# TELECOMMUNICATIONS 1



Telstra EA 2015

SEPTEMBER 2015



You will soon be asked by Telstra to vote on their proposed Enterprise Agreement. Telstra is required by law to put their agreement out for a vote of all 'affected' employees, before it replaces the current EA – 'affected' employees means well over half of those voting are in fact not currently on our EA.

Despite a long period of negotiations with other unions and other bargaining agents, there is, as yet, no agreement on Telstra's EA and in fact a number of proposals, if adopted would be of serious detriment to employees/union members.

### What are these proposals?

#### 1. Move To So-called 'Performance' Based Pay

- Telstra wants all employees to ultimately be forced on to their so-called 'performance' pay system. They have included additional measures in their draft EA to move towards this position as soon as possible.
- One of those measures is to force all new employees on to the so-called 'Job Family' section of the EA and prevent them going to the Workstream section which protects them if they do not wish to be on Telstra's 'performance' pay system.
- Telstra's 'performance' pay system is used currently for all employees in the 'Job Family' as well as employees on AWAs, ITEAs and other forms of individual employment contracts.
- Telstra's 'performance' pay system means that nothing is negotiated or negotiable, whether it is your pay rate for the job, your pay increases (if any), or your other conditions.
- This is Telstra's objective for all employees and must be rejected. Telstra's 'performance' pay system is a shonk!

#### 2. Forced Redeployment

- You would no longer have the right to choose between redundancy and redeployment. That is there would be forced redeployment/reassignment for employees occupying positions which are declared redundant.
- If Telstra reassigns you to an unsuitable job and you refuse it, you are denied redundancy pay.
- When you are reassigned to a lower paid job you receive no pay increases until you are no longer considered 'overpaid'.
- When you are reassigned to an unsuitable job, you
  can't 'request' an appeal until you have been working in
  that unsuitable job for 3 months. If you are granted an
  appeal, Telstra do this internally, with no further avenue
  for appeal of any of Telstra decisions.
- There is nothing to stop Telstra using this process for constructive dismissal (i.e. the employment circumstances you find yourself in, giving you no alternative but to resign). Your appeal rights through the Fair Work Commission are very limited.

### 3. Changes To Emergency Duty/Phone Advice

- Telstra wants to avoid payment of essential customer servicing allowances (on call, emergent, etc), in certain circumstances thus changing the pay arrangements for phone advice.
- This also allows Telstra to get around paying the minimum 3 hours at double time emergency duty entitlement under some circumstances, by changing the intent of emergency duty – in other words, they want to be able to ring you up without any prior warning and only pay 1 hour at double time for the privilege.



# TELSTRA'S SO-CALLED 'PERFORMANCE' PAY SYSTEM

Telstra wants everyone on its 'performance' pay system because it claims that employees on 'performance' pay are more productive. They have never advanced one skerrick of evidence to back that claim. Scratch the surface of this claim and what do we find?

In 'performance' pay areas, working through breaks, working unpaid overtime, working in one's own time and cutting corners is widespread and endemic. These things have been represented by the union and by employees over and over again.

Telstra's own words demonstrate how dictatorial their 'performance' system is and we quote:

# "...People Managers determine appropriate increases for employees."

In our view this means the following outcomes affect your pay:

- The band assigned to a role on employment or transfer is at Telstra's discretion.
- · The position in range is at Telstra's discretion.
- The percentages set in the range are at Telstra's discretion.
- The performance ratings are at Telstra's discretion.
- · The performance 'calibrations at Telstra's discretion.
- The entire 'merit matrix' is at Telstra's discretion.

You can see that from Telstra's point of view their 'performance' system has been and is non-negotiable.

In Telstra's EA, (Job Family arrangements), even if your performance is classified as 'satisfactory' (i.e. rating 3) you may only be guaranteed a 1.5% increase for the year. That is a real pay cut.

Some time ago we surveyed members and other employees about Telstra's 'performance' pay system. Here are some of the comments:

"People on AWAs are being issued with the easier, more simplistic jobs."

"Their performance based pay increases seem to be based on who you know."

"Any pay increases... I've received have been due to working excessive hours..."

"Short cuts are taken, jobs not finished properly and others have to fix it..."

"Our management are clueless to what we do and are not in a position to judge how we perform our work. It is too open for 'favorites' to get better pay."

We know that the outcomes of the 'performance' pay system are controlled by the 'bell curve' concept or a distorted 'bell curve' concept: Management refer to it as calibrating the outcome. That is, some employees must be allocated to each end of the' bell curve' regardless of their real performance. This is reviewed by Management every year and changed at the Management discretion.

We will use every opportunity to expose Telstra's shonky 'performance' pay system.

Currently, about one third of the Telstra workforce is protected from Telstra's shonky 'performance' pay system in the Enterprise Agreement, in the Workstream section of the agreement. The wage underpinning provided by the Workstream arrangements gives considerable leverage to the wages for every other employment arrangement. Without the Workstream arrangements the only way is down with Telstra wages.

Telstra clearly are cutting and running and chancing their arm on this unacceptable EA.

## We have to firmly say "NO" to Telstra's EBA proposals.

Remember, whilst you are getting union information to assist with your decision making, the majority of employees on AWAs, ITEAs and the so-called 'Job Family' section of the EA are not union members and therefore they will rely on our efforts to find out the facts so that they are not railroaded by Telstra into voting yes; and voting against their own interests.

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Communication Workers' Union is the Communications Division of the CEPU



# **Optus Employment Partnership Agreement 2015**

#### **Bargaining**

The CWU met with Optus on Friday 28 August for the third meeting in the current round of bargaining for a new Employment Partnership Agreement.

#### The Agreement and the modern Award.

The meeting addressed changes to the current agreement that need to be made to bring it into line with the new Optus modern award.

In the award modernisation process, the CWU was successful in negotiating some changes to the existing award which gave more certainty around certain working conditions.

Optus and the CWU agree that these changes should be picked up in the agreement but we are still considering some details of the wording around some issues i.e. hours of work and health and safety representative training.

#### **Hours of work.**

The new award limits the number of ordinary hours that can be worked in any one day to 10, with exemptions relating to shift arrangements and individual flexibility agreements.

We are discussing how to ensure that this provision does not limit existing shift arrangements where shifts of greater than ten hours but less than 12 hours are in operation. 12 hour shifts are already catered for and regulated in both the award and draft agreement.

#### **HSR training.**

In the case of health and safety representative (HSR) training, the CWU wants to ensure that the wording in the agreement properly reflects the provisions of the Work Health and Safety Act.

The Act essentially gives health and safety representatives the right to choose which training course they attend, provided it is approved by the regulator.

#### **CWU** claims discussed.

We also began discussion of items contained in the CWU's log of claims, including an increase in the amount of leave available for emergency duty and the provision of a domestic violence leave entitlement.

The union is optimistic about getting a positive result in both these areas, though discussion is continuing as to whether or not to provide a specific amount of domestic violence leave.

Future meetings will address the claims that the CWU has tabled on pay, redundancy entitlements and redundancy procedures. Members can refer to Optus Bargaining Bulletin #1 for more details of these claims.

It will also consider a further matter raised by the CWU about the grading level at which certain entitlements (overtime payments, start and finish times, on-call provisions) cease to apply.

Members have told the CWU they believe the current exemption structure is unfair and also acts as a disincentive to their seeking promotion to higher levels.

# THE AUSTRALIAN TAX OFFICE AMOUNT THAT IS CLAIMABLE FOR AN OVERTIME MEAL ALLOWANCE IS \$28.20.

Please consult your tax agent if you are claiming the difference between what you have been paid and this amount. You are expected to have actually spent the money and to have kept receipts for the expenditure.

### **TELSTRA EMPLOYEE TRAVEL COSTS ALLOWANCE - 2015-2016**

Employee Travel Costs Allowance								
Location	Accommodation	Breakfast	Lunch	Dinner	Incidentals	Total		
Adelaide	\$143.50	\$23.10	\$26.00	\$44.70	\$16.80	\$254.10		
Brisbane	\$144.00	\$23.10	\$26.00	\$44.60	\$16.70	\$254.40		
Canberra	\$123.50	\$23.10	\$26.00	\$44.70	\$16.80	\$234.10		
Darwin	\$142.90	\$23.50	\$26.40	\$45.40	\$17.00	\$255.20		
Hobart	\$114.70	\$22.80	\$25.70	\$44.10	\$16.60	\$223.90		
Melbourne	\$162.00	\$23.20	\$26.10	\$44.80	\$16.80	\$272.90		
Perth	\$150.00	\$23.10	\$26.10	\$44.70	\$16.80	\$260.70		
Sydney	\$177.00	\$23.20	\$26.20	\$44.90	\$16.90	\$288.20		
Country Centres	\$102.50	\$21.70	\$24.80	\$42.70	\$17.70	\$209.40		
Camping Rate	\$92.10	\$19.10	\$21.20	\$35.90	\$15.50	\$183.80		

Night Rate of Frequent Absence Allowance \$24.48



# **ELECTION RESULTS**



# We're Back... And we've got YOUR back!

### **Election Results for the State Branch**

The current officials were returned with between 81-87% of the vote. The most important position in the union, the Branch Secretary was won by Leroy Lazaro with 81% of the vote. Leroy stood against Bernie Clarke who polled only 344 votes.

One of the biggest changes is that Leroy Lazaro is the new Secretary and Joan Doyle is now an Organiser. We also have to thank Ray Gorman, Tim Gaunt and Kristin Potamitis for their service on the last Branch Committee of Management (BCOM), and welcome Chris Punshon as the new Branch President and Rob Heller, Kevin Gomez and Gary Cleland as new BCOM members. The Telstra reps are Angelo Ozella, Ross Hudson and Val Butler.

#### **Election Results for the Divisional Office**

The biggest surprise of the election was that the Divisional Officers who were elected only 4 years ago have all lost their positions.

This was result of a vicious and misleading election campaign. NSW and other States except Victoria were awash with shit-sheets claiming that the Divisional Secretary was 'rorting' Travel Allowances and was corrupt. This is not the case. There has been a recent forensic audit of the Divisional Office books by the Fair Work Commission and the Divisional Secretary and the Office came up 'squeaky clean'. We would never support anyone who was mis-using members' money.

The other 'big lie' was told to Telco members who were told that the Divisional Office had agreed to 'half' their Redundancy Agreement. The truth of the matter was that the Divisional Office 'won' a wonderful negotiation of the Telstra Modern Award, where 40 weeks was recognised as the standard for redundancies in this safety net. Every other Modern Award (including the Australia Post one) has had to settle for the National Employment Standard (NES) which is a 16 weeks maximum. Then Australia Post workers in other States were also told that the Divisional Officers would 'sell them out' like they had sold out the Telco workers.

The election campaign was run by the NSW ALP Right. The people telling these lies understand exactly the relationship of a Modern Award to an Enterprise Agreement and that the Redundancy Agreements legally remain as they have always been.

The fact that they won based on lies undermines the moral authority of the people who were elected, whether they were party to the deceit or not. Members are rightly very angry about this.

That said, the voting is what it is and the following people have been elected to the Divisional Office.

**Divisional President (honorary)** – Shane Murphy (Assistant Secretary of P& T NSW Branch)

**Divisional Secretary** – Greg Rayner – (ex – President P&T NSW Branch)

**Divisional Assistant Secretary (Postal)** – Nicole Robinson (Sales Manager at Australia Post from CWU QLD)

**Divisional Assistant Secretary (Telco)** – John O'Donnell (ex-President CWU WA)

**Divisional Vice-President (honorary)** – Bernie Clarke (PDO, Bayswater DC, ex-organiser with the P&T Vic Branch before the current leadership)

**Divisional Vice-President (Affirmative Action)** – Lisa Maree Bahls (from CWU SA Branch Committee of Management)

## PLEBISCITE: MEMBERS REJECT RULE CHANGE

A clear majority of CWU members has rejected a change to the union's rules that would have allowed individual branches to leave the Communications Division and merge with another Division of the larger Communications, Electrical and Plumbing Union (CEPU).

Members voted down the proposed rule change by approximately 2 to 1.

The original amalgamation between the three unions that make up the CEPU – Communications, Electrical and Plumbing – was based on a degree of independence between the different divisions, each with its distinct membership.

The idea was that members of these different divisions would continue to have their own elected officials who were answerable to them and knew their industry.

This arrangement could only be changed if all members of a Division voted to amalgamate with another one – not on a branch by branch basis.

The supporters of the rule change argued that branches should have the right to make such decisions for themselves. The opponents said the rule change opened the way for the Communications Division to be pulled apart, bit by bit.

The vote in the plebiscite showed that CWU members wanted an independent union that could defend their particular interests as communication workers.



# TELECOMMUNICATIONS COMMUNICATIONS



### **HELLO FROM LEROY**

I would like to take this opportunity to thank everyone for placing confidence in our team in the recent Union elections this year.

We are a team who takes the livelihood and working conditions of our members very seriously. I will strive very hard to best represent the interest of our members and look to better their working conditions wherever possible.

My team and I will always be there for our members and will endeavour to carry on the good work and service the Union has provided to our members over the last twelve years.

I look forward to working with you into the future.



### THANK YOU FROM JOAN

Thanks everyone for their support over the last 12 years. It has been a big responsibility (as well as an honour) to have had the role of defending members' livelihoods rest with me.

The union has had some difficult times over these years.

When our rank and file team took over in 2003 from the previous leadership group (which members

need to remember included Bernie Clarke) we inherited a run-down organisation (with virtually no cash-flow, computers that crashed daily, a union office riddled with asbestos, and more).

I am proud of the fact that we now run a lean and efficient operation that works on being accountable to members. The BCOM has set a protocol that organisers are not to meet with management without the local delegate to ensure this accountability.

We are financially stable. We always have quorums at meetings and shop-stewards training happens on a monthly basis. Members get visited and their calls get returned. The union is so much less financially vulnerable because we no longer have any members on Payroll Deduction which as we have seen can be used by management as a weapon to undermine the union by withdrawing our income suddenly.

As well as improving the governance of the union, I hope I have contributed to improved EBA outcomes. I well remember getting elected for my first term and coming face to face the problem that there was no arbitration clause in the Post or the Telstra EBA and therefore no enforcement tools!

Thankfully this problem was sorted in the Post EBA 6 and the Telstra EBA 2010.

We are very grateful to have received between 81 - 87% of the vote in the last election. This is a huge vote of confidence that indicates that the membership want to work with the current union leadership to get through the very difficult times ahead for communication workers.

# THE FIGHT TO KEEP OUR OWN COMMUNICATIONS UNION IS NOT OVER YET!

Allen Hicks, the National ETU Secretary and the National CEPU Secretary has applied to the Federal Court to change the decision-making rules to allow the National Council control over all Divisions (Communications, Electrical & Plumbing).

This would in effect mean domination by the electricians as they claim they pay 64% of total CEPU membership fees.

When the separate unions were amalgamated in the early 1990's, divisional autonomy rules were developed to protect the interests of minority member groups in the different industries. Currently matters that affect only that Division can only be dealt with by that division, and any changes to the rules have to be agreed to by each Division.

Other amalgamated unions and the ACTU have been contacted to suggest that this move by the ETU could cause major problems for the union movement in general. Several long-term members and delegates applied to be heard by the Federal Court. The Directions Hearing is on October 16th.

# TO SHARE WITH YOUR TEENAGE CHILDREN

ACTU Worksite for Schools' free e-book First Job Ready brings together practical tips for first time job seekers

- · resume writing
- professional presentation
- · getting a tax file number
- · reading a payslip

The 34 page e-book is written in simple language and provides real life examples.

The book also covers workplace issues young people face in the job market, like unpaid trial work, cash-in-hand payments and dodgy job ads.

Download your free copy now (PDF or iBooks) by visiting worksite. actu.org.au/firstjobready



ACTU Worksite for Schools worksite.actu.org.au worksite@actu.org.au



# TELECOMMUNICATIONS INC.



# **Telstra** flags **DA** call centre closures.

Telstra has advised the CWU that it proposes to close two of its Directory Assistance call centres.

The closure of the centres in Melbourne and Toowoomba will result in the loss of 34 Telstra jobs, 13 in Melbourne and 21 in Toowoomba. A number of agency staff will also be affected.

Telstra says that the closures reflect declining demand for such voice services as customers take up alternative directory and information applications.

It was indeed not long ago that former Telstra CEO David Thodey predicted that most current call centre jobs "would not exist" in 5 years' time as people moved to digital solutions for their service needs.

But it's also true that Telstra has encouraged this migration as a cost saving measure.

Employees affected by these closures will be eligible for redeployment. But in the case of Toowoomba the opportunities will obviously be limited. As always, it is the regional centres that are most badly hit by such closures.

The CWU will be meeting with Telstra to discuss the proposed closures.

# **G.Fast**

### The copper comeback?

# nbn to trial G.Fast for high speed broadband.

nbn has announced its intention of beginning trials of G.Fast, a technology capable to delivering superfast broadband over the copper loop.

The announcement comes hard on the heels of a decision by British Telecom (BT) to move to large scale G.Fast trials in the UK. Some 2,000 homes and businesses will be G.Fast enabled, with a view to full deployment within two years.

As with all DSL technologies, the speeds that can be achieved over the copper "last mile" depend on the distance between the distribution point and the premises.

G.Fast has proven capable of providing speeds of 1Gbps over copper lines no longer than 250 metres –though BT is now claiming that it has achieved similar speeds over 350 metres in laboratory conditions.

As industry newsletter, Communications Day, points out that could be particularly relevant for the NBN. Research published by GQI Consulting less than two years ago suggested that some 70% of the Australian population was within 350m of the cabinets or pillars where FTTN nodes will be co-located by NBN.

Much will continue to depend, of course, on the state of the last 350 metres of residual copper, though pushing the fibre out even closer to the home than in the FTTN model would go some way to dealing with that problem.

No date has been given for the NBN trials but they will be watched with keen interest by the industry.

# nbn plan projects increased costs.

The NBN will cost another \$5-\$15 billion more than was estimated less than two years ago, according to the company's recently released 2016 corporate plan.

The new figures highlight the ongoing uncertainty that surrounds the project.

With the government's funding capped at \$29.5 billion, nbn may need to raise as much as \$26.5 billion from other sources, with the borrowing need expected to kick in by June 2017. Given the darkening global economic and financial picture, raising such funds may be no easy task.

But this is only one of a number of problems still facing the NBN.

The plan also projects a sharp rise in the number of readyfor-service (RFS) premises that nbn will achieve over the next three years, with a target total of 9.06 million by FY18.

That's almost 8 times the total number of RFS premises – 1.21 million – that existed at the end of this financial year.

CEO Bill Morrow has already flagged the need for a large increase in the labour resources available to the project and for a related training programme. But it remains to be seen whether the army of splicers and cable jointers Morrow wants can be created in time to meet nbn's ambitious targets.

If not, we can expect more cost increases. Time means money, even in a period of low inflation and the challenge nbn faces in meeting its revised financial and construction

targets cannot be overstated.







16,356 2,220 1,822 3,640 42,093 6,707 4,849 31,180

38,593 36,922 3,032 1,165 27,281 33,627 8,699 1,309 22,856

43,934

12,257

251,588

3,091

But the most interesting pages are reproduced here

### NION'S FINAN

12,388

1,563

1,577

10,589

9,083 8.267

2,202

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unding - CEPU Divisional Conference

388 2,291

> 2,360 2,683

417

2,101

1,625 2,675 7,540 4,826

5,677

### 2,639 23.931 440 COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA) 2014 s 24,242 2,471 440 150 DETAILED INCOME AND EXPENDITURE STATEMENT CONTINUED 2015 FOR THE YEAR ENDED 31 MARCH 2015 ABN 30 490 675 447 Trades and Labour Councils: -Australian Labour Party rder Affiliation fees Affiliation fees: -Bendigo -Ballarat 1,685 14,190 89,348 1,723,450 COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA) 2014 12,160 45,173 907 1,597,452 2015 DETAILED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2015 ABN 30 490 675 447 Reimbursement of motor vehicle expenses Reimbursement of Work cover Members' contributions Welfare fund donations TOTAL REVENUE Interest received Sundry income REVENUE

Welfare fund donations	1	İ	-Geelong
TOTAL REVENUE	1,655,692	1,828,673	-North East and Border
			-South West
EXPENDITURE			-Goulbum AV
			-Victorian Trades Hall
Employee benefits expense:			-Union Shopper
Salaries and allowances			-National Council Funding – CEPU Divi
- elected officials	415,426	459,655	
- employees	242,707	314,019	
- other temporary staff	,	,	Administration expense
- compensation wages	•	1	Bank Charges
Superannuation contributions			Commission on contributions received
- elected officials	57,873	65,387	Computer maintenance
- employees	31,962	41,581	Conference and meetings:
Provision for annual leave			<ul> <li>fees and allowances</li> </ul>
- elected officials	408	31,534	<ul> <li>conference and meeting expense</li> </ul>
- employees	512	7,259	Electricity and gas
Provision for long service leave			Insurance
- elected officials	12,330	(4,698)	Land and water rates
- employees	(6,295)	(3,093)	Loss of wages
Provision for sick leave			Motor Vehicle expenses:
- employees	(14)	(2,205)	- parking expenses
Other			- running expenses
- Fringe benefit tax	6,014	5,717	Office expenses
- Workcover levy	6,412	8,642	Other expenses
- Payroll tax	37,572	46,794	Other allowances
- Separation and redundancies	6,894	•	Other fees and charges
- Superannuation insurance	•	,	Postage
	811,801	970,592	Printing, stationary & publications
			Shop stewards expenses

Training expenses Travel expenses

363,840

356,838

-CEPU Divisional Conference

Capitation fees

Capitation fees:

Staff amenities Stamp duty Telephone 22



25



# COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)

#### ABN 30 490 675 447

# DETAILED INCOME AND EXPENDITURE STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2015

	2015 \$	2014 \$
Depreciation expense	26,612	18,045
Legal expenses Litigations Other legal matters	11,220	46,311 -
Total legal expenses	11,220	46,311
Audit fees - audit of the financial statements - other Total audit fees	13,000 3,727 16,727	12,600 3,000 15,600
Net losses from sale or write off of assets	6,661	2,515
Other expenses Doubtful debts Medical expenses Refund of dues Sundry expense	9,277 10,038 4,154 4,597 28,066	78,922 17,188 6,430 4,113 106,653
Journey cover expense	29,777	32,800
Total operating expenditure	1,551,412	1,841,241
NET PROFIT/(LOSS) FOR THE YEAR	104,280	(12,568)

Authorised: Leroy Lazaro Branch Secretary

For assistance please ring the union office: (03) 9600 9100 or 1800 222 609

or Val Butler on 0408 766 444

