

# URGENT UPDATE for Telstra staff: New leaked slides reveal HR's real strategy

BULLETIN 12

- The EA negotiations Telstra Human Resources (HR) cancelled last month were a an HR charade.
- As early as Feb 08, HR was planning non-union, non-negotiated agreements.
- Non-union, non-negotiated agreements to be rolled out Telstra-wide over the next year.
- The consultation is a sham, and is part of Telstra HR's internal communications strategy. The slides show the agreement has already been written.
- The slides say Wholesale will vote on their agreement early September. Other business units will follow.

## What does their leaked strategy mean for you?

- Real pay cuts planned as HR dip into your pockets to fund transformation.
- Payrises they have planned for your base rates over the next three years do not meet price increases inflation.
- Your unions can't bargain for you with Telstra over this agreement – and you don't get to bargain either.
- The leaked slides reveal Telstra HR will hold staff to ransom, punishing No-voters with a pay freeze.

## Go to [YourRightsatTelstra.com](http://YourRightsatTelstra.com) to see the leaked slides for yourself. They show:

- As early as Feb 2008 Telstra HR were planning non-negotiated agreements. Since then, all EA negotiation has been elaborately stage-managed by HR.
- More of your pay will be on an incentive basis. But the slides reveal managers will have a limited "bucket" or budget, and most workers it appears will average just \$77 in performance pay increases per year - just \$1.50 a week before tax.
- Telstra HR has used a strategy model provided by US consultancy Bain to plan big cost savings on remuneration.
- Moving just Telstra Operations staff alone off their union-negotiated agreement will save Telstra up to \$37 million over three years.

## What is happening right now?

The leaked slides show the company will slice agreements by business units, each profiled in detail to make sure the agreement gets up.

- The first proposed non-union, non-negotiated agreement is in Wholesale.
- Kate McKenzie, Head of Wholesale, sent out an email notifying her staff that no new employment strategy was finalized yet and they were looking to "consult staff" about their needs and concerns.

## Background: Telstra HR's reasons for calling off EA negotiations were a sham

Many people were confused about Telstra HR calling off EA negotiations. The reasons they gave were incorrect, confused and changed regularly. Unions at all times reiterated that we wanted to bargain, with no preconditions. And we wanted all staff to vote on our idea for a new constructive relationship with Telstra.

When the Dept of Workplace Relations found a revised version of our constructive relationship MoU perfectly legal, it became clear Telstra HR was full of excuses. Not only did they not want a better relationship with unions, the slides reveal they had a hidden agenda for calling off EA talks.

## Definitions

**The current Enterprise Agreement** is a union negotiated collective agreement. With a union collective agreement, HR is obligated negotiate with unions who represent staff. HR cancelled these talks.

**An "Employee agreement,"** is a non-negotiated, non-union "collective" agreement. HR negotiates with no-one: not you, not your unions. The slides show HR will roll these out to many business units within Telstra.

## What can you do?

The leaked slides are a huge revelation. Don't panic: we'll let you know your various options ASAP.

- Unions have a team continuing to analyze the slides now. See the slides for yourself at [YourRightsAtTelstra.com](http://YourRightsAtTelstra.com)
- Sign up to receive email updates as we find out more: [YourRightsAtTelstra.com](http://YourRightsAtTelstra.com)
- Share your questions and concerns with us: [Telstra@actu.asn.au](mailto:Telstra@actu.asn.au) or call our workers' helpline on **1300 362 223**

