engineers and network planners in software-defined networking (SDN) and network function virtualisation (NFV).

Source: *Telstra Exchange*

9. Wages growth now lower than inflation

Australians' wages are growing at a slower rate than the cost of living, putting even more pressure on households groaning under the weight of high housing costs.

Figures released by the Australian Bureau of Statistics (ABS) on 17 May show that wages rose a mere 1.9% over the 12 months to 31 March while inflation is running at 2.1%. So yes, inflation is low, but wage earners are still going backwards.

These figures in part reflect the decline in specific sectors, notably mining, where wage growth has been robust until quite recently.

But they also are the product of major structural changes in the workforce affecting both the incomes and the bargaining power of workers: the growth of insecure forms of employment (casualization, contracting), the related decline in levels on union membership and the legal barriers that have been placed in the way of effective union action.



Cutting penalty rates is not going to help of course.

Nor is the 2% pay rise cap that the federal government has imposed on tens of thousands of public servants, including CWU members in nbn, the Australian Communications and Media Authority (ACMA) and Australia Post.

“The Turnbull Government is presiding over an era in which power is being stripped from workers,” ACTU Secretary Sally McManus said.

“Wage theft is systemic, and casualisation and underemployment are constantly rising.”

“There are straight forward and easy decisions that can be made to reverse declining wages.”

“The Turnbull Government can stop the penalty rates cuts, it must support the lift in the minimum wage by \$45 a week, it must give its own public sector workforce a pay rise and it must protect workers from further wage cuts by stopping employers cancelling enterprise agreements so they can cut pay.”

10. Penalty rates cuts will hit regional economy says report

Cuts to penalty rates are set to cost regional communities as much as \$667 million a year, according to new research.

A report by the McKell Institute released this week says that the regions will be particularly hard hit by the cuts because retail and hospitality workers make up a higher proportion of the workforce in these areas.

In February, the Fair Work Commission (FWC) decided to cut Sunday penalty rates for workers in the retail, hospitality, fast food and pharmacy industries.

Labor has introduced legislation into the federal parliament aimed at stopping the cuts but while it has passed the Senate it has yet to be debated in the Lower House.

Australian unions will be using the McKell findings to highlight the impacts of the FWC decision not only on individual workers and the families, but on whole communities.



“The Turnbull Government can stop these cuts to penalty rates,” ACTU Secretary Sally McManus said, “and we urge them to act to do this before they are due to come in on 1 July.”

“When the Bill comes before Parliament each politician will have to choose – do they put the take home pay of locals first?”

**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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