



Communication

Telco

November 2011

TELSTRA AWARD MODERNISATION HEARING SET FOR DECEMBER

Dates have been set for the hearing of the Telstra award modernisation case. The applications by Telstra and the CWU will come before Fair Work Australia on the **5th December**.

Telstra has applied to have all its current enterprise awards cancelled and replaced by modern industry awards. The CWU and other Telstra unions have applied for a new modern enterprise award which preserves current entitlements.

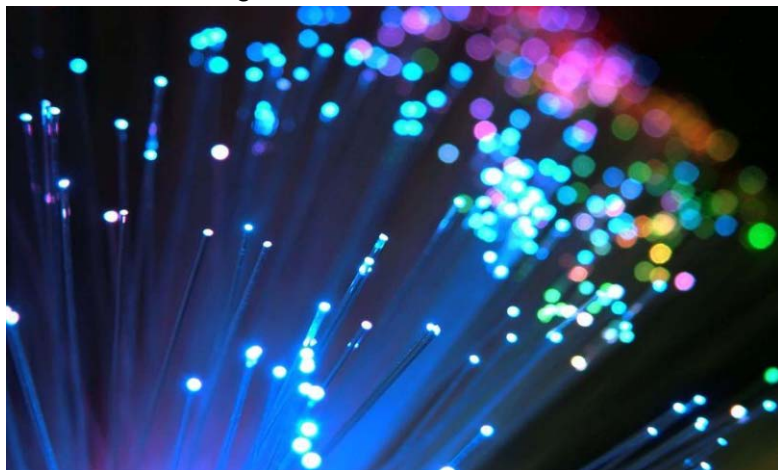
The case will be a major test of the award modernisation process which was supposed to leave workers no worse off than they have been under existing awards.

If Telstra's application is successful, Telstra employees face a lower "safety net" for enterprise bargaining, especially in relation to working hours. It is hard to see how this can be said to leave them no worse off.

Members will be advised of further developments in this important case.

CWU MEETS WITH TELSTRA ON FIBRE-RELATED TRAINING

The CWU has met with Telstra for a second time to discuss new training initiatives arising from the Telstra/NBN Co agreement.



As part of the overall NBN/Telstra policy package the federal government will make \$100 million available to Telstra to retrain employees to work on NBN-related functions. And under the terms of the grant, the CWU and other Telstra unions get to have input into the training programme.

The training could cover anything from fibre splicing, network design, project management or customer support depending on the extent of Telstra's involvement in the NBN project.

To date Telstra has not been contracted by NBN Co to do any of its volume roll-out – a fact that is puzzling given the company's capabilities and the challenge NBN Co faces in meeting its roll-out targets.

But even without this work, the CWU believes there will be a need for training for employees involved in NBN-related functions within Telstra itself – in network remediation work, for instance (in cases where this has to be done so NBN Co can use the Telstra infrastructure) or, further down the track, in customer migration.

More broadly, the CWU believes that Telstra needs to identify not only its immediate training needs but also the long-term work opportunities that will exist in the NBN environment. Training for these opportunities needs to be integrated into its overall programme.

The CWU will be engaging with Telstra on these issues in the coming weeks.

TELSTRA SHAREHOLDERS APPROVE \$11 BILLION NBN DEAL

Telstra shareholders have signed off on the \$11 billion (post-tax) deal which will see the company's fixed network traffic progressively transferred to NBN Co and the copper CAN decommissioned.



In return, Telstra will receive payments for sale of its lead-in conduits and for lease of elements of its infrastructure including dark fibre.

It will also receive compensation of up to \$500 million if the NBN roll-out stalls or runs significantly behind schedule.

Finally, Telstra will gradually be relieved of elements of its Universal Service Obligation.

As a number of commentators have remarked, it is not surprising that Telstra shareholders approved the deal, given the alternatives which included Telstra's being denied 4G spectrum and being forced to divest its HFC and/or Foxtel assets.

What's more the company will now enjoy a new, guaranteed source of cash flows while leaving the government to carry all the risks of a national fibre-to-the-home roll-out. Meanwhile the copper CAN will continue to provide an important source of high margin revenues for years to come. (See article below.)

All that remains now is for the ACCC to sign off on the processes that Telstra proposes should govern its behaviour during the transition to the NBN. Under the terms of the Telstra/NBN agreement, that has to happen by 20 December or the deal is off.

The ACCC has said that it cannot guarantee that issues raised by the industry about these processes will be resolved by then. But given how much is at stake for Telstra, NBN Co and the federal government it is unlikely the deadline won't be met.

ISGM: CWU QUERIES NEW TELSTRA CONTRACTING ARRANGEMENTS

Telstra has made big changes to its contracts for installation and maintenance – and the CWU believes the new arrangements raise some major concerns.

Earlier this month Telstra announced it would not be renewing its contracts with its current “head” contractors Visionstream, Silcar and Service Stream and would be giving all its outsourced Customer Access Network (CAN) work to one company – Infrastructure Services Group Management (ISGM).

But the new arrangements, dubbed Project Partner, involve more than just going from 3 suppliers to 1.

Under ISGM's contracting “model”, the subbies work-flow will be fully integrated with that of Telstra's full-time workforce. ISGM team managers will be co-located with Telstra's, ISGM subbies will use Toughbooks and their vans and clothing will be Telstra/ISGM badged.

The only difference between ISGM's workers and Telstra's will be in the way they are paid and, most importantly, in their entitlements – superannuation, sick leave, long service leave, annual leave and so on.

When is a sub-contractor really an employee? Telstra's new model raises this question even more sharply than its previous arrangements.

The CWU has met with Telstra to discuss this question and will be pursuing it further when more details of the new contractual arrangements are available.

In the meantime the union has also written to ISGM seeking talks and plans to hold meetings of contractors who are considering signing up with ISGM. The outcomes of these initiatives will be reported in future E-bulletins.

TELSTRA ADSL UPGRADE: PROJECT DELTA

Copper is not dead yet!

That’s the message that comes from Telstra’s recent confirmation that it will be proceeding with Project Delta, the programme to upgrade sections of the Customer Access Network (CAN) where it can’t at present meet customers’ broadband needs.



Telstra will upgrade its curb-side equipment to provide better broadband services.

Telstra will target those areas that the NBN roll-out is not expected to reach any time soon.

The project aims to increase the number of services and the speeds available to customers by extending the capacity of Remote Integrated Multiplexers (RIMs).

At the time when they were installed RIMs allowed a more efficient use of the copper access network. But they are unsuitable for dealing with the bandwidth demands that have accompanied the rise and rise of the Internet.

Telstra’s willingness to invest in this upgrade is a sign that it sees life – and customers – in the copper CAN for some years to come.

That’s good news for customers – and should be good news for Telstra employees as well.

NBN CO ANNOUNCES NEW ROLL-OUT SITES

NBN Co released new roll-out details on 18 October, with the announcement timed to coincide with the Telstra Annual General Meeting at which the Telstra/NBN Co deal was approved.

NBN Co identified 49 new “brownfields” construction modules, 28 of which are in new locations. The others represent extensions of areas where work is already underway. Altogether there are now 60 locations in which construction is either complete, underway or scheduled to begin between now and September 2012.

Despite this ramping up of the roll-out, however, it seems from the public figures that NBN Co may have difficulty meeting its June 2012 targets as set out in the Corporate Plan released in December last year. This is especially the case in greenfields areas where unresolved policy issues and related operational difficulties have slowed the pace of construction.

Unmet demand in greenfields estates has the potential to create more difficulties for NBN Co, developers and householders than delays in the brownfields areas. Home buyers in these areas face the possibility of having no fixed line service if fibre has not been laid and backhaul to a Point of Interconnection arranged by the time building construction is complete.

Such a state of affairs is unlikely to impress affected voters, despite the overall popularity of the NBN project. So the remaining 24 months before the next federal election are likely to be busy ones.

Locations	Network built & ready for service	Work underway	Design & Construction to start within 12mths	Month in which first/next detailed Map will be released
Bacchus Marsh			7,500	October 11
Ballarat Central*			8,900	April 12
Brunswick	2,700		17,400	December 11
Melbourne City*			5,900	July 12
Melton*			2,600	June 12
South Morang		2,900	10,500	December 11
Tullamarine*			8,300	May 12

* New Location

Commencement date marks the handover of the desktop design to the construction contractor for final design and construction.

NEW USO LEGISLATION IN PARLIAMENT

Changes to the operation of the telecommunications Universal Service Obligation (USO) are underway, with legislation designed to reflect the new industry structure now before the federal parliament.

The bills will give effect to the agreements reached between Telstra and the government about the operation of the USO in the NBN environment.

Under those agreements, Telstra will be relieved of elements of its USO obligations as the NBN is rolled out with NBN obviously taking over the role of infrastructure provider. Telstra however will continue to be the retail service provider of last resort within the NBN fibre footprint.

Outside the fibre areas Telstra will still have to maintain its copper network for the provision of voice services for a period of 20 years. It will also continue to provide payphones and act as the emergency call operator although this latter service will be put to competitive tender within the next 5 years.

For its part the government will make its own direct contribution to funding the USO, with its contribution supplemented by an industry levy like the one that operates now. These funds will be managed by a new agency, the Telecommunications Universal Service Management Agency (TUSMA) which will contract with industry members – largely Telstra – for delivery of the USO services.

Complicated? Once universal service was funded by simple internal cross-subsidies. After over 20 years of privatisation and competition policy, have we really found a more efficient way of ensuring that everyone has access to these services?



INFOCOMS INDUSTRY TURNS TO 457 VISAS

Applications for 457 visas from the information and communication technology sector have jumped 50% in the last 12 months according to industry recruiters.

The Australian quotes recruitment agency, Peoplebank, as saying that it was experiencing strong demand for skilled professionals, especially for information technology roles.

That's in line with the most recent government figures which show that the number of 457 visas granted between July and September this year was 54.2% higher than the same period last year.

Government figures also confirm that it is higher level skills which are currently most in demand, both in the ICT sector and across the economy in general. In the most recent period, 74.6% of 457 visa grants were to Managers and Professionals as opposed to 19.9% to Technical and Trades workers.

It remains to be seen, however, how that picture will change once the NBN roll-out ramps up.

The CWU believes that now is the time for government to be ensuring that local ICT skills supply can meet future demand across the board with a view to renewing our domestic skills base and equipping workers for long-term participation in the industry.

FOXTEL IS EXPLOITING CONTRACTORS AND SHIRKING FAIR WORK RESPONSIBILITIES

The workers who install home services for pay TV operator Foxtel should have secure jobs and fair pay and conditions in line with Australian workplace standards.

The ACTU is backing a new campaign for secure jobs for pay TV installers, which is launched by the Union on Thursday, 24 November.

ACTU President Ged Kearney said Foxtel was exploiting its pay TV installers, employing them as individual contractors through a labour hire company, which had recently begun cutting their pay and enforcing fines for taking sick days.

“These workers are victims of the epidemic of insecure employment practices across Australia, which is now affecting 40% of the workforce” Ms Kearney said. “They are employed as individual sub-contractors, which should allow them the benefits of operating their own small business. But Foxtel does not allow them to work for anyone else and the workers have to be available seven days a week, whether it is busy or not.



“Even worse, the installers invest tens of thousands in equipment to be able to work for Foxtel, but they receive no job security. Many tell us they have not taken a holiday in years, as they can’t afford the time off for fear they won’t be given more work.

“They don’t know if they’ll be working the next day until late afternoon, or how many jobs they will get. This approach is an unfair shift of risk from business to workers and leads to enormous financial insecurity for families.

“Insecure work suits employers because it allows them to shift costs onto workers, and it is spreading into sectors that were once seen as havens for permanent and secure jobs.

“Ten per cent of the Australian workforce – more than a million people – are now contractors, and many of them are vulnerable to exactly the same exploitation. They are treated like employees, but have none of the protections or entitlements that genuine employees receive.

“Foxtel is a respected Australian brand, which should take responsibility for installers’ work conditions rather than hiding behind the cover of downstream contractors, hired through contracting firms Downer and BSA.”

Ms Kearney said Foxtel installers also missed out on many workplace entitlements and conditions – including the right to take protected industrial action and be represented by a union in collective bargaining – because they are hired as individual sub-contractors rather than employees.

Foxtel installers, supported by the CEPU telecommunications union, are making a submission to the Independent Inquiry into Insecure Work, chaired by former Deputy Prime Minister Brian Howe. For more information, go to securejobs.org.au

This media launch is the first salvo in a national campaign. Foxtel sub-contractors agree that action to address their claims needs to involve workers across all states.

Meetings of Downer and BSA subbies who perform work for Foxtel have been held in NSW, Victoria, Western Australia and South Australia. In all states the feeling among the subbies has been the same – strong dissatisfaction with the rates, hours of work and penalty regimes in current contracts.

The CWU has written to both Downer and BSA on behalf of the Foxtel subbies. It has also written directly to Foxtel. Failure to receive a positive response is expected to trigger a national campaign in support of a log of claims currently being developed by sub-contractor representatives.

UNION TRAINING COURSE

One of the outcomes of the campaign and dispute with Telstra over the 2010/2012 EBA was the re-establishment of paid trade union training leave after many years without it.

We are conducting a trade union training course for delegates/shop stewards of the union for one day on Thursday 8th December 2011 from 9am to 5pm.

Places on this particular course have been filled, but there is a probability that we will run another course sometime in 2012. Members will be advised.

FIJI: ATTACKS ON UNIONS INCREASE

The Fijian union movement is under increasingly savage attack from the country's military government.

New laws which have just come into full effect restrict the ability of Fijian workers to organise and to bargain collectively.

The Essential Industries Employment Decree bans unions from representing members in bargaining and bans any industrial action by employees which could have a negative impact on employers.

It also bans overtime payments, removes minimum wages and cancels out all existing collective agreements.

The move comes immediately after Fijian Trades Union Congress President Daniel Urai was charged with sedition and accused of political violence, and follows the arrest of FTUC Secretary Felix Anthony.

The Australian union movement has condemned the laws and has called on Australian companies operating in Fiji, including ANZ and Westpac banks, to publicly denounce the Government's actions and commit to workplace rights consistent with International Labour Organisation obligations.

"Australian companies cannot wash their hands of the repression, while continuing to profit from the labour of Fijians," ACTU President Ged Kearney said.

INJURED AT WORK – YOUR RIGHTS

It is important that injured members report to their local CWU representatives or Health & Safety representatives if:

- Anyone tries to discourage you from completing an incident & or claim for rehabilitation and compensation form.
- You are not provided with suitable duties (signing on for work is not suitable duties).
- Your doctor is contacted without your consent.
- Telstra does not provide you immediately with appropriate paperwork upon request.
- You are interviewed or an attempt is made to interview you by a 'factual investigator'.

IF YOU ARE INJURED

Step 1. Immediately notify your supervisor when an injury occurs and always complete an incident report form – regardless of any reportable "loss of time" or medical treatment.

Step 2. See your own doctor — If you suffer an injury or illness at work. You have the right to see the doctor of your choice (treating doctor).

You are required to 'Nominate a Treating Doctor' who will be involved in your treatment and assessment for 'Returning to Work'.

You are not required to use Telstra's doctor as your nominated Treating Doctor.

Telstra can only force you to see their doctor if they direct you to do so in writing under Section 57 of the Safety, Rehabilitation and Compensation Act, this occurs after making a claim for rehabilitation or compensation and after you have seen your own GP. If you are unsure about whether refusing to see Telstra's doctor will affect your compensation claim, consult with the Union immediately.



Step 3. Provide your WorkCover Medical Certificate to Telstra as soon as possible by attaching it to a Workers' Compensation Claim form.

Telstra must give you the Workers' Compensation Claim form, upon request. Keep a copy of all documents including the Medical Certificates, and keep a diary of all that occurs.

An injured worker must participate and co-operate in the establishment of a Rehabilitation Plan that is required to be established for an injured worker by Telstra.

Step 4. An injured worker must make all reasonable efforts to Return to Work as soon as possible, having regard to the nature of the work-related injury/illness. Telstra must provide an injured worker with suitable duties, unless Telstra can prove it is not possible.

You must contribute to the development of a Return to Work plan, otherwise known as a Rehabilitation Program. This plan must be developed with you, your Union (i.e. delegate), Telstra, your rehabilitation provider, and your nominated treating doctor. The agreed plan must be followed.

You must be provided with suitable and safe work according to the requirements of your WorkCover Medical Certificate.

You must not be treated differently from other workers

All parties to the Return to Work plan must approve if your duties are to be changed.

You should not be denied overtime unless the nominated treating doctor's certificate provides for restrictions or limits your hours.

If your worker's compensation claim is rejected, please contact the Branch office on 9600 9100.

NEW WEB-SITE

The CWU has a new national web-site. www.cwu.org.au. We recommend this to members.

The State branch's web-site is www.cwuvic.asn.au. The State web-site only contains basic information such as your industrial instruments. It is only updated during active campaigns such as the next year's EBA campaign.

TELSTRA DRAFT UNSATISFACTORY PERFORMANCE AND UNACCEPTABLE CONDUCT POLICIES

The union has been consulting with Telstra on the system they are designing to replace the old PICM process. The old PICM process is being split into 2 policies – one for alleged unsatisfactory performance and one for unacceptable conduct.

DOCUMENTS OF INTEREST

The union has copies of following documents which are too lengthy to post to members with this newsletter. We would be happy to post or email them to members who express interest in them.

- 1. NBN National Construction Schedule**
- 2. NBN Policy & Commercial Issues – discussion paper by Ian Martin**
- 3. Summary of Presentation by the union to Telstra at the 2.5% WAGE DIFFERENTIAL TALKS**

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TOUCH ONE TOUCH ALL



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