

# S.The 1 Signal

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## SPECIAL SIGNAL RE: UNION'S EA IN TELSTRA

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### **BEWARE THE SNAKE OIL!**

Telstra's HR Department is currently peddling a line which it apparently hopes will deceive employees into voting for a second rate, non-negotiated EA, drafted by them and for them.

It hopes to cut costs to save millions at its employees' expense, as it usually does.

### **TELSTRA PROVIDES CHOICE?**

Telstra has the cheek to claim it values employee choice. Let us have a look at this claim.

Is it providing choice to employees locked in to an AWA until 2012, (the majority of AWA employees)? No it is not. It has refused the union's request for AWA employees to be able to transfer to the award at a time of their own choosing.

Is it providing you with a choice between a union negotiated EA and the Management drafted non-negotiated EA, which is likely to be circulated to you shortly. No it is not. The Management EA will simply be on a take it or leave it basis? Why don't they put the issue of a union negotiated EA versus a Management drafted EA to a vote to give you a choice?

### **WHAT ABOUT YOUR PAY?**

During the talks with the union, HR presented argument which seemed to indicate that they were only willing to pay something less than 4% per year over the life of the agreement.

Let us look at that "offer".

The current cost of living index (CPI), is growing at 4.6% per annum. In the last 12 months it has risen from about 2.5% to 4.6%. How much will it increase in the next 12 months?

Apart from the CPI being up to 4.6%, many items like groceries,

petrol, rent and mortgages have gone up by a lot more.

Even if you get a 4.6% pay increase this year it will mean you only break even with the CPI. If you get less you suffer a real pay cut.

Even if you get 4.6% to break even with the CPI, you haven't been given any share in the huge increase in productivity you have achieved in the last few years, (about 14% per annum on average), and you haven't had any share in Telstra's huge profitability.

Compare such an offer to the Telstra senior Executives who granted themselves a 30%+ increase last year.

No doubt Telstra will argue that you can earn more if you accept their performance based pay schemes. Let's look at that.

Firstly the amount of pay they offer for increased performance in many parts of the business is very low when you look at the huge effort required to get it. Long hours of duty, no lunch and other breaks, significantly reduced time spent with the family or in your private life, huge amounts of unpaid overtime and so on.

What is more, in order to help Telstra pay for the so-called rewards in their performance based schemes, they try to kid you to accept a lower base pay increase and pay cuts in real terms, as discussed above.

Is this not real "snake oil" stuff?

### **WHY DON'T THEY WANT A UNION NEGOTIATED AGREEMENT?**

When dealing with Telstra Management "bearing gifts", the first thing you should do – the No.1 rule, is to have a look at what they are NOT telling you.

Apart from the union claims on Telstra about protecting all condi-

tions, including the redundancy agreement, and about paying a decent, real pay rise, there were at least two other very important union claims:

**One was to negotiate a fair, effective dispute settling clause which allows employee disputes to go the Industrial Relations Commission for fair treatment.**

Telstra don't want you to have that right, they want to be the judge, jury and executioner in dispute situations.

**The other was to have some regulation of their unfair, unregulated performance management and performance pay systems. Telstra don't want that either. They want the right to continue to keep changing the goal posts, and to misuse the PICM process against staff without control and without being accountable to anyone but themselves.**

When you finally get Management's non-negotiated EA to vote on, make sure you have a look for what's not there as well. Remember rule No.1 for Management "bearing gifts".

### **WHAT YOU SHOULD KNOW AS BACKGROUND INFORMATION**

If we don't secure our claims for a decent arbitration clause and proper regulation of Telstra's performance management and performance pay regimes, then Telstra will be able to quickly move on a number of fronts which will have serious detrimental effects on the Telstra workforce.

- \* Telstra will be able to move to introduce performance based pay across the board without any regulation or control (they have already done this with segments of the workforce)
- \* They will be able to move to use their unfair and

unregulated performance management system to push("manage") people out of the company in big numbers based on bogus "poor performance" and this of course means no redundancy pay and therefore considerable savings for Telstra.(they have already pushed a significant number of employees out of the company this way).

- \* They will be able to move to have widespread down gradings of jobs, (in the talks Telstra flagged that one of it's targets for attack were the "too generous" bandings in Telstra) and there is no capacity in the current dispute settling clauses to take banding issues to the Industrial Relations Commission for fair treatment (they have already done this in some parts of the business).

Under Australian law there is no right to strike outside of an EBA bargaining period. This means that unless we have a proper, fair dispute settling procedure, there is little protection for employees against unfair treatment, except what you can beg for from the employer.

### **... AND TALKING ABOUT SPIN**

A recent video by David Moffatt, GMD TC&C, is really a remarkable piece of very low quality spin, in our view.

Firstly, it needs to be said that Mr Moffatt appears to know absolutely nothing about HR and industrial relations and we should make allowances for that, to be fair.

**He claims in his latest video that it was not the unions that have protected the current conditions of Telstra employees, it is Telstra**

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**Management. Come off it David, this is truly remarkable!**

Current conditions of employment are protected by the current union negotiated EBA until it is replaced by another EBA. The current EBA runs on indefinitely until it is replaced by another EBA.

You would like to think that Mr Moffatt would understand that if he and other Telstra Managers want to get a majority vote for their non-negotiated, non-union EA shortly, the very least they would have to do is to retain all current union-won conditions. Otherwise it will be voted down won't it?

**Given the fact that Mr Moffatt has not been involved in EA negotiations, we can be charitable and say that he probably doesn't know that in the recent EA negotiations, (and in the last EA negotiations 3 years ago), Telstra attempted to get cuts to major conditions of employment in a trade-off for a wage increase.**

Your conditions that they considered to be "too generous" included:

- \* RDOs and the 36¾ hour week (they were attracted to the 38 hr week)
- \* the grandfathering allowance
- \* span of hours - they wanted 7AM to 9PM
- \* emergency duty payments
- \* redundancy agreement

- \* the current bandings and classification levels
- \* current screen based working breaks in some areas
- \* overtime pay
- \* pay to be based more on performance based pay for individuals.

The unions have refused to negotiate any trade-offs, and so they should.

Who's protecting the conditions David?

Oh and by the way David, let's talk about the redundancy agreement and who protected that.

Under the Howard Government's WorkChoices laws (which Telstra Management loved and still long for), there was a clause (c.28 [1]) which automatically cancelled the redundancy agreement by March 2009.

The CEPU, right after the election of the Rudd Government, made submissions, went to meetings, and inquiries, and lobbied the new Government to remove that clause.

They did so in their transitional legislation in April this year, so the redundancy agreement does not automatically dissolve by March 2009.

What did Telstra Management do about that?

You're right. Absolutely zilch! Where were you between November 2007 and April 2008 David?

Our advice to you David, is don't let Telstra HR's ideological fixation (and wishful thinking), about a world without unions, lead you by the nose in these matters; it can be embarrassing to say the least.

**TELSTRA EMPLOYEES – YOU ARE SENSATIONAL!**

If you wanted anymore evidence that Australians really are

committed to a fair go for all you need look no further than the results of a recent ACTU Survey of CEPU & CPSU members in regards to the recent breakdown of EA talks between Telstra & the unions.

In a wide ranging telephone survey of members in all states, one question amongst others that was put to members for their thoughts was about a Part A & B non-union agreement that would see new employees and those coming off AWAs on lesser conditions.

The responders to this question demonstrated clearly that unlike Telstra they have a true commitment to their fellow workers, over 97% of people who responded to the survey strongly reject the idea of two classes of worker in Telstra. One person commented: "I don't think that sounds right, if they are Telstra employees they should be treated equally!" Another respondent was right onto Telstra's true intent, they commented: "[Telstra] shouldn't differentiate between one and the other...set up a situation where they make old staff redundant and get in new ones."

The absolutely united response to this question just goes to show that despite ten years of Telstra's (and the Howard Government's) ideologically driven attempts to breakdown the solidarity between workers, the fear campaigns, the crude attempts to 'individualise' workers, the collective, caring, human spirit of Telstra workers is just as strong as it ever was.

You would think that Telstra would realise that Telstra workers are a reflection of the broader Australian community, not everyone is a greedy executive out to feather there own nest. Most people genuinely care about their workplace community and they care about the people coming up

behind them. There can be no better bunch of workers than Telstra workers, you are truly bright beacons; Telstra management could learn a lot from you.

**LEN COOPER  
Branch Secretary**

**UNION DUES 2007/8 (Taxation)  
Telstra/Aust Post ONLY**

**A - \$508.30**  
Based on salary \$64,798 & above

**B - \$448.50**  
Based on salary = \$52,522 but less than \$64,798

**C - \$358.80**  
Based on salary = \$37,147 but less than \$52,522

**D - \$179.40**  
Based on salary less than \$37,147

**Levy to be added:**

Fortnightly payers	\$8
Monthly payers	\$9
Quarterly payers	\$13

**TAXATION SERVICE**

CSA Financial Services P/L Silvio Crisafi an independent Taxation Agent, Financial Adviser and Public Accountant:

**9819 7255**

Suite 6, 696 High St, East Kew 3102

**NORTH EAST SUB BRANCH MEETING**

**THURSDAY**  
**4<sup>th</sup> SEPTEMBER 2008**

The Gallery at The Terminus Hotel  
212 Hyde Street, Shepparton

Meals available.

Discussion on the EBA and many other issues. A presentation of the CEPU Meritorious Service Award will be made to Neil Renshaw.

Please come and join us. Bring your non-union workmates as we value their opinions also.