

S.The Signal

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BRANCH SPECIAL MEETING

**SPECIAL GENERAL: 6PM
WEDNESDAY 26 AUG 2009**

The meeting is to consider the Branch Financial Report 2008/09 and any other matters required by members

AUSTRALIA POST TECHNICAL MEMBERS MEETING

SATURDAY 5 SEPTEMBER

CEPU Office: 47 HENDERSON ROAD, CLAYTON

The meeting will discuss the various forms of industrial strike action which may be applied by Postal Techs.

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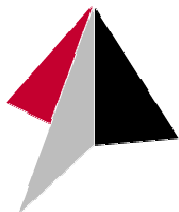
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CEPU's EBA NEGOTIATIONS IN TELSTRA UPDATE

The negotiations for a new EBA for Telstra employees recommenced in June 2009, after 6 months of strikes and other industrial action by CEPU members, which came about because of Telstra's continued refusal to negotiate while they attempted to roll out non-union contracts to all employees.

The talks have progressed as well as could be expected given the range and sometimes complexity of the issues needing agreement.

The issues important to members so far covered and negotiated in considerable detail can be listed as follows:

- * performance management principles and fairness
- * performance bonus and pay systems currently existing in the company and any principles that might apply if those systems are extended
- * the retention of all current conditions of employment
- * the retention of the redundancy entitlements and other protective elements of the current redundancy agreement
- * the structure of any agreement (eg Part A/Part B or otherwise)
- * how to deal with the two separate banding systems currently existing (one that's been negotiated with unions and the other that hasn't)
- * dispute settling processes and whether they should include negotiation, mediation and last resort arbitration
- * the rights of employees on AWAs, ITEAs and ECAs vis-à-vis any future voluntary transfer to the EBA
- * the future new employees and

how their wages and remuneration should be treated

- * the need for common conditions of employment for all EBA employees
- * additional conditions such as salary sacrifice, purchase of extra annual leave, and the cashing in of annual leave
- * delegates and shop steward rights

As yet there has been no formal discussion around the question of salary increases and their application date, or the updating of the various allowances.

The parties have set weekly negotiations until the end of August and as yet nothing beyond. We're hopeful that an agreement architecture should be well shaped by then and the parties will most likely be in a position to judge whether a satisfactory agreement is possible or not. Hopefully, continued hard work and flexibility will deliver an agreement.

Obviously, any draft agreement which emerges from the negotiations with Telstra will only be valid and applicable following its support in a ballot of all employees on the current union negotiated EBA and all employees on expired AWAs.

Please don't hesitate to contact us with your views and suggestions

AUST POST BALLOT AND STRIKE ACTION

The CEPU has applied for a ballot of its Postal members to decide whether to take strike action to win a new Enterprise Bargaining Agreement in Australia Post.

It is likely that strike action will be forthcoming and therefore the **CEPU Victorian Branch has called a MEETING FOR ALL CEPU AUSTRALIA POST TECHNICAL MEMBERS for 2PM on SATURDAY 5th SEPT**

CEPU (T&S) website: www.cepunet.au

National CEPU website: www.cepconnects.org

2009 at the Clayton office, 47 Henderson Road.

Several CEPU officials will be in attendance to report on the situation and to discuss the various forms of industrial and strike action to be applied by the Postal Techs.

Looking forward to seeing all Australia Post Tech members at the meeting.

PERFORMANCE MANAGEMENT SCHEMES IN CONSTRUCTION

The CEPU has been involved in preliminary discussions about the Performance Management System to be rolled out in Wideband Internal Construction. Members would also have seen a copy of the union's analysis of a similar scheme in Wideband Design. To date there has been no consultation or discussion with the union about the Design scheme or for that matter proper consultation with employees subjected to the scheme.

Following CEPU representations at corporate level about our Design members' concerns with the scheme, Corporate HR is organising a meeting with the appropriate management levels in the area to discuss our concerns. Below is a copy of a letter in response to our representations from Corporate HR:

"I refer to your correspondence sent to Darren Fewster on 28 July 2009 regarding metrics and performance management processes within Wideband Design.

As you are aware performance metrics are in place within Wideband Design to measure productive output across the work area. Throughout the design and implementation phases of the Wideband Design metrics, employees were engaged to determine how long it takes to perform each type of task. The points assigned to each task were determined after an initial 6 month data gathering phase

and are to be regularly reviewed. There is a reconciliation process conducted each month to ensure that staff are correctly recording all activities undertaken during this period, and to address any anomalies which may have arisen, determine what assistance employees may require and to provide feedback.

It is expected that 1 up managers and employees have annual reviews to assess and revalidate individual point metrics; have a mid year review to provide further clarity on performance, expectations and development needs; and meet regularly between those periods to provide ongoing performance feedback and provide the opportunity for ongoing coaching and personal development.

If at a point in the reconciliation process, an employee has failed to meet the monthly threshold or individual performance target for the month, their work achievements are discussed with the Team Manager to determine if there are any underlying issues which can be addressed and relevant assistance/coaching provided.

If an employee continues to experience difficulty in achieving the threshold performance levels and after effort by the manager to assist in improving the individual's performance, action may commence under the PICM process. However, the focus of the Wideband Design program is about improving performance and ensuring employees understand business performance measures.

Telstra is willing to continue to consult with the CEPU about the program. Further, if the CEPU has any specific concerns about the program (or individual cases), please feel free to contact Kate Rothacker on (03) 9634 4038.

Yours sincerely
DARREN FEWSTER"

We are seeking comment from members about the Corporate HR letter above and any other factual information about the Performance Management System that members think we need to know in preparation for the negotiations.

In addition to the Wideband Design discussions we have had a preliminary briefing from Management about the introduction of

a Wideband Internal Construction Performance Management framework for 2009/2010.

We are told that consultation with all employees about this system implementation, will begin shortly and the proposed system will be tested over a three month period and then reviewed. We are awaiting more information.

We have been advised that employees have received at least one communication from Management about the scheme and if members have any comments or information to provide to the union for use in negotiations then input would be most welcome.

TELSTRA PROFIT UP DESPITE SOL'S \$9M FINAL PAY

The Examiner: 13 August 2009

Telstra's controversial former boss Sol Trujillo has pocketed \$3.76 million in termination benefits, taking his total pay for 10 months work to more than \$9 million as the telco reports a 10 per cent lift in annual profits.

The final payout, disclosed in Telstra's annual report says Mr Trujillo's cash earnings during his tenure of almost four years to more than \$30 million. His termination benefits included \$3 million for 12 months fixed pay and \$764,547 in annual leave.

The telco reported a 10.3 per cent lift in annual net profit and refined its guidance for 2009-10 earnings as it prepares for an extended period of slow economic growth.

The company's new chief executive David Thodey, reported strong growth in revenue, earnings and free cash flow for 2008-09, and maintained its dividend, despite the challenges posed by a weaker economic environment.

"Telstra faces significant challenges in the coming year, but we are well positioned to face those challenges," Mr Thodey said in a statement.

Net profit for the year ended June 30 was \$4.073 billion, up from \$3.692 billion in the previous year. Revenue grew by 2.7 per cent to \$25.507 billion, which was below its guidance range of three to 4 per cent.

Telstra's former chief operating officer, Greg Winn, earned \$5.34 million for seven months work, including \$467,566 in termination benefits.

On top of his total salary, the long-time associate of Mr Trujillo earned \$666,666 in consulting fees for just two months work after he returned to the US on January 31.

Mr Trujillo's reign marked one of Telstra's most controversial periods, which saw the company wage battles against successive governments and regulators.

Under Mr Trujillo's contract, shareholders had to compensate him for any tax he had to pay on his Australian earnings when he returned to California. But Telstra said that it was still not certain whether any such payment would have to be made.

Telstra's new chief executive, David Thodey, pocketed \$3.504 million last financial year, down from \$3.945 million in the prior period. Mr Thodey took over as chief executive in May after serving as Telstra's government and enterprise boss.

Telstra's executive pay was the focus of shareholder anger two years in a row over Mr Trujillo's salary. The outrage climaxed in 2007 when two-thirds of shareholders voted against Telstra's remuneration report.

Last year Mr Trujillo's pay of \$13.4 million was almost double

the median for bosses at companies of a similar size.

Under his contract, Mr Trujillo had to give only 30 days' notice, which is unusual for an Australian CEO, as the standard is three to six months.

The last of Mr Trujillo's so-called amigos, Bill Stewart, left Telstra at the end of March, shortly after Mr Trujillo's resignation was announced. Mr Stewart's pay was not disclosed.

Editor's comment:

BOY, WEREN'T TELSTRA'S BOARD TAKEN FOR SUCKERS BY THE PREVIOUS LEADERSHIP.

REFURBISHMENT TELSTRA OFFICES

Telstra has advised CEPU of the refurbishment of two of its major centres in Sydney as well as Telstra Headquarters, 242 Exhibition Street, in Melbourne.

The project is being done in stages and is expected to take two years to complete.

Clearly the refurbishment will impact on members located at the premises and will lead in some cases to relocations to another office in the short term.

Telstra says each business area will work directly with their employees to coordinate these relocations and will consider any individual circumstances on a case-by-case basis.

The Branch is considering a range of issues around this refurbishment as follows:

- Telstra's Accommodation Guidelines
- Excess Travelling Time and fares in the event of a relocation
- Office Renovation Allowance or other allowances as appropriate

Affected members may wish to contact the Branch to discuss potential problems.

LEN COOPER Branch Secretary

■ Contact a CEPU Official:

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CEPU MEMBER SERVICES

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Financial
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Legal
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UNION SHOPPER
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