



CEPU (Communications) SA-NT POSTAL NEWSLETTER



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Australia Post and unions agree on way forward

The CEPU, CPSU and Australia Post have signed a memorandum of understanding (MOU) outlining a framework for negotiations to achieve a new Fair Work Agreement.

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The MOU is a major step forward in building a stronger relationship between Australia Post and the CEPU and CPSU, after a breakdown in negotiations late year resulted in members taking protected industrial action.

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CEPU National President Ed Husic said, "The MOU provides a great platform to bring everyone together to help get an agreement between us. We'll be devoting all our energies to this process, because our members know it's vitally important for the security of their wages and conditions. There's still much work to be done, to make sure we get an agreement that satisfies members' priorities for security, safety and pay. The MOU doesn't give us the new agreement – but it does help create a better negotiating environment to get it."

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As a gesture of good faith the MOU contains commitments from all parties that will apply immediately:

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- Australia Post will honour its previous commitment of a 2 per cent pay increase in August 2010 and a further pay increase of 2 per cent in December 2010;
- The CEPU and the CPSU agree not to organise or take any industrial action while negotiations are progressing;
- Australia Post will host a summit in April between senior executives including the Managing Director and senior CEPU representatives on the future challenges facing the business, the unions and their members; and
- The removal of Lost Time Injury Frequency Rate's in bonus targets for managers.

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The CEPU would like to thank members for their support throughout this long campaign. We look forward to promptly reaching an agreement, which will protect members' pay and conditions. We will keep members informed of proceedings.

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Payment of overtime meal allowance too slow



Australia Post employees in the Delivery area in South Australia are feeling the pinch while waiting for payment of overtime meal allowances. It seems that management in South Australia are dragging their feet when it comes to ensuring that the meal allowance is paid in a timely fashion. (Cont page 2)

Payment of overtime meal allowance too slow (cont)

Why? According to the CEPU SA Branch, Post is trying to push people into having the allowance paid directly in to their pay and thereby eliminate the cash payments. A similar push to cash payments has started at the Adelaide Mail Centre.

The problem for Post is that the purpose of the overtime meal allowance is to ensure that employees' who are working beyond their normal expected hours and into a period when it is reasonable for them to have a meal are not disadvantaged by having to pay for it.

As members would know the overtime meal allowance is part of the Award and may therefore be subject to action to recover payments in a timely fashion. The CEPU SA Branch has raised the matter with Post lo-

CEPU seeks equity for part-time employees

The non-payment of shift penalties to part-time employees working additional hours has been set down for hearing in the Melbourne Magistrates' Court on 10th May 2010.

The issue to be determined by the Court relates to what rate part-timers should be paid when working additional hours up to 7 hours 21 minutes.

In an earlier case about additional hours Post argued that it couldn't pay a shift penalty to part-time employees because it would disadvantage full-time employees despite the fact that management could not point to a full-time employee anywhere in the organisation who would be disadvantaged.

This time arguments about equity have fallen on deaf ears with permanent part-time employees being treated even less favourably than casuals.

The CEPU Vic Branch and Divisional Office is seeking to have additional hours for the period before overtime penalty rates apply paid at the same rate including the shift penalty that is being paid to full-time employees working the same hours.

Footwear reimbursement subsidy clarified for Delivery

Following discussions between the CEPU NSW Branch and Australia Post matters relating to the footwear subsidy and safety footwear issue for Delivery employees were clarified in a Management Information Bulletin (MIB) from the Mail and Networks Division dated 18th March 2010.

The key points contained in the Australia Post MIB are as follows:

- Delivery employees who ride a Motorcycle
Two pairs of approved motorcycle boots and in addition, they are eligible to receive either;
 - One pair of safety footwear, if the employee also undertakes the specified duties requiring safety footwear to be worn; or
 - An entitlement to one pair of standard subsidised footwear (February), if the employee also undertakes other duties which do not require safety footwear to be worn.
- Delivery Employees who use a Bicycle or do a Walk Beat
An entitlement to two pairs of standard subsidised footwear each year. Annual purchasing times are February and August
- Delivery Employees and Other Uniformed Delivery Employees
An entitlement to one pair of standard subsidised footwear (February) plus 1 pair of safety footwear, if the employee also undertakes the specified duties requiring safety footwear to be worn.

Pilot environmental driver program to cut Greenhouse gas

Australia Post recently informed the CEPU of a new Post initiative to develop an efficient and effective carbon management program with the aim of reducing carbon emissions from its transport fleet. The Pilot environmental driver program will enhance driver knowledge and skill through awareness training of the use of cruise control, engine idling, tyre pressure, looking ahead and engine revving to reduce Greenhouse Gas emissions.

The pilot program will be undertaken at the Sydney West Letters Facility in NSW and the Linehaul Division in Victoria. The program will use a combination of classroom based learning, cabin based coaching and e-learning. Post has agreed that the CEPU in the relevant States will be invited to have a look at the program.

OHS issues on 'Out Of Specification' parcel trays fixed

Following CEPU representations to Australia Post re the Out Of Specification (OOS) parcel trays management has agreed to fix a number of OHS issues related to the new trays. These include the removal of sharp edges, thickness of trays increased, securing of tray straps, storage of trays on a smaller trolley and trays are limited to 16kgs.

A risk assessment of the trolley has been carried out at the Melbourne Parcel Centre and a similar assessment is to be conducted at the NSW Parcel Centre with the involvement of a HSR nominated by the CEPU.

Decipha EA negotiations commence

Negotiations for the new Decipha Enterprise Agreement commenced on 18 March 2010. The first day of negotiations included a presentation by Decipha management on the current business environment facing the company.

Management were quick to point out the competitive situation confronting the company from competitors prepared to undercut contract prices and customers willing to use their power to drive down prices.

However, what it is clear that Decipha has been and continues to remain a profitable enterprise. It has been successful in retaining existing customers as contracts come up for renewal and continues to expand as it wins contracts from new customers.

Feedback from members continues to indicate that decent pay increases remain a high priority for the agreement. The next round of negotiations in early April will focus on the pay increases to be included in the new agreement.

Members working in Decipha are encouraged to provide feedback to their Branch or to feedack@cepu.asn.au on their view of what needs to be included in the new agreement.

Union right of entry: Government backs employers again

For the second time in a matter of months, the Rudd Government has signalled that it will back employers over interpretations of its own industrial relations laws.

In February, the Government backed an appeal by employers against a Fair Work Australia decision supporting compulsory arbitration. Not surprisingly, the Full Bench of FWA overturned the decision.

This time the case involves union rights to enter workplaces. The Fair Work Act retains quite tight restrictions on who can enter a workplace and when. But an agreement struck between the National Union of Workers (NUW) and NSW company Dunlop Foams provided for much easier terms of entry for unions by consent of the employer.

The decision brought howls of protest from the employer lobby and has now been appealed by the Australian Industry Group (AiG). Deputy Prime Minister Gillard has said the Government would join the appeal as it believes that the FWA decision is "not consistent" with the Act.

Members may find it strange that an employer cannot agree to terms that are more generous than those of the Fair Work Act if they wish. But the Government obviously does not want to see any agreements that could be seen to undermine the deal over rights of entry that was negotiated with the employers before the last Federal election.

After all, this too is an election year.

Underpaid Comcare clients entitled to reparation

Injured government workers short-changed in their workers compensation payments due to Comcare miscalculations do not currently have access to an appropriate means of redress, a Commonwealth Ombudsman investigation has revealed.

Releasing the findings of the investigation, Acting Ombudsman Mr Ron Brent referred to the cases of employees identified only as 'Ms A' and 'Mr B'. These workers suffered significant financial hardship because Comcare had underpaid them but did not discover its miscalculations for 10 years and 13 years respectively. Even though Mr B had raised concerns with Comcare several times throughout the 13 years that he was underpaid, Comcare did not review its calculations simply because Mr B. did not put the concerns in writing.

A further problem was the fact that neither Comcare nor the Department of Finance and Deregulation (Finance) had in place a direct mechanism to compensate people in such circumstances, or even to pay interest on the funds owed, Mr. Brent said.

As a result of the Ombudsman's investigation, Comcare has determined the value of the loss suffered by Ms A and arranged for her to be compensated via her original employer.

Mr B's situation is more complicated, but based on independent actuarial advice regarding his financial loss, he will be compensated through various means, including a discretionary payment under the Public Service Act 1999.

Comcare and Finance will work together to establish a scheme that will allow Comcare and similar authorities to deal properly and promptly with claims for compensation arising from administrative mistakes.

Australia's top executives grow even richer

Whose financial crisis?

While Australian employees, including those at Telstra, were being told last year to tighten their belts in a difficult economic climate, Australia's top executives were increasing their collective wealth by almost 75%.

These are the astonishing figures revealed in the latest BRW 2010 Executive Rich List. It shows that the total wealth of Australia's top 200 business chieftains grew to \$35 billion in 2010, up from \$20.3 billion in 2009.

Not only are these executives racing ahead of their employees, whose average wages only rose by 3% over the same period (the lowest rate on record); they are also easily outperforming their own shareholders.

The Australian stock market rose by 52% last year; top executive's wealth rose 72%.

Top of the list was US-based Rupert Murdoch defended his top spot. His wealth, at \$6 billion, nearly doubled over the year. Fortescue Metals Group chief Andrew Forrest came in second with \$4.79 billion in wealth, also doubling his net worth from \$2.37 billion a year earlier.

The list goes on. But it is the trend, not the details, that matters. What is becoming glaringly obvious world-wide, from the US to Greece, from the UK to Australia, is that it is working people, not the executive caste, who are being asked to shoulder the costs of the Global Financial Crisis.

Employers want wage freeze for low paid workers

Employer groups are calling for the wages of Australia's lowest paid workers to be frozen for at least two years despite strong profit results by many of their member companies.



Workers on the minimum wage have not had a pay increase since 2008 and employer submissions to the current minimum wage review would extend this freeze up to January 2011.

Unions have slammed the employer position, saying that it would drive down living standards and harm the economy. With businesses and the economy recovering from the downturn and major companies posting \$1 billion-plus profits, the push for an extended pay freeze is motivated solely by greed and self-interest, they say.

The ACTU is calling for a \$27 a week, or 71 cents an hour, increase to minimum wages for about 1.4 million award-reliant workers. If granted, it would lift the National Minimum Wage from \$543.78 to \$570.78. The ACTU claim represents a pay increase of 4.2% for the average award minimum wage worker.

"People earning less than \$15 an hour should not have to wait that long without a pay increase," said ACTU Secretary Jeff Lawrence.

"Australia's largest corporations are just being greedy by denying low-paid workers a decent wage rise.

"Major employers such as Woolworths made a \$1.1 billion profit in the last six months. They can clearly afford to give low paid workers a decent pay rise - much more than what they are offering.



All the way to the bank: Rupert Murdoch's personal wealth nearly doubled last year.

Employers want wage freeze for low paid workers (cont)

"While the cost of living has gone up the incomes of low-paid workers have been frozen thanks to WorkChoices and the so-called Fair Pay Commission. Without a catch-up in minimum wages, they and their families will slip further behind the rest of the community and will face a big drop in their living standards.

TNT plans "asset-free" Dutch mail business with no full-time staff

TNT plans a radical downsizing of its Dutch mail business, with 11,000 job losses, part-time staff only, widespread outsourcing and deliveries only three days a week, a senior executive said today. Big postal job cuts are also planned in Italy.

The Dutch postal operator will instead focus on managing an "asset-free" mail network largely operated through subcontractors, Pieter Kunz, managing director of TNT's European Mail Networks (EMN) unit, said in a presentation at the European Postal Services conference in Brussels.



Picture: TNT Post

TNT believes mail volumes could decline as much as 50% in the next five years and it is now a question of managing the downsizing of the mail business, he explained. His comments follow the recently-approved new Collective Labour Agreement under which staff chose moderate pay increases in preference to job security. TNT Post Netherlands, with some 23,000 employees, had offered to downscale job cuts in return for salary reductions.

"In the Netherlands we will make 11,000 people redundant in the next couple of years. They will be replaced with part-timers and franchisees," Kunz said. Mail collection and delivery will be outsourced, and TNT will become "managers of mail". "I have a dream of an asset-free mail network," the long-serving postal executive added.

Over the next 2-3 years, operations would be reorganised into deliveries on three days a week, Kunz said. "If politicians want (deliveries) six days a week, then they will have to finance it. As a company we will not finance it," he declared. The Universal Service Obligation "is a kind of Jurassic Park and we should get rid of it", he added.

TNT will complete the closure of its own post office network at the end of 2011, leaving it with an out-sourced retail network operated by partners on a franchise basis, Kunz said. In fact, postal services are now provided at more retail outlets than in the past, he pointed out.

Outside the Netherlands, TNT will in future focus on addressed mail in only three major European postal markets: Germany, the UK and Italy, Kunz disclosed. Here, too, it will restructure and seek partners. In Italy, TNT Post will downsize dramatically by cutting up to 50% of jobs, while in Germany has formed a partnership, he noted. TNT Post Italy has about 2,000 staff, according to its website.

At the same time, TNT sees the B2C parcels market as a growth business, both in the Netherlands and in other countries, Kunz stressed. The Dutch B2C parcels market, valued at about €500 million, is growing at about 10% thanks to e-commerce.

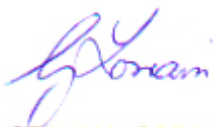
The company will develop its e-commerce activities by investing in e-retailing and offering services such as webshop creation, fulfilment and deliveries. "We will offer a full e-retail solution for our customers," he said. TNT will even consider new business activities outside the traditional postal sector, he added.

Share this newsletter

Please share this Communications newsletter with fellow CEPU members and workmates by putting a copy up on your workplace Union noticeboard.

If you have any questions on any of the above articles, please contact an official at the Union office on (08) 8232 5999.

Yours faithfully,



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