

Telstra, habitual umpire abuser, indignantly tells its staff to play by the rules  
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## COMMENT

THE often breathtaking hypocrisy of Australia's biggest corporate bully was on full display yesterday when Telstra called on unions to ``respect the verdict of the independent workplace

umpire".

If he happened to glimpse that at breakfast time, the head of the competition watchdog, Graeme Samuel, could easily have choked on his cornflakes.

Telstra is in the midst of its latest spat with unions, which have taken it to task about re-offering Australian Workplace Agreements last year.

There's nothing new about Telstra fighting with unions. It's a campaign that is in about its 16th year, as part of the group's tortuous transformation from government bureaucracy to fully privatised corporation. There are, however, ways and ways of doing things. What's new is the rhetoric that accompanies everything Telstra does.

Like many large corporates, Telstra is comfortable with jacking up senior executive pay (by more than 30 per cent last year for its top earners), while slashing pay and conditions at the bottom end. Customer service folk must sell hard to get their full pay.

The most egregious move so far was when Telstra ignored a shareholder vote against its executive pay scheme last year, with its chairman Donald McGauchie and board giving the company's owners the old two-finger salute for their troubles.

For the record, despite the ozone destroying hot air that continues to emanate from Telstra, its share price last night was \$4.36 -- that's 16 per cent below the \$5.06 it was worth when Sol Trujillo walked through the door on July 1, 2005.

And so to the issue of the ``umpire."

Anyone who has kept even half an eye on Telstra's bull in a china shop strategy these past three years will know the telecoms behemoth has no regard for any type of umpire, particularly not independent umpires.

At times it does not even understand them, particularly the independence bit. The concept appears to confuse it. The company rails against the Australian Competition and Consumer Commission not following Government policy, missing the very point of independence.

Telstra challenges with monotonous regularity each ACCC rejection of its "undertakings" -- the prices, and the terms and condition it will offer for rivals to access its networks.

It routinely takes matters to the Productivity Commission and the Federal Court.

At present it has 14 matters before the Federal Court against the ACCC and various competitors. It also has about 35 arbitrations on foot against ACCC rulings.

The ultimate dummy-spit was Telstra's hilarious High Court challenge, which like most every other Telstra challenge against the "umpire", ended with a spectacular belly flop.

In that case Telstra appealed against the very existence of regulation and challenged the process of a declaration that the independent umpire used.

Yet it insists that the unions listen to a different independent umpire.

Telstra's refusal to pay heed to any sort of umpire or government process has claimed the Communications Minister as its latest victim.

Stephen Conroy's ill-considered and sketchy plan for a hubristically named National Broadband Network (NBN in the acronym-loving telco universe) is looking decidedly the worse for wear. Telstra has dragged its heels handing over network information and the timetable for the project lies in tatters.

No network will be started until at least next year.

Meanwhile, Telstra and the Government continue hurling headlong towards a relationship reminiscent of the one the company had with Conroy's predecessor, Helen Coonan.

It has also been a bad week for Optus, Telstra's main competitor and the driving force behind the only other national NBN bidder, the Terria consortium.

Optus was found wanting, and wanting badly, when a backhoe ripped through one of its fibre-optic cables, leaving its Queensland customers in eerie silence for a day or so.

We hear, and hear endlessly, from Optus and others about how businesses must have redundancy plans. Time then for Optus to chow down on a bit of its own dog food. In this technology dependant world that kind of outage is simply unacceptable.

Optus also signalled just how much trouble its once mighty mobile business is in, not only from Telstra but from the revitalised number-three and number-four players Vodafone and Hutchison 3.

The group has the best iPhone offers in the market, meaning it will make less money in an effort to sign up new customers. It has also launched new mobile plans offering endless calls. A couple of whiffs of desperation?

