

EBA UPDATE:

31 OCTOBER MEETING



Dear member,

Talks continued with the Unions' Single Bargaining Unit (SBU) and Telstra meeting this week to continue negotiations for a new agreement.

Significant progress was made by the parties towards a final position during this week's meeting.

Clause 45

For the sake of continuity and given we are so close to mutually agreeing to conclude bargaining, we will continue to refer to this as Clause 45. It will however be reflected in the proposed agreement as Clause 48.

As we reported last week, a guarantee on entitlements will be provided by Telstra for transferring employees. That means if the Subsidiary, was for any reason unable to pay transferring employees their entitlements, even years down the track, Telstra would be legally responsible.

The group selection process or S.W.A.G where the selection leads to a transfer, rather than retrenchment, was debated and a final draft has been reached in-principle. It provides for volunteers to be accepted unless there are reasonable business grounds against acceptance. It would also provide that if there were too many volunteers, Telstra can only select from among the volunteers, not from the wider group – with selection to be based on skills and experience. The SBU was able to secure the retention of the appeals process and access to the dispute resolution clause for these selections.

Long Service Leave

We previously reported that the SBU had re-introduced the topic of long service leave into bargaining. In particular, our concern related to Telstra's LSL policy which, from 1 January 2020, effectively enables Telstra management to direct employees to take up to 24 days of LSL in any 12-month period, if they have more than 90 days accrued.

The SBU sought to find a compromise that takes account of Telstra's desire to reduce its LSL liability, whilst allowing members to avail of their LSL when it suits them. The position landed on by the parties is that, Telstra will continue to place an expectation on employees who have more than 90 days of LSL accrued to take 9 days of LSL per year. Those employees will be expected to make application to take those 9 days when it is suitable to them throughout the year and such applications must be made before 30 June. If an employee has had two applications for LSL rejected, then Telstra can not direct the employee to take the 9 days of LSL in that calendar year.

If the employee does not make an application or the employee makes 1 application by 30 June and it is rejected, then the manager and employee will work together to decide on a suitable time for the employee to take the expected 9 days of leave. If agreement cannot be reached, management can then direct an employee to take the 9 days during the same calendar year, so long as the employee is provided with at least 3 months' notice and the manager has taken into account the personal circumstances of the employee.

The SBU believe this to be a more reasonable approach and are keen to cap the expectation and potential direction to take LSL to 9 days rather than the 24 days currently proposed.

Telstra has agreed that no changes will be made to the LSL policy during the life of the Agreement.

Remuneration

You will recall that Telstra's original position, was a pay increase and pay pool of 1.5% per year over 3 years. Following the failed ballot in August 2018, Telstra chose to pay employees 1.5% on 1 October 2018. As negotiations continued, and following a bout of protected industrial action, Telstra increased its offer to 1.8% per year for 2 years, beginning 1 October 2019. As bargaining continued past this date, Telstra chose to pay its employees 1.5% on 1 October 2019.

Telstra put forward its 'best and final' today. The proposal is 1.8% and 2% respectively over two years. Effectively employees would receive a 0.3% increase, back paid to 1 October 2019 as a once off sum plus super. The 2% increase would occur on 1 October 2020. Job Family employees with a rating 3 or above will receive a guaranteed minimum of 1% and increases will apply to allowances. The nominal expiry date for the proposed agreement is 30 September 2021.

The SBU will now hold internal discussions and seek feedback from their respective membership groups prior to meeting with Telstra next week with a view to indicating a position one way or another on the agreement as a whole. Despite this, the SBU has made clear that any in-principle agreement is subject to the SBU seeking external advice from Legal Counsel regarding the operation of the clauses to ensure the enforceability of the intended protections.

We will continue to keep members updated as talks progress with the next meeting to occur next week. In the meantime, should you require any further information or have feedback to share, please contact me on 08 8443 7389 or 0419 807 285.

Yours faithfully,

Graham Lorrain
BRANCH PRESIDENT

1 November 2019