



## Enterprise Services restructure: Telstra notifies redundancies

Tuesday 5 June, 2017

Telstra has now formally notified the CWU of redundancies flowing from the Enterprise Services restructure that has been underway this year.

The number of eventual (net) job losses – 87 – is considerably higher than the 55 initially flagged by Telstra during consultations and the CWU is seeking an explanation from Telstra about the process that has led to this increase in numbers.

As reported in earlier E-bulletins, the redundancies stem from Telstra's decision to centralise both the design and workflow management functions carried out within Enterprise Services while at the same time outsourcing what the company describes as "high volume, low complexity orders" to "industry partners".



The restructure has also involved a reclassification of certain roles, most notably the internal designer role which the CWU continues to believe should be a CFW7, not a CFW6.

The CWU wrote to Telstra on 19 May outlining our arguments in relation to this question and spelling out what we consider are the implications of a correct grading of the designer role for other positions in Wideband ie the assigner and design excellence leads. Telstra responded on 29 May, rejecting the CWU's position.

On 2 June, the CWU's Divisional Executive authorised union officials to seek external legal advice in order to help determine how we might most effectively pursue this matter and get the best result for members. In the meantime, members affected by this reorganisation whether through redundancy, forced reassignment or successful application for a role are urged to contact their state branches so that the CWU can be sure

## Telstra annual performance reviews

It's performance review time in Telstra, with the 2017 operation scheduled to get under way from 5 June. From that date, My Future will be open for individuals and management to begin the review process.

The CWU met with Telstra on 25 May to get an update on the review process which has been modified since last year. Telstra says that its aim has been to get greater consistency in performance assessment across the company through adoption of principles that will be used by all business units.

Under the new approach, each business unit will be given a rating based on its overall contribution to company performance and results. But that rating won't necessarily apply to everyone in that part of the business – which of course it shouldn't.

## Telstra annual performance reviews (cont)

E-bulletin readers will recall that this time last year CEO Andy Penn warned employees in Networks that they may not be eligible for some forms of incentive payment because of the series of outages that had hit the network during the first half of 2016.



At the time, the CWU pointed out that this would amount to penalising employees for decisions, such as levels of network investment, over which they had no control.

Under the latest principles, it appears that business unit management will bear most of the pain in such circumstances. If a business unit gets a poor rating, it is expected that the Enterprise Leadership Group (ELG) will too. But there will be no blanket rating for all that unit's employees.

The CWU does not support performance-based pay systems for the very reason that the discretion they allow management opens the door to all sorts of injustice, not only collective punishment but, perhaps more commonly, local forms of discrimination and intimidation.

Nevertheless the union welcomes Telstra's recognition in this instance that a wage policy that involves penalising employees for management's mistakes or underperformance is both unfair and counter-productive.

## Silcar Communications: bargaining update

Representatives of the CWU met with Silcar Communications management on Thursday 25 May and again on Tuesday 30 May to finalise the proposed arrangements for the transition of employees to the Visionstream Field Agreement.

As reported in E-bulletin #8, these recent discussions have been devoted to reaching agreement on a number of relatively minor but nevertheless important matters where there is significant difference between the current Silcar conditions and those in the Visionstream agreement.

The parties have now reached sufficient agreement on these to move to the next stage which will involve putting the total transition "package" to the wider group of bargaining representatives prior to its going out to all employees for consultation – and finally for a vote.



## Telstra moves to grow IP in-house - but at a cost

Telstra will focus on developing and maintaining Intellectual Property (IP) in-house as part of a broader re-shaping of its Global Business to Business (GB2B) IT operations.

The CWU and other Telstra unions met with Telstra on 25 May for an initial briefing on a new operating model which will see a reorganisation of current teams in the business in line with Agile and Dev Ops practices. These are high performance team work models widely used in the IT sector.

## Telstra moves to grow IP in-house - but at a cost (cont)



Telstra says the changes to team structures and processes are designed to accelerate the development of B2B software solutions in an environment where technology and related customer needs are changing rapidly.

Developing IP and maintaining it in-house is the other side of the same coin as it designed to allow faster development and alignment of service offerings in a multi-product environment.

The CWU of course welcomes the move to in-source capabilities in this area. But there is a sting in the tail of this plan, with the reorganisation involving a net loss of 15 jobs.

## Broadcast Australia EA update

CWU officials and other employee representatives met 1 June to develop the claims they will be putting to Broadcast Australia (BA) during the current round of bargaining for an Enterprise Agreement (EA) to cover technical staff.

Discussion to date has centred largely around the details of working arrangements which are specific to BA, particularly the “bucket” system of dealing with hours worked beyond the standard 38 hour week. Employee representatives are now also turning their minds to the question of a fair pay rise.

Any CWU members wanting to have input into these discussions should contact their state union branch, preferably before 15 June. A two day negotiating meeting is scheduled for 15-16 June and will be held in Sydney.



## Local telco exploited students, court finds

A local telecommunications reseller, Sprint Telco, has been ordered to pay over \$7,000 in unpaid wages and superannuation to an overseas student visa holder after she brought a claim against the company in the Federal Circuit Court.

The case was heard in the Court rather than the Fair Work Commission (FWC) because that allowed the student to have the matter heard more quickly, before she returned home to Columbia.

The student told the Court that she had initially been paid regularly (although not, it was revealed, at award rates). After a while, though, she was paid less frequently and at one point wasn't paid for a month.

A Sprint director threatened to report her to the Department of Immigration for visa breaches if she complained. The court was also told that the same director had threatened another worker who complained about underpayment that he would place cocaine in her bags and report her to the police.



Sprint Telco, which is a Telstra reseller and advertises itself as having “Australia's best 4G network”, seems to have got off lightly. The judge who heard the case, Alister McNab, suggested that the company and its directors may well have incurred a “substantial penalty” if the case had gone to the FWC.

Source: *Workplace Express*.

## NBN reaches 5 million premises mark

Getting towards half-way there.



NBN looks set to reach its target of having 5.4 million premises ready for service (RFS) at the end of June – at least if it can keep up the pace of recent weeks. Its final goal is 11.6m-12m premises with 8million activations by 2020.

The company has just reported a record run rate of 140,000 new premises RFS over a 7 day period, numbers that are expected to bring its current total up to some 5.1 million. Of these, approximately half are being served by either FTTN or HFC – platforms which are allowing nbn to accelerate greatly the pace of the roll-out.

Equally importantly, nearly half those RFS premises -some 2.24 million – now have an active service, although as noted in earlier E-bulletins, the majority of those remain in the lower speed tiers of 25Mbps or below. The NBN business plan relies on customers moving to more expensive, higher speed packages but to date demand for these has not materialised, at least not at mass market level.

Meanwhile, a major construction challenge still looms with the company having set itself the task of reaching another 4 million premises over the next 12 months i.e. well before the expected date of the next federal election.

Source: *nbn, Communications Day.*

## AT&T workers strike for better conditions, job security

Some 40,000 employees at giant US telco AT&T have held a three day strike a part of bargaining for improved conditions and job security.

The strikers, members of the Communication Workers of America (CWA) were largely from AT&T's mobile division, AT&T Mobility, although they were also supported by employees from the company's wireline and Pay TV businesses.

The strike represented the first such action by employees of the company's mobile operations, including those working in retail stores.

AT&T returns nearly US\$ 1 billion a month in profits but it continuing to squeeze employees by suppressing wages and threatening health benefits. At the same time it continues to outsource jobs to low wage countries. The CWA estimates that 12,000 call centre jobs have been cut out of the company since 2012.



CWA members are demanding AT&T commit to an agreement that delivers wage increases that recognise rising healthcare costs, job security against outsourcing, affordable healthcare, and a fair rostering/scheduling policy.

## Keep in touch

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If you have any questions on any of the above articles, please contact an official at the Union office on (08) 8443 7389.

A handwritten signature in blue ink that reads "G Lorrain". The signature is stylized and cursive.

Graham Lorrain  
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