



Telstra's Sample Employee Collective Agreement Comparison Table against Telstra Unions position



This analysis compares key parts of the sample Employee Collective Agreement to the Telstra Unions position (developed from member feedback) and as discussed by unions in negotiations with Telstra management about a replacement enterprise agreement. The sample ECA is the same in most respects as the two agreements rejected by Wholesale and Service Advantage (call centric) staff in September. (referred to from here on in this document as “the September proposals”)

Issue	Proposed Telstra employee collective agreement detail incl clause number	Unions' position based on member feedback	Comments
Coverage	2. Parties bound are Telstra and eligible employees of a particular part of the company. Its not clear from Telstra's documentation what groups might be made an offer, or how small or large a grouping might be.	A union negotiated agreement that covers all Telstra employees.	Could apply to very small groups, and clearly not intended to apply to the whole company. Unions are excluded from the agreement, which has implications for your rights.
Duration	4. Duration 3 years		
Two part agreement	Clauses 8-35 contain Pt A of the agreement; clauses 36- 46 form part B. Pt B contains reduced conditions in some significant areas eg hours of work, no guaranteed pay rises or allowances. Further detail of differences between Pts A and B is given from this point onwards in this analysis.	Unions have opposed a two part agreement with reduced pay and conditions for some employees compared to others.	
Telstra relationship and representation principles	6. Telstra relationship and representation principles seeks to assure that nothing in the agreement prevents employees seeking union representation. Note: this section is unchanged from the September proposals	Employees should be entitled to union representation including having the union attend their workplace and a dispute settlement clause that enables the unions to enforce the agreement on members' behalf.	Section 6.2 attempts to reassure you about your rights to union representation. If the proposed agreement is endorsed unions will have no right to enter workplaces covered by the agreement to hold discussions with employees. Nor is there any requirement anywhere in the agreement to consult with unions about issues affecting staff.
Pay	Part A 10. Salary increases to Company Rates 4.5% on 2/10/08 4% on 1/10/09 4% on 14/10/10	Pay A fair guaranteed pay increase (including on grandfathering allowance) that keeps up with cost of living increases and rewards staff for their contribution to company profits.	Current inflation rate approx 5%. Objective of union claim is to reward employees for their productivity and provide for a real pay rise (above inflation) over the life of any agreement.

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	<p>Part B 38. Annual review of employee remuneration with <i>no guaranteed increases</i>.</p>	<p>New employees and those coming off AWAs should not be disadvantaged in translation to the agreement.</p>	
Performance Pay	<p>Part A 11. Performance Bonus of 1.5% (EE) or 2.5% (SE) of Company Rate for each financial year.</p> <p>Part B 37.1 refers to a minimum salary/ fixed remuneration, and variable remuneration. No details are given of variable remuneration arrangements.</p> <p>Employee Remuneration Summary (Fixed Remuneration plus Variable Remuneration, if any) at clause 37.1 does not form part of the Agreement – see Definitions at clause 36</p> <p>No details contained in either Part A or Part B about the nature of performance schemes and employee rights in relation to them</p>	<p>Incentive payments ranging between 0.5% to 2.5% for each financial year in the following structure:</p> <p>Meets most expectations 0.5% per annum Meets Expectations 1.0% per annum Exceeds Expectations 1.5% per annum Strongly exceeds 2.5% per annum</p> <p>Fair, objective and achievable measures to be included in agreement. Process for target setting which includes employee participation to be included in agreement.</p>	<p>Objective is to provide real additional reward for staff who meet or exceed expectations; and to achieve objective measures so that incentives reflect performance rather than management discretion.</p>
Payment of superannuation on bonuses	<p>Part A. 11.3. The bonuses are “inclusive of superannuation”(employer contribution) and do not form part of the Actual Salary including the calculation of Salary Related Benefits for superannuation, leave and redundancy</p> <p>Part B Not mentioned, assume same arrangements apply</p>	<p>Incentive payments to count as salary for all purposes, and employer to fund superannuation component payable on performance bonuses, rather than passing that cost onto employees</p>	<p>If you are awarded a bonus payment, you won't receive the full amount as Telstra has passed the cost of employer superannuation contributions for bonuses and performance pay onto employees (see http://yourrightsattelstra.com/?p=13 for more information).</p>
Salary Packaging	<p>Part A 12. Salary packaging available from April 09 in accordance with Telstra Policy. 12.2 Pre tax salary sacrifice for superannuation</p>	<p>Salary packaging to be available to all from commencement of agreement.</p>	<p>Salary Packaging actually saves Telstra management money as well as providing an advantage to certain employees. Why hasn't this been made available to EA employees previously and why the delayed commencement date for part A employees?</p>

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	<p>Part B 37.4. Salary packaging available from commencement of Agreement. No specific reference to pre tax superannuation</p>		
Allowances	<p>Part A 13.2 Grandfathered Allowance maintained.</p> <p>Part A Sched B All other allowances rates are unchanged since at least 6/9/05</p> <p>Part B – no allowances</p>	<p>All salary related allowances to increase by the same quantum as the pay increase All employees to be eligible to receive allowances.</p>	<p>No improvement on type and number of allowances, rates for allowances in Part A Schedule B remain at 2005 rates, so will fall behind wage and price increases. Allowances will continue to diminish in value unless indexed.</p>
Additional leave for Shift Work	<p>Part A 14.2.1. 5 weeks annual leave for continuous shift worker as defined in 16.4</p> <p>Part B 44.2. 5 weeks annual leave for continuous shift worker as defined in Telstra Policy</p>	<p>Shift entitlements should be ensured for all Telstra employees.</p>	<p>Part A Management proposal maintains status quo. No improvement</p> <p>Part B As additional week for shift workers only in policy can be changed or removed at any time.</p>
Leave loading	<p>Part A 14.2.3. 17.5% Leave Loading payable</p> <p>Part B 44.2. 17.5% Leave Loading not payable</p>	<p>Leave loading should be available for all Telstra employees</p>	<p>Part B Leave loading not being paid appears to be part of agenda to cut remuneration costs.</p>
Cash out of annual leave	<p>Part A 14.3 and Part B 41.1. Can cash out 2 weeks Annual Leave per year</p>		
Purchased Leave	<p>Staff can purchase additional annual leave subject to Telstra policy (14.4 and 41.2). No details of arrangements.</p>		
Carer's leave	<p>Part A 14.5 & Part B 44.3 Initial September proposal drafts showed 5 day annual limit on carer's leave maintained in breach of the Australian Fair Pay and Conditions Standard of 10 days per annum.</p>		<p>Initial September proposal drafts in breach of AFPCS. When unions identified and publicised this breach, Telstra reissued a second proposal. The revised provisions are reflected in the sample ECA.</p>

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Maternity and Parental leave	<p>Part A 14.7/14.8 Part B 44.5/44.6. Maternity leave as per Act. One week paid leave for secondary care giver</p>	<p>14 Weeks paid mat leave 6 weeks paid paternity/parental leave</p>	<p>Management position is status quo. No improvement.</p>
Payment for Public Holidays	<p>Part A 14.10 maintains 150% Part B 44.8.2. 150% minus Telstra super contributions for ordinary hours worked 37.4. In most cases, no additional payment for working public holidays if fixed remuneration (includes super contributions) exceeds \$72,975 Part B rate is fixed; Part A exemption rate moves to accommodate pay increases</p>	<p>Should be no salary barrier. Process for minimizing the amount of compulsory work on Public Holidays to be included in agreement</p>	<p>Part A Management position is status quo. No improvement. Part B 37.4 Reduced salary barrier for public holiday penalty rates, overtime and on-call payments in Part B compared to Part A. Part B rate of \$72, 975 limit (for most staff) includes superannuation component of fixed remuneration; Part A exemption rate at 24.1 is based on actual salary. Nor does Part B exemption rate accommodate wage movements</p>
Hours of Work, overtime and rostering.	<p>Part A 15.1 maintains existing EA provisions. Part B 40.1. 36.75 weekly hours averaged over 12 month period. Employees could be required to work long days/weeks in excess of 36.75 hours and shorter days/weeks, or no work, during the 12 month period Part A 15.4 maintains facilitative agreements Part B No facilitative agreements</p>	<p>No increase in hours of work. Overtime to be paid for all additional time worked in excess of standard hours. Employees to be actively involved in rostering.</p>	<p>Part B employees may be asked to work significant additional time without payment. Clause 40.3 makes this clear.</p>
Classification and Job evaluation	<p>Part A 17.3.3 Core jobs will not be reviewed or changed Unlike existing agreement, no specified union role in disputes about job evaluation Part B 37.2 Job families and bands mentioned, but no detail of how this system operates or rights for staff</p>	<p>The many outstanding classification issues and discrepancies need to be addressed.</p>	<p>Part B rates at 37.2 are significantly lower than those in the September proposals. Rates now appear to exclude superannuation.</p>

<p>Relationship to Awards</p>	<p>Part A 35. Incorporates the awards by reference excluding non-allowable matters, non applicable matters and prohibited content.</p> <p>Part B Excludes all awards.</p>	<p>All applicable terms and conditions of employment originating in industrial awards should be available to all Telstra employees. There should not be a two part agreement.</p>	<p>Whole range of terms and conditions originating in industrial awards not provided to Part B employees, eg</p> <p><i>Telstra Corporation General Conditions Award 2001</i></p> <ul style="list-style-type: none"> • Higher Duties Allowance • Excess Travel Time • minimum payments for overtime and on call • overtime Meal Allowance • 5 days personal leave per year without supporting evidence. <p><i>Telstra/CPSU Award 2001</i></p> <ul style="list-style-type: none"> • Flextime
<p>AWA and ITEA translation, and movement between Parts A and B of the agreement</p>	<p>Schedule 1 4.1. Telstra will not agree to terminate AWAs or ITEAs before their nominal expiry date.</p> <p>53 & 5.4. A Part A employee who transfers to Part B can return to Part A within the first 12 months of moving to Part B. An employee returning to Part A gets paid the company rate for the job or the employee's actual salary before moving to Part B</p>	<p>All employees on AWAs or ITEAs should be given the choice to transfer to the EA prior to the nominal expiry date of their AWA or ITEA.</p>	