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CWUnion SA & NT
TELECOMMUNICATIONS
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Telstra flags reorganisation, redundancies in Design and Service Delivery

Friday March 24, 2017

The CWU met with Telstra on Thursday 23 March over the company's plan to introduce major changes to staff levels and structures in Design and Service Delivery.

Telstra notified the CWU on 21 March of an initial decision which would see further centralisation of design and related workflow functions, accompanied by further outsourcing of "high volume, low complexity" work to "strategic partners" such as Cyient.

The move follows the earlier decision in October last year to rationalise design functions and locations. That decision led to the closure of three design sites and the loss of 53 jobs.

Fortunately, the impact of those cuts was largely mitigated by a mixture of voluntary redundancies and successful redeployment.

This new plan would mean a net loss of a further 55 jobs across Design and related Service Delivery areas (ie workflow and end-to-end order management) with the greater part of them to come from Design. Under the plan Design would lose more than a third of its current workforce (excluding team managers), bringing the total cuts in this area to around 90 over the last six months.

The union will also be pressing Telstra to maximise the opportunities for redeployment for those who want it.

Affected members are encouraged to contact their state branch.

Employees vote YES to Lend Lease agreement

CWU members and other employees at Lend Lease have voted in favour of a new Enterprise Agreement after nearly 6 months of bargaining.

The new agreement will cover workers who have previously been working on award-based conditions but without an Enterprise Agreement as well as a smaller group who have been working under an EA that reached its nominal expiry date in 2011.

Employees vote YES to Lend Lease agreement (cont)

The new agreement will protect wage levels of all current workers, deliver a 3% per annum pay rise over three years (back paid to 1 December 2016) and provide improvements in core conditions.

New provisions include:

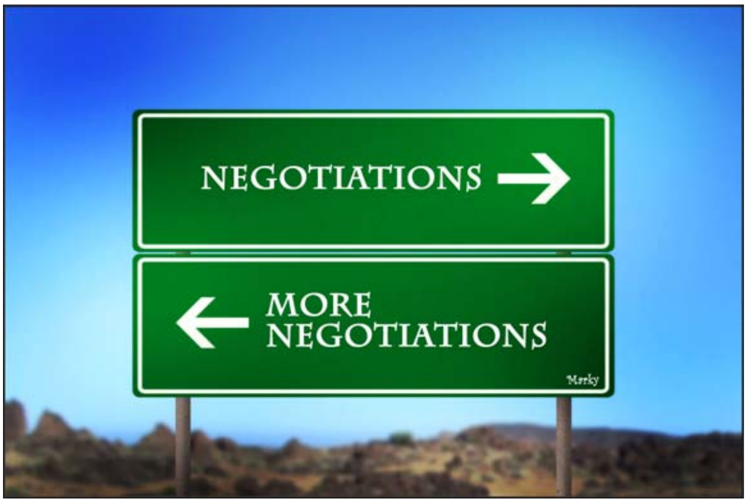
- 10% employer contribution to superannuation
- Increase in redundancy entitlements above the minimum National Employment Standards (NES)
- Increase in Travelling Allowance and On Call payments
- 17.5% leave loading (which the company had initially argued was already rolled into salaries).

The agreement received the support of 80% of those who voted on it and is currently before the Fair Work Commission awaiting certification.

Silcar Communications: negotiations continue

Negotiations for a new Enterprise Agreement (EA) in Silcar Communications are continuing, despite the fact that the company has outlined what it is saying is its final offer on many of the key matters under discussion.

Silcar presented the major elements of its EA offer at a series of employee consultations held earlier this month.



These include a pay rise of 2.5% per annum over 3 years, preservation of the current portable redundancy payments schemes and a restructured “buy-out” sum for proposed changes to working hours and overtime rates.

Over and above these “big ticket” items, however, many other issues remain to be resolved.

The aim of these negotiations has always been to see how far the conditions of current Silcar Communications employees might be aligned to those in the current Visionstream Field Workforce EA and the fact is that are many significant differences between the two agreements, not only in relation to hours of work and overtime.

The CWU and other bargaining representatives met with Silcar Communications on Tuesday 21 March for an all-day meeting designed to go through the two agreements clause by clause. The negotiators were able to agree on ways of resolving some, but not all, of the differences.

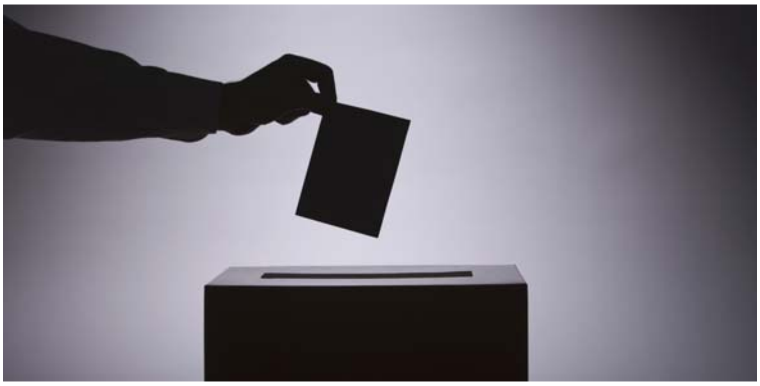
The CWU believes, for instance, that we will be able to arrive at a formula that will deal with the difference in the way travel allowance is paid under the two agreements but we are yet to resolve issues around rest and meal breaks.

The CWU expects that a further meeting to address such outstanding issues will be held in the near future. Members will be advised of developments.

Silcar Telecommunications EA: ready for ballot at last

Silcar Telecommunications employees will at last be able to vote on a new Enterprise Agreement following approval of the draft agreement by the Australian Building and Construction Commission (ABCC).

Under federal government laws, companies wishing to tender for Commonwealth work over a certain threshold value have to make sure their agreements with employees comply with the Building Code 2016.



The Code is specifically designed to weaken the role of unions – and consequently the power of employees to act together to defend conditions.

For instance, under the Code an EA can't have clauses that restrict the ability of employers to contract out work to subbies.

The draft Silcar Telecommunications EA was ready to go to ballot late last year but was held up by the ABCC approval process. Fortunately for members, the company agreed to pay the first two rises due under the agreement (one being back pay) anyway.

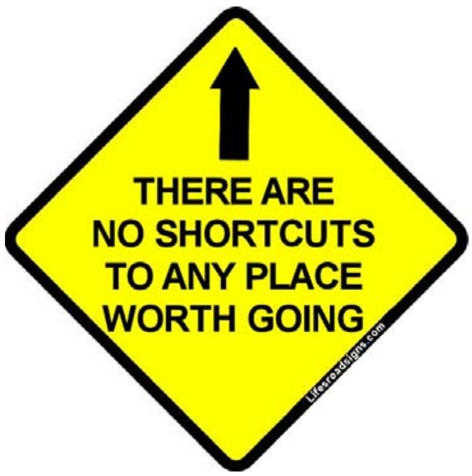
The agreement itself however also contains important new provisions, including guarantees for existing employees in relation to shift work, an on-call clause with related allowance and improvements to start-of-day procedures.

The date for the ballot should be known shortly.

Telecoms training short-cuts must be stopped, says CWU

The CWU continues to receive reports of "accelerated" training programmes being provided to telco workers who are being accredited before they actually have the skills to do the job.

In the latest case to come to the CWU's attention, a worker was "trained" in broadband skills on behalf of a major telco contractor.



The training was provided on the condition that the worker set himself up as a sub-contractor to the prime contracting company – though with no guarantee that he would get work!

The worker completed his training and was accredited as competent by the training company.

But after acquiring his ABN number and, along with it, thousands of dollars in debt so as to equip himself as a subbie, the worker was told by the contracting company that he wasn't actually fully competent to do the job!

This worker is clearly the victim of processes which are currently undermining working conditions, skill levels and the integrity of training processes within the telecommunications industry. The CWU is currently pursuing this individual case. But the union believes it is only one instance of an industry-wide problem.

Telstra's plans for Network of the Future take shape

Skill shortages which have existed in telecommunications for some time are now being enlarged by the demands of the NBN roll-out with the result that training organisations are being asked to speed up training schedules.

At the same time, the growth of sub-contracting runs counter to any attempt to ensure a skilled workforce.

In this case it shifts the consequences of poor training processes away from the employer and, ultimately, onto the trainee. But it may also have the effect of denying access to skills at all, if the sub-contractor has to wear the expense of training. In yet another scenario, a competent sub-contractor may engage other less skilled workers without anyone being any the wiser.

While some industry members – notably nbn itself -have put measures in place that are designed to ensure a competent workforce and quality training outcomes, it is clear from various reports that these are being subverted by a combination of "quick and dirty" training programmes and precarious employment structures.

Both sides of this coin must be addressed by the industry – and by government – if Australian workers and the nation as a whole are to have the skills needed to meet the requirements of a modern economy.

Turnbull comes out of the long grass on penalty rates

Prime Minister Malcolm Turnbull, who until this week has been avoiding giving explicit support for the Fair Work Commission's recent decision to cut penalty rates for thousands of award employees, has now come out of the long grass on the issue.

Turnbull, in responding to questions about the cuts stated, "Well we do support it … and I've been very clear about that …"

"The Fair Work Commission decided to back small business and we back small business."

So much for the government's claim it was simply supporting the industrial "umpire's" decision.

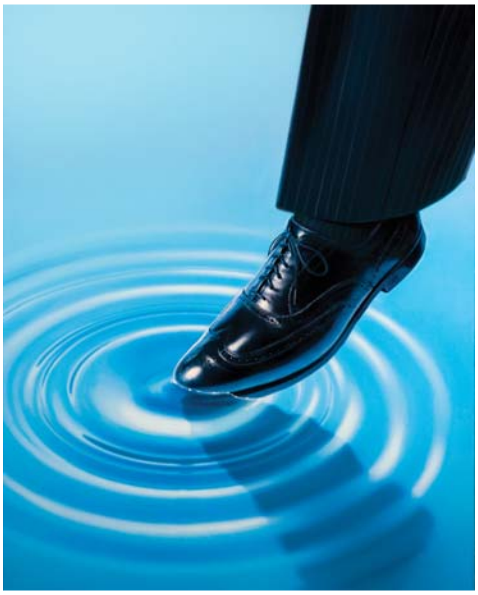
Labor this week, with the support of the Greens, introduced a private Bill to try and stop the changes from going ahead and to protect the hundreds of thousands of people who depend heavily on penalty rates for their day-to-day living.

Opposition leader, Bill Shorten, told the lower house that "it was an absolute travesty that from July 1, a millionaire will get a $17,000 tax cut but a retail worker will get a $77 a week pay cut."

"That kind of money pays for a tank of petrol, new school shoes or a trip to the doctor for many families," Shorten said. "This parliament has never had a more straightforward choice than it does today."

Research by The Australia Institute's Centre for Future Work has warned that at current rates of wage growth, it would take 17 years for the base rate of affected employees to fully offset the effect of the penalty rate cuts.

Penalty rates: employers test the waters



Although the recent cuts to penalty rates initiated by the Fair Work Commission (FWC) are aimed primarily at employees in retail and hospitality industries, there is no doubt that they will encourage employers in other industries to attack such payments.

Take, for example, the case of private health care provider, Sonic Health Plus, which is currently negotiating a new Enterprise Agreement (EA) with its nursing staff.

The company is proposing a cut in Sunday penalty rates of at least a third. While Nurses Union negotiators have rejected the claim, there is no doubt that employees in less unionised sectors will be increasingly be threatened by such moves.

ACTU President Ged Kearney said that it was no coincidence that Sonic Health Plus had proposed the claims just a few days after Prime Minister Turnbull said he supported the penalty rate cuts.

“This is a sign of the times,” she said. “The Fair Work Commission decision to cut penalty rates has emboldened employers and no Australian worker is safe unless the Government steps in now.”

The super-rich are getting richer

There are now more billionaires on planet Earth than ever before, according to the recently released Forbes rich list.

The World’s Top Billionaires

RANK	NAME	NET WORTH	COUNTRY
1	Bill Gates	$86 B	US
2	Warren Buffett	$75.6 B	US
3	Jeff Bezos	$72.8 B	US
4	Amancio Ortega	$71.3 B	Spain
5	Mark Zuckerberg	$56 B	US
6	Carlos Slim Helu	$54.5 B	Mexico
7	Larry Ellison	$52.2 B	US
8	Charles Koch	$48.3 B	US
8	David Koch	$48.3 B	US
10	Michael Bloomberg	$47.5 B	US

The list, based on 2016 figures, includes the names of over 2,000 individuals who between them are worth some $US7.67 trillion, an 18 per cent rise on the 2015 sum.

The rise largely reflects global share market rises which have, of course, received a boost recently from the election of Trump in the US.

Topping the list was Microsoft founder Bill Gates, whose fortune rose to $US86 billion, an $US 11 billion increase.

Second was investor Warren Buffett ($US75.6 billion) and close behind him at third was Amazon founder Jeff Bezos ($72.8 billion).

Source: Forbes.

Australia accounted for 33 names on the list, headed up by Gina Rinehart who rose to 69th, having doubled her wealth in the last 12 months.

Meanwhile, of course, in Australia and elsewhere in the world wages stagnate and attacks on social services including health and education intensify. Large section of the world’s population continue to live in

The super-rich are getting richer (cont)

desperate poverty.

In fact, according to Oxfam, the top 8 on the billionaires list control as much wealth as the bottom half of the world's population – some 3.6 billion people. The top 10 billionaires on the Forbes list had a combined wealth of $558 billion, more than the Gross Domestic Product of Venezuela.

These grotesque imbalances in wealth are laying the basis for social crises which can only be avoided by a rejection of the "free market" ideas that have dominated governments since the 1980s and a return to policies that advance the interests of the majority of the world's population—working people.

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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.

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