

TELSTRA

EA NEGOTIATIONS: PROGRESS UPDATE

BULLETIN 7

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Real risks to your conditions

Telstra management has once again raised the prospect of dividing employees into "Part A" and "Part B" groups.

You may recall Telstra attempted to roll out an agreement with "Part A" and "Part B" to call centre employees in November 2007. Employees overwhelmingly voted to reject the agreement because it significantly reduced conditions. The draft agreement included in Part B:

- No certainty with start and finish times: could be anytime on any day
- No guaranteed payment for overtime
- Redundancy reduced to three weeks per year of service instead of four, and capped at 40 weeks for new employees.
- No guaranteed pay increases

Telstra says your conditions are too generous

Telstra used early negotiations to tell unions that your current conditions are too generous.

In particular, they canvassed changes including:

- Significantly reduce redundancy pay, including capping the amount for employees with long service
- Cutting RDOs.
- Abolish grandfathering provisions

Unions have argued vigorously against them in this negotiations.

Unions win early breakthroughs

Recent correspondence from Telstra confirms we have won some important breakthroughs. These include, for current EA employees, retention of:

- Redundancy pay
- Grandfathering

- Hours of work
- Penalty payments
- Leave arrangements

Telstra has also now confirmed employees on AWA can move off them without disadvantage (after they expire).

Unions propose new way forward: a constructive relationship to reduce uncertainty

Every time we talk with you and your fellow staff, you've made it clear you want:

- Certainty about your rights at work.
- Clarity about what the changes in Australia's workplace laws means for you.
- Advice and representation and access to your union representative.
- A more positive and constructive relationship between Telstra and your unions.

To achieve certainty about the transition for Telstra employees as a result of the new Labor Government, unions have proposed a more constructive and cooperative relationship that is based on a Memorandum of Understanding (MoU) between Telstra workers and management.

While management says they support a 'constructive relationship', they have asked unions to withdraw the proposed MoU because of what they say are "legal problems."

Unions do not believe there are any legal problems with developing a constructive and cooperative relationship.

In fact, we have received support from the Deputy Prime Minister for our approach.

It is also wrong for management to suggest that unions are not concerned with ensuring the company grows and is able to provide good jobs through the roll out of broadband and other major industry developments.

Of course we want to see the company grow and provide decent, secure jobs for our members and all Telstra workers.



Let's move forward

Our legal advice is there is no significant barrier to Telstra signing the proposed agreement.

However, we are happy to deal with management's concerns by having the proposed agreement checked by an independent umpire - the Department of Employment and Workplace Relations.

If any provisions are a problem we will be happy to drop them.

But if there are no legal problems, we trust that management will then enter into the MoU. This should answer management's concerns and show whether the 'legal problems' are a real barrier or just an excuse to delay a more cooperative approach.

Democracy at work: we want you to have your say

The Constructive Relationship/MoU we have proposed aims to clarify your rights at work. One of those rights is for you to have a say.

We think every single Telstra staff member should be offered the opportunity to vote on whether Telstra management embraces the constructive relationship.

We hope that Telstra management accept this invitation to put the MoU out for a company-wide vote.

You can view and download many of the documents mentioned in this bulletin here: www.rightsatwork.com.au/campaigns/telstra We will keep you updated!

Discussing a constructive relationship

So far Telstra has called off five days of scheduled EA negotiation. You may be scratching your head and wondering, "if Telstra supports a constructive relationship, it doesn't seem very constructive to refuse to meet!"

Hopefully our constructive proposals to get the umpire's decision and have a vote will enable us to move forward.

We remain ready and willing to negotiate. We have made clear we do not require agreement on the MoU to continue bargaining.

Critical issues still to be decided

We are keen to carry on addressing your concerns in negotiations, including:

- Rights of employees on AWAs to move onto the EA when they choose, without disadvantage
- Level of pay rise
- Two classes of employees – the Part A/Part B argument
- Superannuation and take-home pay
- What a fair performance pay system should look like
- Access to salary sacrifice for all employees