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TRUJILLO DEPARTS: CHANCE FOR A NEW DIRECTION?

Months of speculation has now come to an end with the announcement that Telstra CEO Sol Trujillo will be departing at the end of June. The move has been widely anticipated, especially since the resignations of Trujillo's Chief Operating Officer and right-hand man Greg Winn, who oversaw the implementation of the Telstra "transformation" process: the recent departure of Phil Burgess and another recent departure of Bill Stewart (Strategic Marketing).

Trujillo leaves a legacy of serious problems for the company linked to his management style. The failure of the company to lodge a compliant bid for the Federal Government's broadband roll-out (the NBN), will have ramifications for years to come and has added to the decline in the company's share price. Almost \$9.5 billion has been wiped of Telstra's value since it was excluded from the NBN process in mid-December. This has hit CEPU members, most of whom are shareholders.

On the same day as Trujillo's departure was announced, Telstra moved to close a number of call centres. Employees affected by these closures face a bleak future. Over 10,000 other Telstra workers have also lost their jobs under his watch.

Telstra's IT transformation strategy is also in meltdown, with major cost blow-outs and ongoing problems with the customer migration to the new billing and customer service system.

And of course on the industrial relations front, the Trujillo years have been, in Communications Division President Len Cooper's words, an "unmitigated disaster".

The company has alienated large numbers of employees through the high pressure tactics that have become common in the workplace. And most recently it has chosen to wage war on the unionised section of its workforce by refusing to negotiate with their democratically elected representatives.

The appointment of a new CEO to head up Telstra now presents the company with an opportunity to build bridges at a number of levels. But good will and good relationships begin at home.

It is time Telstra management opened to door to its unions with a view to re-establishing the kind of working relationship with its employees and their representatives which alone can guarantee the company a positive future in increasingly difficult economic times.

CEPU MEMBERS RALLY FOR EBA

CEPU members had one clear message for Telstra management when they rallied in Melbourne on Wednesday 4th March – get back to the negotiating table with our representatives.

The rally was held outside the Melbourne Convention Centre where soon-to-be-departed CEO, Sol Trujillo, was addressing staff about the future of the company. Four-hour stoppages by CEPU members were held to coincide with the event.

CEPU members carried banners highlighting Trujillo's failure on the share price, job cuts and the broadband bid. Members were inspired by the involvement of Bendigo Call Centre workers targeted for redundancy who had travelled hundreds of kilometres to be part of the rally.

Communications Division Assistant Secretary, Burt Blackburne, told the rally that it was outrageous that Telstra's senior management team could leave the country with multi-million dollar payouts when staff wanting a union-negotiated agreement had not had a pay rise for 16 months.

ECA NO WAY! UNION EBA THE ONLY WAY!

The ACTU and other unions supported the rally and spoke in support of the unions' campaign. A loud chant began with "ECA No Way" and the intensity of the noise must have been heard by Sol and others inside the Convention Centre.

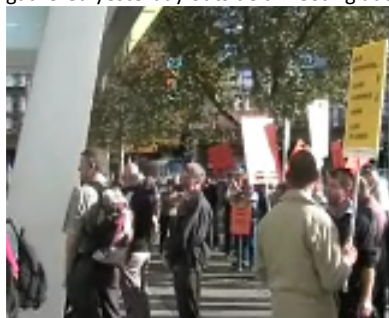
The rally received widespread media coverage. In a media release referring to the rally Senator Rachel Siewart from the Greens said "recent evidence given to the Senate Inquiry into the Fair Work Bill showed Telstra's practices of subverting collective bargaining processes and avoiding union negotiations".

More Melbourne Strikes Hit Telstra [ZDNET. 4 Mar 2009]

Telstra workers seeking increased pay and conditions will stop work in central Melbourne outside a company address used by outgoing chief executive Sol Trujillo today. They are calling on the Telstra board to restore reasonable relations between management and the workforce.

CEPU divisional president Len Cooper said Trujillo would leave an unhappy workforce behind when he leaves the telecommunications company on June 30. "Mr Trujillo might be riding off into the sunset with his pockets full of cash, but he's leaving behind a very unhappy workforce," Cooper said in a statement. "Telstra continues to refuse to return to the table and negotiate a union collective agreement in good faith and have also deliberately split workforces so management can then offer non-union wage deals."

Melbourne Workers Picket Sol [ZDNET 5 Mar 09] "Not Happy Sol" was the farewell catchcry of Melbourne-based Telstra workers who gathered yesterday outside a meeting addressed by their departing boss.



Hundreds of office and technical workers converged in central Melbourne on Wednesday calling for improved pay and conditions in the wake of outgoing chief executive Sol Trujillo's multi-million dollar departure package.

Chanting "We want an EBA today" and holding banners, the workers demanded an explanation over the loss of 133 jobs in Bendigo last week and the plummeting share price which they say has been in decline since Telstra's failed National Broadband Network bid.



Telstra Workers Demand Pay Rise [ABC News Wed Mar 4, 2009]

The workers campaigning for better pay and conditions, claim they have not had a pay rise in 18 months.

The Australian Council of Trade Unions says during the same period, Sol Trujillo's wage increased by 13 per cent, to more than \$13 million. Burt Blackburne from the Communications, Electrical and Plumbing Union says workers want decency and fairness. "That's the sort of contrast we're talking about here - one rule for the executives and the CEO of Telstra, and another for the workers," he said. Union members are calling on the Telstra board to intervene to restore the bargaining relationship between management and the workforce.

Telstra Workers Strike, Want Better Pay [The Australian 4 Mar 2009]

CEPU divisional president Len Cooper said Mr Trujillo would leave an unhappy workforce behind when he leaves the telecommunications company on June 30.

"Mr Trujillo might be riding off into the sunset with his pockets full of cash, but he's leaving behind a very unhappy workforce," Mr Cooper said. "Telstra continues to refuse to return to the table and negotiate a union collective agreement in good faith and have also deliberately split workforces so management can then offer non-union wage deals."

Melbourne workers picket Sol [ZDNET.5 Mar 2009]

The strike action is likely to cause disruptions across banking, telephone and data network services. Communications, Electrical and Plumbing Union (CEPU) spokesman Burt Blackburne told the crowd there was one rule for the chief executive and another for workers. "...You should be able to share in the profitability and the productivity that you've created for the company."

David Mellows has worked at the company for 34 years in the finance department. He said workers had waited for a new EBA for 17 months. "They won't even talk to us," Mellows told AAP. "We've lost money, we've lost business, we've lost public confidence and also the workers," he said.

A spokesman for Telstra said the company's current employee collective agreement easily exceeds national average increases of 3.9 per cent per year and is recognised as offering the best pay and conditions in the telecommunications industry.

HAPPY HOMECOMING FOR TRUJILLO

Sol Trujillo says one of the reasons he's leaving Telstra is that he's been away from the US too long. He spent several years in Europe before coming to Australia and has been here for four. Now it's time to go home.

Or should we say homes. According to the *Sunday Herald Sun*, Trujillo will not be short of choices when it comes to re-establishing a home base.

He will be able to choose between his \$6.6 million beach-front residence in California, his \$6.8 million Del Mar Country Club base in San Diego, a \$9.8 million ski lodge in Aspen, Colorado and a \$2.4 million

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condominium in Los Angeles. Or he may just hang out at his real home base in Englewood, Colorado, worth a modest \$1.8 million.

TELSTRA: 12 HOUR SHIFT CLOSURES

Telstra has informed the CEPU that it intends to close down 12 hour shifts in a number of its centres in NSW and Canberra. The move would affect approximately 89 employees.

The shift closures would occur at the Network Protection Centre, Canberra (1 shift affecting 12 people), at Global Operations Support, Sydney (1 shift affecting 27 people) and at the CAMC, Sydney (2 shifts affecting 29 people). A further number of employees not actually on 12 hour shifts would also be affected by the new arrangements

It is proposed the closures would be implemented over the next eight weeks.

This move is not likely to be popular with employees. And while Telstra claims its statistics show that the cuts to hours are justified, the CEPU believes they are likely to further undermine the company's ability to meet its service level agreements.

The CEPU is conferring with its members to get their views on the move and on its likely impact, both on themselves and on customers. Any member affected by the shift closures should contact his/her state branch. Meetings of members are being organised in Canberra and Sydney.

CEPU MEMBER RECEIVES ACTU AWARD

CEPU member, Dimitri (Jim) Ziogas, received warm applause from unionists this week when he received a special mention at the ACTU's annual National Union awards.

The awards acknowledge outstanding efforts made by unions and their members in defending workers' rights and building the union movement.

Jim's award was a welcome recognition of the role he has played –and continues to play- in the campaign for a union-negotiated EBA in Telstra. It was information provided by Jim that alerted the CEPU and other unions to Telstra's long-standing plans to pursue non-union Employee Collective Agreements (ECAs) in the company.

Jim is currently fighting Telstra's response to that action – his dismissal from the company. The ACTU, together with the other Telstra unions (CPSU and APESMA) are supporting the legal action the CEPU is mounting on Jim's behalf.

USA: HERO PILOT STRESSES UNION ROLE

The pilot of a plane that ditched in the Hudson River in New York with no loss of life has called on US airlines to invest more in recruiting and training pilots and has stressed airline employers must bargain with unions in good faith in order to keep the skies safe.

Captain Chelsey "Sully" Sullenberger told a Congress sub committee pilots' pay and conditions had been slashed in recent years. He said "in order to ensure economic security and an uncompromising approach to passenger safety, management must work with labour (unions) to bargain in good faith".

Captain Sullenberger was hailed as a hero after January's landing in which all 155 on board survived. The committee was sitting to examine what lessons could be learned from the incident.

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TELSTRA ECAS VOTED DOWN (NO VOTES)- 17/3/09	State
Alchemy Centre ECA 2009-2012	VIC
Emergency Services Answer Point and Disability Enquiry Hotline ECA 2008-2011	VIC/NSW
Telstra Finance & Administration Seven ECA 2009-2012	NAT
Telstra Finance & Administration Eight ECA 2009-2012	NAT
Telstra Finance & Administration Nine	VIC/QLD/NSW
Telstra Finance & Administration Ten ECA 2009-2012	NAT
Finance & Administration (Charging Integrity Assurance)	NAT
Finance & Administration (Billing Operations & Transformation)	NAT
Telstra Finance & Administration (Strategy & Performance) ECA 2009-2012	NAT
Fundamental Planning - Area Planning North & Wideband	NSW/QLD
Telstra Fundamental Planning (Area Planning - South Western) ECA 2009-2012	WA
Telstra Fundamental Planning (Core Network & International Network) ECA 2009-2012	NAT
IT One - People Managers & Support	NAT
Telstra Information Technology ECA 2009-2012	NAT
IP Services - GNO Sydney	NSW
Telstra Network Construction (Access Network Design - Vic/Tas) ECA 2009-2012	VIC/TAS
Telstra Network Construction (Construction Design - Western) ECA 2009-2012	SA/NT/WA
Telstra Network Construction - Network Design ECA 2009-2012	NAT
Telstra Network Construction (Contract Management - Contract Integrity & Assurance) ECA 2009-2012	NAT
Telstra Network Construction (Contract Management - Direct Managed Contracts) ECA 2009-2012	NSW
Telstra Network Construction (Directorate of Operations) ECA 2009-2012	
Telstra Network Construction One ECA 2009-2012	NAT
Telstra Network Constuction NT	NT
Telstra Network Construction Queensland Region ECA 2009-2012	QLD
Network Construction Vic/Tas Region (Tasmania) ECA 2009-2012	TAS
Telstra Network Construction VIC/TAS Region (Victoria) ECA 2009-2012	VIC
Telstra Network Construction NSW Region (ACT)	ACT
Telstra Network Construction NSW Region (NSW) ECA 2009-2012	NSW
Telstra Network Construction Western Region (South Australia) ECA 2009-2012	SA
Quantum Call Centre Perth	WA
Telstra Service Advantage (Call Centric) ECA 2008-2011	WA/QLD
Telstra Service Advantage (Queue Centric - NSW) 2009-2012	NSW
Telstra Service Advantage (Queue Centric - Queensland) ECA 2009-2012	QLD
Telstra Service Advantage (Queue Centric - Victoria) ECA 2009-2012	VIC
TC&C - Bigpond Adelaide	SA
LaTrobe Centre ECA 2009-2012	VIC
CCC Lismore	NSW
River Quays Townsville Centre ECA 2009-2012	QLD
Telstra Business ECA 2009-2012	NAT
Telstra Contact & Service Centre Agreement 2007	NAT
Telstra Consumer Marketing & Channels - Consumer Customer Relations	
Telstra National Delivery Solutions (Network Programs) ECA 2009-2012	
Telstra Network Engineering - Enterprise and Business	
Telstra Network Engineering (Network Technology) ECA 2009-2012	NAT
Telstra Network Engineering (Voice and Consumer Applications One) ECA 2009-2012	NAT
Telstra Network Enterprise Services - Enhanced Operations One ECA 2009-2012	NAT
Telstra Network Enterprise Services (Next Generation Operations - NSW)	NSW
Telstra Network Enterprise Services (Next Generation Operations - Queensland)	QLD
Telstra Network Enterprise Services (Next Generation Operations - South Australia) ECA 2009-2012	SA
Telstra Network Enterprise Services (Professional Services) ECA 2009-2012	NAT
Telstra Network Enterprise Services - Solution Design & Implementation NSW	NSW
Telstra Network Services Two (Network Security)	NAT
Telstra Network Services Three ECA 2009-2012	NAT
Telstra Network Services Four ECA 2009-2012	
Telstra Network Services Five ECA 2009-2012	NAT
Service Delivery - Construction and Maintenance North East NSW	NSW
Service Delivery - New England (Far North Coast)	NSW
Telstra Service Delivery (West - Northern Territory & East Kimberley) ECA 2009-2012	WA/NT
Service Delivery - Nova Coast	NSW
Service Delivery - Sydney North Metro	NSW
Service Delivery - Services and Facility Operations	NAT
Service Delivery (West Region - Regional SA & Far West NSW)	SA/NSW
Service Delivery - Constuction & Maintenance South East QLD	QLD
Service Delivery - B&CS - Business Investment & Planning	NAT
Telstra Business & Commercial Solutions Two ECA 2009-2012	NAT
Telstra Service Delivery Central Region - Central South ECA 2009-2012	NSW
Telstra Service Delivery Central Region - Enhanced Services ECA 2009-2012	NSW
Telstra Service Delivery Central Region - Technical Services	NSW
Telstra Service Delivery Northern Region - Brisbane North ECA 2009-2012	QLD
Telstra Service Delivery Northern Region - Brisbane South	QLD
Telstra Service Delivery Northern Region - Central West Queensland ECA 2009-2012	QLD
Telstra Service Delivery Northern Region - North West Queensland 2009-2012	QLD
Telstra Service Delivery West Region	WA
Telstra Service Delivery West Region - Adelaide Installation & Maintenance ECA 2009-2012	SA
Telstra Service Delivery (West - Adelaide Technical Services Group) ECA 2009-2012	SA
Telstra Service Delivery West Region - Perth Installation & Maintenance ECA 2009-2012	WA
Telstra Service Delivery West Region - Construction and Technology ECA 2009-2012	WA
Telstra Service Delivery West Region - Perth Technical Services	WA
Telstra Wholesale ECA 2008-2011	NAT
Telstra Wholesale 4 - VIC	VIC
Wireless One - NSW	NSW
Telstra Wireless Three ECA 2009-2012	ACT/VIC
Wireless Four - SA	SA
Wireless Five - WA	WA