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ANNUAL REPORT 2017

COMMUNICATION WORKERS UNION
TELECOMMUNICATION AND SERVICES BRANCH, VICTORIA

SECRETARY'S REPORT TO MEMBERS 2017

It is once again a privilege to present the 2017 Branch Secretary's report to Victorian T&S members.

The ongoing pessimistic outlook from last year continues, and the downsizing of our largest employer (Telstra) also continues, driven by an unfettered "bean counting" agenda, courtesy the ex-Financial Services sector (AXA) manager, and previous Telstra Chief Financial Officer, Andy Penn. Penn's strategy of offshoring and contracting out anything that resembles a permanent Telstra job is really offensive, and lacks any morality about the preservation of Australian jobs.



JOHN ELLERY
Secretary

The drop off in the Telstra membership has not been picked up by other employers, and the outlook for the industry as a whole is rather parlous. This year we show a reduction in membership numbers of around 200, and without the available funds to employ resources for the purposes of recruiting, we face further reductions in membership, and hence income.

On other matters, and despite some changes in the CEPU NSW Postal & Telecommunications Branch resulting from the publicised demise of the secretary Jim Metcher, his influence, and that of the NSW ALP Right faction still appears to remain, and there still is a serious threat to the ongoing existence of the Victorian T&S Branch.

Branch Personnel

Prior to the end of the previous financial year (2015/16), the admin position of one of our long serving employees was declared surplus by the Branch Committee of Management (BCOM). However, both the CEPU National Council and our Divisional Office launched Federal Court action to halt the retrenchment process. The matter was the subject of a decision by Justice Jessup of the Federal court on the 1st of July 2016, almost a year ago. However, the responsibility for which part of the Union pays out the redundancy arrangement still is subject to further discussions, and a possible legal challenge. This is a disgraceful way of treating any employee, let alone one of our own.

Our honorary Branch President, Roger Bland decided that he would vacate the Branch President position, having been in the Branch President's position for around 18 months. The Branch President's position has been filled by former Vice President, Kelvin Welbourn, and Amy Stubberfield has filled Kel's Vice President's position. We thank Kelvin and Amy for their commitment to the Branch over the next period.

We welcomed 2 new members to the Branch Committee of Management - Andy Young (Telstra) and Dave Francey (Australia Post). We also record our sincere thanks to outgoing member, Mihi Shaw.

Branch Financial Situation

The Branch Committee of Management and the Branch officers continue to manage the Branch to a point where the matching of the service levels to members, and the costs associated with that (ie mainly labour costs) are balanced carefully. The added constraints of operating as a Registered Organisation under the Registered Organisations Act, has added an increasingly significant bureaucratic impost on this small Branch. The effects of the new Registered Organisations Commission bureaucracy from the 1st of May 2017, are still to be fully assessed, however, I am sure no small business would put up with this type of scrutiny. Clearly we are living

under an unprecedented level of hostility by the current group of ultra conservative coalition politicians in Canberra.

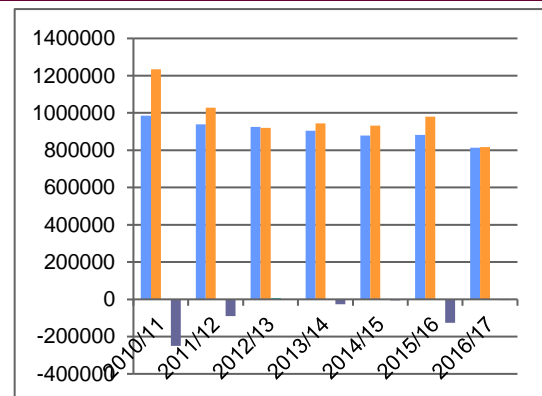
All of our remaining officials and admin staff (Sue, Sharon and myself) are very mindful of the financial situation, and the resulting financial link to declining Branch numbers, as well as the weakening of our industrial strength. As we have done previously, we will again have to closely match the wage costs to membership income. Sue and myself have taken flexible arrangements with our working hours, however this has not overly affected the service. The Branch office hours and procedures have also been readjusted to overcome the cutting back of admin staff to one person.

The job requires a fair amount of accessibility from our members, no matter what the day or the time. Provided we are not frustrated further by external parties, the Branch should be financially viable in the foreseeable future.

This year, we have again managed to limit the losses sustained by the Branch, and brought it to an acceptable level, given the circumstances. The legal costs associated with the unwarranted, wasteful and politically motivated intervention by both the Division and the National CEPU cost a significant amount of both Victorian T&S Members' funds – around \$60k in the financial year, and Divisional funds (from the 22.5% capitation paid by the Branch (ie your member dues) of the order of \$160k. No doubt the Victorian Branch Membership will make their own judgement about these actions.

Financials

Year	Income	Expend	Credit	Deficit
2010/11	985477	1234362		-248885
2011/12	938522	1028809		-90287
2012/13	925793	919687	5471	
2013/14	904280	944154		-26566
2014/15	878189	932843		-6133
2015/16	882490	979390		-96900
2016/17	813448	816860		-3412

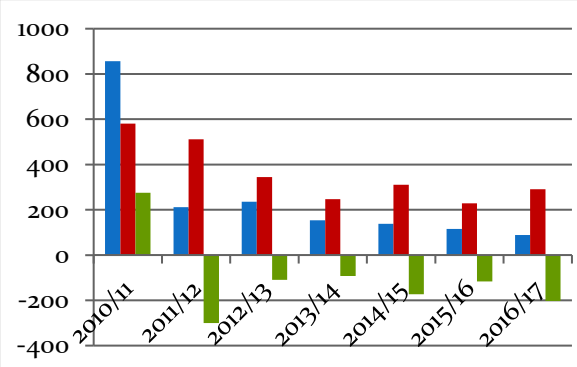


Recruiting outcomes/branch numbers

Recruiting has again taken a “back seat” over the last year, as we have, quite frankly, been sidetracked with attacks from other areas of the Union. We still seem to be recruiting more on an ad hoc “issues” based arrangement rather than a co-ordinated plan – we simply haven’t got the resources that we previously had to focus on this major issue of longevity of the Branch.

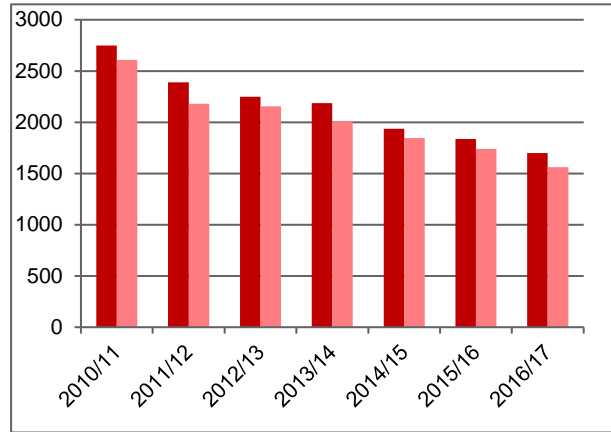
Recruitment

Year	New	Resignations	Gap
2010/11	856	581	275
2011/12	212	512	-300
2012/13	235	344	-109
2013/14	154	247	-93
2014/15	138	311	-173
2015/16	116	229	-116
2016/17	88	291	-203



Membership

Year	Total	Financial
2010/11	2749	2607
2011/12	2389	2181
2012/13	2249	2156
2013/14	2187	2008
2014/15	1935	1846
2015/16	1835	1740
2016/17	1700	1562



Highlights of the previous 12 months

★ ESTA

ESTA handles the call taking and dispatch of Emergency Services, Police, Fire and Ambulance and SES in Victoria. The Operations employ about 650 and the Admin/Support employ about 150. The union density is significant. We have identified the need for a Peer Support Program, and as part of the last Enterprise Agreement phase 1 is being implemented. The training department has been expanded to cater for the ever increasing demand of training new recruits in call taking and dispatch.

The Admin/Support Enterprise Agreement is currently being negotiated. Albeit 6 months delayed, so Industrial Action is very likely.

★ Telstra

Telstra issues have continued to be at the forefront of the Branch activities, at a time when permanent jobs are continuing the bleeding. Some of the clauses from the 2015-2018 EBA continue to be questionable, and issues in some Technical areas have highlighted the problems. These areas include the Wideband Design restructure and reclassification debacle and the CFW 4 upgrade attempts for the Digital Office Technology (previously Digital Business) technicians. The outcome for this group of CFW4/5 employees (around 250 across Australia) will not be commented on due to legal constraints, aside from saying that the CEPU has not been able to come to a mutually acceptable agreement with Telstra on the matter.

The critical issues of offshoring and sham contracting out permanent jobs, across many areas, is placing significant pressure on the ongoing strength of the Branch, and across Australia, the number of unionised telco workers is declining rapidly. As an example, the published membership of telco members in our Comms Division Branches across Australia is now around 6000, a long way from the "glory days". It is clear that in order to appropriately look after the industrial interests of our Telco members, significant changes have to be made in the structure of the CEPU Communications Division.

★ Optus

Very few approaches from groups of members in Optus have occurred this year, with a few individual representations being resourced by the Branch. Optus are also following Telstra in the offshoring model, with the downsizing occurring across a wide area of Optus.

★ **Australia Post**

Our Australia Post techs are still confronted with further changes to their current shift and staffing arrangements. It is clear that the future direction of A/Post will be littered with many job losses despite a new EBA being voted up by a majority of Australian A/P employees (but not Victorians). The performance of the Divisional Office in the A/Post EBA has left many Victorian technical staff deeply disappointed.

★ **Visionstream**

The Visionstream saga continues, and the ex Silcar Telepower and Communications staff still do not have certainty with their EBAs. Visionstream also plays a key role in the contract Wideband Design work, and we are concerned that the use of 3rd party staff to perform this design function is increasing. The pyramid sub-contracting model appears to have no boundaries in this industry.

★ **NBN Co**

NBN Co has also embraced the pyramid sub-contracting model with zest, and the current state of the NBN Co roll out is getting plenty of negative publicity. We have been dealing with a number of individual issues, particularly in the fault management areas, with concerns about rostering being at the forefront. We have also had some approaches from sub-contractors who are rolling out the Satellite and wireless solutions for NBN, using the Skymuster satellite.

★ **ISGM (now Tandem) and Supposed “Independent” Sub-Contractors**

The saga of the sham contracting arrangements continue unabated in Tandem. The difficulty in recruiting the subbies doing this work is a major problem, and we need to re-focus on this area.

Other smaller communications industry employers

Very few small Telco employers have contacted us about EBA's, and at the time of writing, no new EBAs have been signed. This is very much a symptom of the sub contract employment model being rolled out across the Telco Industry.

Campaigns and individual representations on issues

ISGM – disputes re individual members

Telstra – driver licence points issues

Alcatel Lucent – bargaining issues

Telstra – disciplinary representations

ESTA – disciplinary representations

ESTA – training Programme

Telstra – leave purchase

Telstra – shift roster issues – GOC

Telstra – RDO access

Aust Post – Tech recruitment (Ardeer)

Telstra – design staff issues – Ballarat

Telstra – redundancy appeal issues

ESTA – Admin/Support EA

ESTA – Peer Support Programme Implementation

ESTA – recruitment

What's for the future?

The prediction in last year's annual report, and the year before, continues the theme of an organisation in crisis.

It would appear that the influence of the NSW ALP Right will continue to dominate our activities. The Victorian T&S Branch made decisions years ago (in my mind very correct decisions) to remove our affiliation to the ALP, and we still remain outside of that organisation. However the love affair with the ALP continues, and a \$75 000 Divisional office donation to the ALP (ie money from the members of this Union) for the last Federal election, particularly in NSW ALP seats, indicates that serious change is required. This is CEPU members' money being thrown at candidates who align with the right of the ALP. The pressures applied to Unions via the ALP to fund its operations, are, without any doubt, not what we are here for. The current dysfunction in the Federal parliament bears witness to something being very wrong with the state of Government in Australia, and union members are partially funding this. The climate inside the Communications Division, and the CEPU as a whole, is, quite frankly, not helpful for the best industrial interests of the Union membership, particular those in the Telco sector.

Thanks to Branch office staff

Once again, the work of the long serving Branch office staff has been fundamental to holding the Victorian T&S Branch together.

My thanks are again recorded to Sue Riley, Sharon Benson and Trish Willoughby, our Branch staff, who keep the office operating and again have devoted themselves to the task of helping out members across all employers.

My thanks also to BCOM member Maureen Parker who has again volunteered to chase up on outstanding debts just prior to the financial year cut off, and to all our BCOM members who have had to deal with a rather difficult and change filled year. Thanks also to Roger Bland who filled our Branch President's position in the early part of this year.

Finally, many thanks to all our BCOM, and our rank and file members and delegates who have put their own interests aside and contributed to a decent outcome for all members over the last year and previous years. Without committed members, delegates and officials, we struggle to hold our own, and without a union, we are very easy to be picked off by the forces that are lined up against hard working and committed Australian workers.

In solidarity

JOHN ELLERY
Branch Secretary
CWU (T&S) Vic

25 July 2017