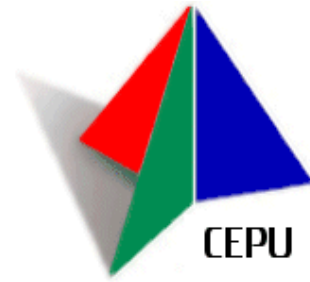


## **E-BULLETIN Telecommunications #1 Thursday 17<sup>th</sup> May**



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### **CEPU to meet Telstra on Kaz redundancies**

The CEPU will meet with Telstra management this week over the recent redundancies announced at its subsidiary, Kaz.

Earlier this month, Kaz announced cuts to 200 positions, many of them in the sales area. Some Telstra IT staff working at Kaz have also been affected.

Telstra staff seconded to subsidiaries such as Kaz are entitled to the same terms and conditions as they have in Telstra. So any such staff whose positions are affected by this round of cuts are entitled to redeployment or redundancy pay-outs in line with the Telstra Redundancy Agreement.

The CEPU is meeting with Telstra to ensure that the company meets these obligations. The union will also be raising its concerns about what it regards as the unsatisfactory redundancy arrangements (including low payouts) for other Kaz employees.

### **Is Telstra discriminating in favour of AWA employees?**

The union continues to receive complaints from field-based members that Telstra is using work allocation systems unfairly.

One constant concern is the pressure put on employees to meet performance targets that they believe are unrealistic.

Others say Telstra deliberately favours AWA staff over those on award/EA conditions, with AWA staff given work that allows them to maximise their CC points, while award-based employees deal with longer, harder jobs.

Telstra claims that such discrimination is not technically possible. To prove its point it has invited the CEPU to observe the job dispatching system in action. The union will be taking Telstra up on its offer in Sydney this week to see if the system is as fool-proof as Telstra claims.

## **Howard's AWA "safety net" full of holes**

While on the subject of AWA's, attention turns to the Howard Government's recent "fine-tuning" of WorkChoices and the introduction of an AWA safety net.

For over a year, the Howard Government refused to make changes to its harsh WorkChoices laws.

Now, with an election looming, the changes are starting to roll out.

The Howard Government's has announced it will introduce a stronger "safety net" for people on AWAs. It's an admission of what most working Australians already know - AWAs are designed to make them worse off.

Figures leaked from the Government's own Office of the Employment Advocate (OEA) showed that 45% of AWAs stripped away all of the award conditions that the Federal Government said would be "protected by law" under WorkChoices.

The Government now says it will introduce new laws to make sure that workers on AWAs are properly compensated if they lose penalty rates, shift allowances and other entitlements.

But the Government isn't actually guaranteeing financial compensation for lost entitlements. Under the new "safety net" you can be compensated for your lost penalty rates other ways – through shopping vouchers, for instance, or other non-financial "rewards"

And it won't do anything to help those workers who have already signed AWAs. The new law won't be retrospective.

CEPU members should not be taken in by this new “safety net” which in fact is full of holes. If you have been offered a WorkChoices AWA, contact the union for advice.

## **No guarantee of wage rises**

The changes also don't address one of the other unfair features of AWAs – the fact that they often do not provide for wage increases. The recent OEA figures showed that a third of all AWAs lodged during the first six months of WorkChoices provided no wage rises during the life of the agreements – a period which, under the new laws, can be as long as five years.

## **Labor plans for fairer, productive workplaces**

Kevin Rudd and Julia Gillard launched Labor's IR policy – *Forward with Fairness: Labor's plan for the fairer and more productive Australian workplaces* at the recent ALP national conference.

The policy includes a safety net of legislative and award conditions and has collective bargaining at its core.

Employment standards that are to be protected in legislation include:

- Hours of work – 38 hour week and no unreasonable overtime
- Parental leave – guaranteed up to 12 months unpaid leave for both parents and one parent can request an extra 12 months unpaid leave
- A right for parents to request flexible working hours until a child reaches school age
- Annual leave – 4 weeks with pro-rata for part-timers
- Personal and carer's leave -10 days a year
- Community service leave –for jury and emergency services duties
- Guaranteed public holidays – including Christmas Day, Boxing Day, New Years Day, Australia Day and more. Penalty rates or other compensation where employee works on a public holiday.
- Fair work information statement –information about rights and entitlements to be provided to new employees.
- Fair notice of termination

In addition Awards contain minimum wages, type of work performed, permanent or casual, hours of work, rostering, rest breaks, meal breaks, allowances, leave loading, super, consultation, representation, dispute settling procedures and more.

The minimum wage will be set openly and transparently, with unfair dismissal claims resolved quickly and with basic democratic rights guaranteed, such as to be able to join or be represented by a union.

## **Labor backs telco investment, Telstra foreign ownership limits**

At the recent ALP National Conference, CEPU representatives were successful in getting support for a number of platform amendments which the union believes are in the best interest of both our members and the general public.

In line with the broadband announcements already made by Kevin Rudd and Shadow Communications Minister, Stephen Conroy, the union moved an amendment to the platform that put a stronger emphasis on the need for investment in new telecommunications networks. The union has argued for many years that current competition policy rules are holding back investment in broadband.

The union also successfully moved a resolution committing Labor to maintaining the current foreign ownership limits on Telstra. These limits provide protection against Telstra being taken over by a larger overseas carrier or by a private equity consortium – possibilities that the union believes would pose an even greater threat to investment and services than the Howard Government's policies have to date.

## **Macquarie Bank still eyeing Telstra**

Hard on the heels of the failed Macquarie Bank-led bid for Qantas come new reports that Macquarie would like to get its hands on Telstra.

In fact, according to the Financial Review, last year Macquarie offered to buy all of the Government's remaining 17% share of the carrier, but was knocked back.

That 17% was put in the Future Fund, but the Government said that six months after the T3 float, that amount could be sold directly to a single buyer wanting to take a strategic stake in the Telstra. So at the end of May there'll be a buying opportunity for Macquarie or another private equity fund like Babcock and Brown who already holds a stake in Ireland's number one telco, Eircom.

Like other unions in Australia and around the world, the CEPU opposes the attempts by global private equity alliances to take over companies that play a key role in providing services to the community. Airline Partners, the Macquarie-led consortium trying to buy Qantas, intended to strip \$3.2. billion out of the airline and load it up with a further \$1.3. billion debt.

It's not hard to see who would lose out of that – the employees delivering services and the customers using them.

## **ACMA announces new numbering range for VOIP services**

The Australian Communications and Media Authority (ACMA) has announced a new numbering range for VoIP services. The new ten digit 0550 numbers will be available for operators offering IP-based voice services which don't offer all (or nearly all) the features of circuit-switched telephony e.g. location information, emergency call availability, regulated quality of service levels. Geographic numbers will still be available for VoIP services which are close substitutes for traditional calls.

The new range is designed to alert consumers to the fact that their VoIP service may differ from the standard telephone service while still allowing the market for the new services to grow. The CEPU supported this approach in its submission to ACMA in 2004.

