

S.The Signal

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**EBA IN TELSTRA MEETING
– This is one meeting you
must attend!**

**TUESDAY 2 SEPTEMBER
6PM, CEPU Clayton Office,
47 Henderson Rd, Clayton**

The meeting will discuss:

- the real reasons Telstra walked away from the talks
- the main issues in the negotiations before Telstra walked away
- the critical EBA issues yet to be secured by the unions
- the formal bargaining period, and the unions log of claims
- the planning for any industrial/political/public campaign that Telstra Management may force us into

If you have non-member colleagues from work who are interested then they will obviously be welcome based on your invitation

**NORTH EAST SUB BRANCH
MEETING - 7PM THURSDAY
4th SEPTEMBER 2008**

The Gallery at The Terminus Hotel, 212 High Street, Shepparton – All Welcome. 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.



TELSTRA WAGE RISE “OFFER” IS A REAL WAGE CUT

In their non-negotiated, non-union EA distributed throughout the company Telstra is attempting to short change its employees, with a sleight of hand trick.

Firstly, let's look at its “offer” of 4.5%, 4%, and 4% over three years.

The cost of living index currently is 4.6% and rising. In fact the latest Government figures, (Bureau of Statistics), show that a basket of goods purchased by the typical “employee household” was up by 5.7% last financial year.

What Telstra is “offering” is therefore a real wage cut in terms of the cost of living. Building industry employers have just agreed to a 5% increase a year for 3 years for building workers.

Secondly, their “performance pay” system needs to be seen for the con that it is.

Telstra Management control the criteria, the rewards and the outcomes and they can (and do), constantly change the goal posts. How many staff do you think will get the 2.5% bonus each year. Very few, and it will be manipulated downwards by a Management that is only interested in its profit, a Management that can't be trusted.

Look at their formerly secret slides (www.cepuconnects.org or www.yourrightsattelstra.com), showing their secret objective is to drive down wages, relative to their competitors by up to nearly 15% by 2011. This demonstrates beyond doubt that employees will get less and less out of Management's not to be trusted, unregulated, non-negotiated performance pay schemes.

Do you want an untrustworthy Management to be judge, jury and executioner in relation to your

take home pay and living standards?

VOTE NO for a better deal!

PROPOSED TELSTRA WHOLESALE AND SERVICE ADVANTAGE (CALL CENTRIC) AGREEMENTS – Some Issues To Consider.

Since Monday's release of a non-union, non-negotiated employee agreement in Wholesale and Service Advantage, you have been asking us for information and advice.

Unions are currently finalising a detailed analysis of the proposed agreement. This will be available very soon.

Why just Wholesale and Service Advantage call centres?

There seems to be no content in the proposed agreement specific to Wholesale or Service Advantage, so why is there a need for separate agreements? Until a few weeks ago, Telstra was proposing an agreement for the entire company – why the change?

What happened during consultation?

The agreement contains various matters that are not relevant to Wholesale or Service Advantage. For example allowances for working at heights and in the presence of asbestos; and log on and travel arrangements for Field staff. How relevant are these to Service Advantage? Doesn't all this suggest the agreement has been pre-written by Telstra HR and the "consultation" process is a sham?

Is the pay rise adequate?

The pay rises proposed do not keep pace with the cost of living. Is this a fair reward for the effort you put in? CEO Sol Trujillo has just won a pay increase of **more than 14% this year** for a total pay packet of **\$13.4 Million**, despite the new billing system not meeting his June 30 target.

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Performance Pay – how many staff will actually achieve it?

How many staff actually achieve EE or SE ratings, and what is to stop Telstra raising the targets? Where are the rules around performance pay? If they're not in the agreement, payment of these bonuses is up to management! Would you trust the untrustworthy?

Why establish two classes of employees? The proposed agreement sets up a two tier workforce with employees under Part B experiencing reduced pay and conditions (e.g. hours of work, no guaranteed pay increases, reduced redundancy for new employees). If there is a tier of lower cost workers competing with longer term staff, what impact is that going to have? Who is going to be pushed out of the company?

What about your rights to representation? This non-union agreement means you will have no right to be visited by your union representative in the workplace and there is no obligation on Telstra to consult with your union. How do you think this will change your workplace?

A QUICK READ – YOUR EBA

Things you need to know when considering Telstra's non-

negotiated, non-union document called an "Employee Collective Agreement".

- * The current cost of living index (CPI) is increasing at 4.6% per annum and is rising quickly. Next year who knows? Any pay increase less than 5% or 6% is likely to be a real pay cut. What about reward for productivity and profit? What about some of rules that apply to the senior executive managers who gave themselves 30% plus?
- * All current conditions of employment are protected by the current union negotiated EBA. These conditions remain protected until replaced by another agreement. These conditions remain if you **"VOTE NO"**!
- * Telstra's non-negotiated, non-union document has two parts. Part A, for current EA employees, and Part B for all new employees and all employees coming off AWAs in 2012 and beyond. Part B has lower pay rates for new employees, no guaranteed annual pay increases, and poorer conditions. AWA employees choosing to transfer to the EBA/Award from 2012 can only enter Part B and never go to Part A. Hey presto Telstra Management have reproduced (in a different form), the Howard Government's WorkChoices rule that if you sign up to an AWA you can never go back to EBA conditions. In fact Part B is something like a collective AWA, which you will be locked in forever, just like WorkChoices wanted.
- * The redundancy agreement remains intact if you **"VOTE NO"**. The redundancy agreement remains because the unions lobbied to have the

Labor Government change the law early this year to allow the agreement to run on indefinitely.

However, Telstra **IS** attempting to change the redundancy agreement in its document in two ways. Firstly, they are removing most of your current rights in the agreement, including your right to go to arbitration for fair treatment regarding redundancy issues. Why aren't they telling you this? Secondly, whilst the redundancy payout is retained for employees in Part A, it is significantly less in Part B of the document for new employees.

- * Telstra is trying to deny you the very basic right to go to the Arbitration Commission for fair treatment. The dispute settling clause only enables "conciliation" but not arbitration, which means that the Commission cannot impose fair treatment. Telstra will be the judge, jury and executioner in any dispute with you. What is more you cannot enforce the various parts of the agreement if you can't take disputes over interpretation of the clauses to Arbitration. Telstra management cannot be trusted.
- * Your banding level is threatened in this offer from Telstra. Firstly, they have not provided you with a copy of the current Telstra job evaluation and classification system. Which is it? The job evaluation and classification system in the current union negotiated EBA, or is it Telstra's newly developed 3iii/3ii system which would downgrade many jobs and which is the system they have offered in Part B of their document. Secondly, without employee

rights to compulsory arbitration (as discussed above), Telstra will be able to downgrade positions across the company without any effective challenge.

- * Telstra's performance pay schemes are all unregulated and therefore management are in complete control. They decide how much you get, how your performance is measured, what the targets and criteria are, and they can change the "goal posts" any time, (and they do). With the mortgage, rents, groceries and fuel increasing like they are, this is no time to allow Telstra to manipulate your take home pay, by constantly reducing the amount they spend on performance pay.

Any agreement must properly regulate performance pay schemes, so they can't be manipulated by Management.

- * Unless the agreement contains proper, tight regulation of performance management a number of things will follow. Managers will continue to use their unregulated and uncontrolled performance management schemes to harass, to intimidate, to bully, and to "manage" targeted employees out of the company.

Imagine this situation. If they get their two part (Part A/Part B) scheme up with new employees and former AWA employees on poorer conditions in Part B, who will be the first to be managed out of the company? You guessed it, the more expensive employees, so that eventually most employees will be on the poorer Part B conditions.

Remember there is no redundancy pay for employees who

are performance managed out?

And remember too, without access to compulsory arbitration there is no where to go for employees to argue for fair treatment!

- * If Telstra believe they can get away with it, they will move to put their non negotiated, non union agreement to a vote of the employees in your area. Remember only the majority of voters need to vote yes and not the majority of employees. This will lock in all employees in the area, regardless of their views. So if you don't vote and you are opposed to it, then that is as good as voting yes.

This "offer" from Telstra is second rate and threatens your interests well in to the future. We recommend that you vote no and support the union's campaign for a better deal.

TELSTRA UNIONS NOTIFY BARGAINING PERIOD

The Telstra unions have notified a bargaining period for the negotiation of a union collective agreement with the company. The step would allow the unions to apply for a protected industrial action ballot further down the track if necessary.

The decision is a response to Telstra's unilateral decision to break off enterprise agreement negotiations with the CEPU and other Telstra unions and to embark on a strategy that would sideline your representatives from any new negotiations about your pay and conditions.

Internal Telstra documents published by the ACTU last week show that this union-busting strategy is designed to save Telstra money by keeping any guar-

anteed wage rises below the level of the cost of living.

Why now?

Although the unions and Telstra began discussions about a new agreement in May, these talks did not take place in the context of a formal bargaining period as defined by current industrial laws.

Instead they arose from the commitments given by both sides in the last Enterprise Agreement that negotiations for a new EA would commence before the old agreement's expiry date in September.

With Telstra breaking off negotiations in July, the Telstra unions believe they now have to use all possible legal avenues to get the company back to the bargaining table. This is the only way we can protect members' rights to have their unions negotiate an agreement on their behalf.

Feedback from CEPU and other union members show this is what they want. They also expect Telstra to respect their wishes.

As CEPU National President, Ed Husic, said "We hope is that Telstra will see sense and commit to talks but, if all else fails, this allows us to pursue our legal rights under the Act."

TELSTRA RESULTS PAVE WAY FOR FAIR WAGE RISE

Telstra has followed up its strong half yearly results with an equally solid full year performance. But for Telstra employees the question is "Who benefits?"

Telstra announced its results on August 13th, revealing a growth in earnings of 9.1% and an after tax profit of \$3.7b, a rise of 13.5%.

Underlying these numbers is growth in the newer products areas that Telstra has moved into in recent years, especially 3G mo-

biles and broadband. The company has opened up a big lead over its rivals in both these areas and the revenues these products are generating are now offsetting the decline in traditional telephony services.

Communications Division Assistant Secretary Burt Blackburne, said that Telstra's field workforce had clearly contributed massively to the company's overall performance.

"Sol Trujillo's presentation indicates that field workforce productivity, as measured by the number of activity tasks performed each day, has increased by around 40% since 2005," Mr. Blackburne said.

"Over the same time, the base wage rates Telstra pays to those same employees have declined in real terms."

"It's time that Telstra acknowledged who's actually creating the basis for the company's profit growth and rewarded them accordingly."

In the field workforce the number of "activity tasks" per day has gone up by around 40% since 2005.

But pay hasn't. In other words, employees are not getting anything like a fair return on what they are putting into the company.

Telstra's own figures show that it can easily afford what its employees have earned - a rise in wages that both takes account of inflation and reflects the productivity increases the company boasts about to its shareholders.

You can send a message to Telstra about giving a wage rise that shows it respects its employees and their contribution to the company by going to:

www.yourrightsattelstra.com

and following the links there.

RETIRING FROM TELSTRA?

If you are contemplating retirement from Telstra and are a contributor to the Commonwealth Superannuation Fund, or the Public Sector Superannuation Fund, you should join the Superannuated Commonwealth Officer's Association (SCOA).

The SCOA is a not-for-profit member organisation with around 17,000 members nationally. It has branches in each State and the ACT. SCOA is managed nationally by a Federal Council with representation from each branch. Secretariat and operational support is provided by a Federal Office based in Canberra.

The role of the SCOA is to represent retired officers in negotiations with government and other parties, to maintain our living standards, in particular the indexation of superannuation pensions and access to pension benefits.

Each state has an active committee for local representation, comprised of pensioner members from across the Public Service and government agencies. Membership is vital to keep the Association viable. They have been successful in gaining many benefits which otherwise would not have been obtained.

Achievements so far include:

Establishment of twice yearly (rather than annual), indexation of Commonwealth superannuation pensions;

Reversal of the government decision to cut 2% from Commonwealth super pensions;

Key contribution, through lobbying of government MPs, to the introduction of the Senior's Card; and participation in two Senate Committees, that recommended fairer indexation of Commonwealth superannuation pensions.

What does it cost?

Currently membership costs \$23.00 per annum for a retiree + \$9.50 for a Spouse membership, totalling \$32.50 for a couple.

What does it involve?

Four general meetings are held annually in March, June, September and December. Members are notified via the quarterly newsletter posted to your home address or via e-mail. The Annual General Meeting is held in March each year.

How do I join?

Contact the Membership Officer, Bob Anderson, on Tel. 9807 2021 or by e-mail at:

bob.phyl.anderson2@bigpond.com

or by mail to:

**PO Box 2202
Mount Waverley 3149**

Bob will then send you an application form for membership.

LEN COOPER Branch Secretary

Contact a CEPU official:

**LEN COOPER
Branch Secretary
0438 389 302**

**JOHN ELLERY
Assist Secretary
0419 823 580**

**WOODY
First In Call Taker
Ph. 9349 4411**

**SUE RILEY
CSO Call Centres
0439 762 455**

**GREG CABANOS
CSO – Contractors
0415 154 352**

**BENDIGO SUB BRANCH
MEETING 7PM THURSDAY
11 SEPTEMBER BENDIGO
TRADES & LABOUR CL**