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# fact sheet

## Telstra – AWA or EBA?

This factsheet outlines some important decisions about making your choice. That's right, it's your choice - and you want to be fully informed about your important choice. Did you know that you legally have 14 days to consider an AWA offer? So read on !

It is no surprise that the CEPU and many members believe that an EBA is more secure and ultimately more financially rewarding than an AWA for most employees. Experience has shown that Employees are much better off overall under an EBA/Award.

We have provided this fact sheet for you to consider the possibilities of working under an AWA, however we fully support you whichever decision you make.

AWA's (Australian Workplace Agreements) are clearly the ideal choice for Employers but are they the ideal choice for you? Telstra is hoping to place as many people as possible on AWA's. We believe this ultimately undermines collective bargaining and makes it more difficult for unions to help you improve your conditions collectively. Yes, strength in numbers will always hold true!

Remember that people like you have worked together in the past to make great achievements for their working life (and quality of life!) and we strongly believe in the possibilities of this co-operation. Union memberships are thriving due to the belief that we can all work together to make a difference. But this factsheet is chiefly about AWA's.

Please read on to make your own mind up about your conditions of employment. Please take your time in making your decision.

### **AWA's - WHY SHOULD YOU BE WORRIED ?**

#### **The Main concerns are:**

- Many workers who originally signed up for an AWA are dissatisfied. They want to return to the EBA / AWARD
- An AWA is where the buck stops: once signed you are bounded by the AWA terms and conditions - all other awards/agreements are forgone.
- Relying on 'Manager Discretion' and 'Telstra Policy' does not give you guaranteed conditions and entitlements
- Your bargaining power is reduced

- Telstra may change your conditions according to “Telstra Policy” meaning you are forced to accept these changes no matter what, as that is what you agreed to by signing an AWA. Important conditions may change such as *RDO's, Allowances, Leave Loading, Redundancy Payments, Overall Remuneration, Long Service Leave, Sick Leave*
- When the Howard Governments Work Choices legislation takes effect (March 2006), workers who sign an AWA cannot rely on returning to the EBA/AWARD – Instead, minimum standards set by the Fair Pay Commission are the only standards employers must enforce. See *the ACTU table in this fact sheet*
- You may have to work overtime without payment and Telstra may whenever they like change your duties without rethinking your salary
- Relocation allowance is not paid unless Telstra agree. You can be left out of pocket if Telstra move your job.
- Penalty rates are not paid for work outside normal hours i.e nights and weekends
- Sick Leave and Carers leave is no longer guaranteed – you are forced to rely on manager discretion
- Redundancy processes are subject to Telstra policy – they are not laid out in a legally enforceable agreement
- Annual Leave Loading is removed. [Telstra claim that it is incorporated into the package]
- The only right you have under the AWA is the right to terminate your employment with 4 weeks notice. Management is also given the right to terminate your employment with the same notice.

The big question you need to ask yourself is:

What would I really gain by signing an AWA and what important entitlements could I lose by signing an AWA?

Read your offer carefully – what *is* and what *is not* accounted for? Making a list is a good start.

We don't believe you can happily work with the uncertainty of “Telstra policy”. We all have bills to pay and time commitments in our lives *outside* of work. This is the essence of the work/life balance we all desire to have!

It is not hard to imagine a sad situation where an AWA employee is not favored by their management. For the ‘unfavourable’ worker, having to rely on management's discretion to determine their working conditions would be stressful and precarious. Sadly, individuals are more susceptible to being targeted this way under an individual contract.

Even for a ‘favorable’ AWA employee we still do not believe that manager discretion is reliable enough. You may have a great relationship with your management – but what happens when things suddenly turn sour? What happens when management changes? This discretion only gives the worker uncertainty.

Having legally enforceable conditions such as those under the EBA/AWARD does give you certainty, peace of mind and a stable work life. These important conditions affecting your quality of life should not be forgotten so easily.

Speak to your union representative or a colleague you know and trust – are they better off overall with their AWA? Ask them the hard questions and make your own mind up!

### **THE RULES ABOUT AWA'S**

- You must not be misled or coerced into signing an AWA – verbal or written threats should not be tolerated
- AWA's are 100% voluntary
- You must be given a minimum of 14 days to consider any AWA offer
- An employee has the right to appoint a Bargaining Agent, such as a Union Representative to make variations to your AWA

These rules are defined under the Workplace Relations Act 1996 and Telstra must obey these rules.

### **Existing Employees Taking up New Jobs In Telstra**

If you are being transferred or redeployed to new jobs in other business units in Telstra

- You can choose to remain on the AWARD/EBA.
- You cannot be refused your new job for not accepting an AWA.

### **Casuals**

- You cannot have new employment offers withdrawn by Telstra simply because you have refused an AWA and want Award/Enterprise Agreement conditions.

**These are your rights – you do have a choice about AWA's !**

### **AWA Checklist to help you**

We advise you to read through your AWA offer carefully, make a list of your conditions and entitlements, and then consider the following questions:

**Am I willing to accept these conditions for up to 5 years?** Yes, from March AWA's may operate up to 5 years (previously 3 years).

- *The AWA does not guarantee your terms and conditions; most terms and conditions in an AWA are subject to Telstra policy – Telstra can change your conditions at any time.*

**Can I fully rely on 'manager discretion' for the duration of an AWA?**

- *Under the Award/EBA your conditions are legally enforceable. Can I fully rely on 'manager discretion' ALL the time?*

**Is a Redundancy Package available? What else may be overlooked?**

- *Together with you, the Union has fought hard for a decent Redundancy package. How does this compare to what your AWA is offering (if any at all)?*

### How will I be able to represent myself if it comes down to a dispute?

- A dispute over your AWA conditions can be costly and time consuming. The Union will assist you however it is clear that an EBA/AWARD gives more protection to individuals because your conditions are legally enforceable.

### Will there be major disruptions to my quality of life?

- We don't want to preempt that you would have a problem with an AWA but in accepting an AWA you forgo the safeguards of an AWARD/EBA and have to accept changes at short notice. Are you prepared to do this?

Like all important decisions in life, the best place to start is working out the pro's and con's. As mentioned before, most employees find they are better off overall under an EBA/Award. If you see something 'on sale' in a catalogue you usually read the fine print and see what the catch is? There's no difference here!

REMEMBER if you are unsure then please take time to consider your decision - you have 14 days to consider and can contact us in the meantime. We are happy to help you.

### There's not much 'choice' in Work Choices! What do you think?

Before 1996 – Pre Howard Government	Current Situation since 1996	Further Change: Howard's Work Choices Legislation – March 2006
Individual contracts could only provide conditions <i>better</i> than those in awards and collective agreements	<p>New Type of individual contract – AWA – introduced.</p> <p>AWA broadly assessed against awards, but can totally ignore existing conditions in collective workplace agreements</p> <p>Employers can legally lock workers out and refuse to pay them for months if they don't sign AWA's</p>	<p><b>AWAs</b> not assessed against awards at all.</p> <p><b>AWAs</b> only need to meet 5 minimum conditions – minimum wage (\$12.75 per hour), 4 weeks annual leave, 10 days sick leave, unpaid parental leave, maximum weekly work hours (but no extra pay for overtime or weekend work).</p> <p><b>AWAs</b> don't need to be approved before they come into operation.</p> <p>Overtime, collective agreements will be undermined as all new starters can be forced on to AWAs.</p> <p><b>AWAs</b> to last up to 5 years (currently 3 years)</p>

Source: Your Rights at Work Factsheet – ACTU October 2005