

EA Fact Sheet

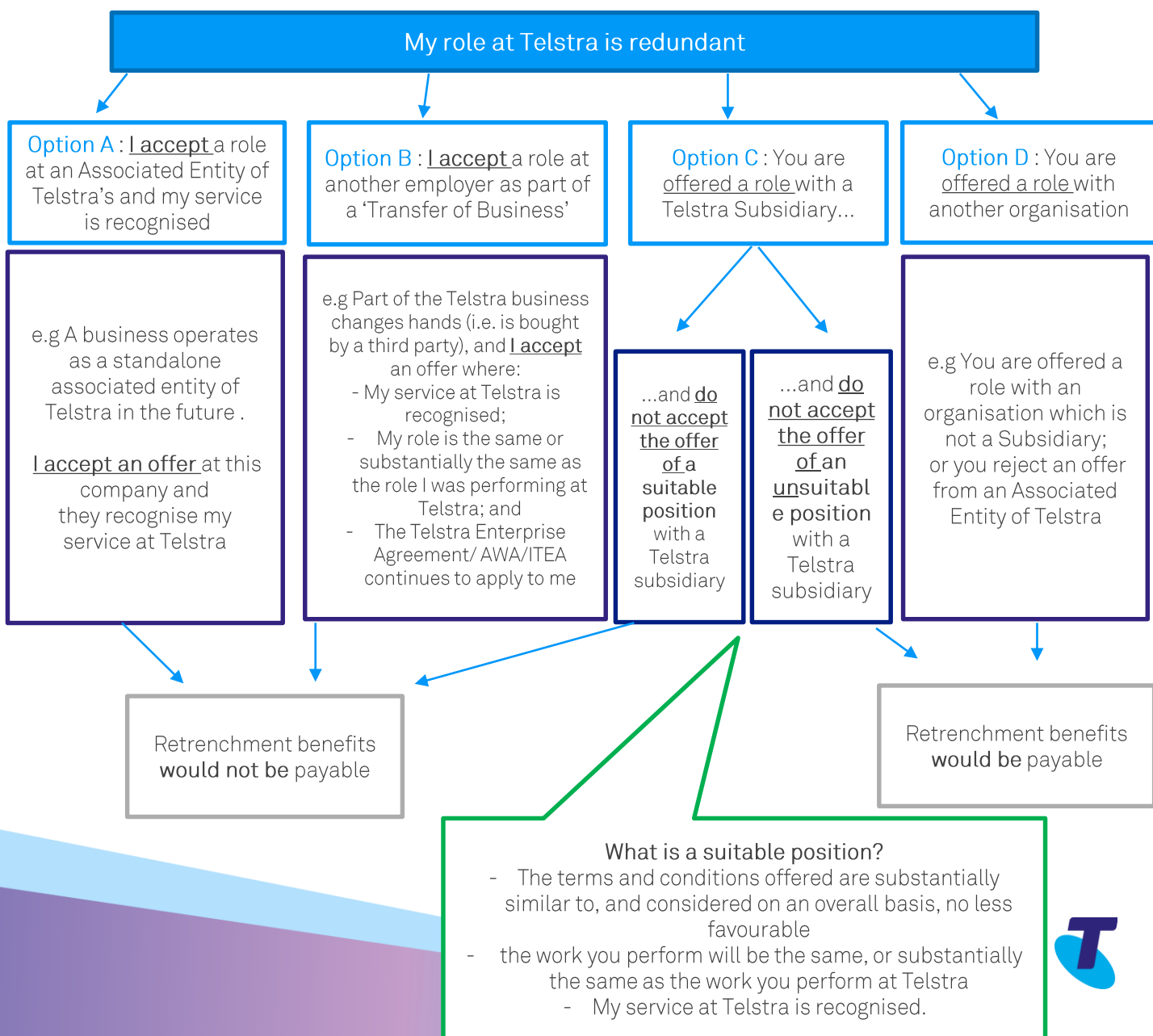
Transfer of business / transfer of employment

What is this new clause all about?

Our intention is to retain employees within the Telstra Group where this is possible. This new clause will mean that:

1. Where suitable alternative employment is found within the Telstra Group or another employer (e.g. where part of Telstra's business changes hands) and the offer of employment is accepted by an employee, retrenchment benefits would not be payable; or
2. Where an employee is offered, but rejects a suitable position with a Telstra subsidiary then retrenchment benefits would not be payable.

So let's break this down...



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FAQs & Definitions

I currently work in regional Australia and don't want to change location. Would a role in the CBD be considered a 'suitable position'? What about a move interstate?

This would not be considered a suitable position in either case, which means that if your role were made redundant, you would be entitled to retrenchment benefits:-

I am on a Defined Benefit Superannuation Fund, what happens if I reject an offer made by a Telstra Subsidiary because I want to stay on Defined Benefits?

You would be entitled to receive retrenchment benefits as this would not be considered a suitable position.

Would I receive retrenchment benefits if I accept an offer at a Telstra Subsidiary and then at some point in the future the subsidiary is sold to a third party which is not a Subsidiary of Telstra?

The new EA would transfer and apply to you at the Telstra Subsidiary (unless varied, terminated or replaced). Assuming the new EA continues to operate in the Telstra Subsidiary, the retrenchment benefits in the transferring Telstra EA would also continue to apply in the event this occurred.

If I accept an offer to perform a suitable position at a Telstra Subsidiary will the Telstra EA continue to apply to me? What about Telstra Policy?

Yes, the EA would transfer and apply to you at the Telstra Subsidiary (unless varied, terminated or replaced). In addition, the subsidiary would have to ensure that the terms and conditions offered (including those referred to in Telstra Policy) are on an overall basis, no less favourable than your Telstra terms and conditions. Otherwise, the offer would not be an offer of employment to a 'suitable position'.

Who decides if a role is a suitable position? What happens if I do not think the role is suitable?

If you don't agree that the offer is to a suitable position, we encourage you to discuss this with Telstra in the first instance. In most cases, we expect this would resolve the concerns raised. However, you could then follow the internal resolution process. And if agreement cannot be reached, an employee may choose to raise a dispute or make a complaint externally through bodies like the Fair Work Commission or the Fair Work Ombudsman.

I am an AWA/ITEA employee will these new terms apply to me if I remain on my individual arrangements?

Telstra intends to extend these provisions via policy to AWA/ITEA employees. This is because if a suitable position is offered at a subsidiary of Telstra, the AWA/ITEA would also transfer and continue to apply to the employee (just as the EA would).

Term	Definition
Associated Entity	Has the meaning given by section 50AAA of the <i>Corporations Act 2001</i> (Cth). http://www5.austlii.edu.au/au/legis/cth/consol_act/ca2001172/s50aaa.html
Subsidiary	Has the meaning given by section 46 of the <i>Corporations Act 2001</i> (Cth) http://www8.austlii.edu.au/cgi-bin/viewdoc/au/legis/cth/consol_act/ca2001172/s46.html
Transfer of Business	Has the meaning given to it in Part 2-8 of the <i>Fair Work Act 2009</i> (Cth).
Suitable position	An offer of employment into a role: <ul style="list-style-type: none">· where the work the employee performs for the new employer is the same, or substantially the same, as the work the employee performed for the former employer; and· on terms and conditions substantially similar to, and considered on an overall basis, no less favourable than your terms and conditions of employment with Telstra and which recognises your service with Telstra.

