

**Joint Committee on the National Broadband Network**

**Submission by the Communications Electrical and Plumbing Union**

**Communications Division (CWU)**

**June 2012**

The Communications Division (CWU) of the Communications Electrical and Plumbing Union (CEPU) welcomes the opportunity to address the Joint Committee on the National Broadband Network (NBN) on matters relating to the NBN roll-out.

The CWU understands that the Committee is primarily interested in the progress of the implementation of the Telstra training programme which is being funded by a \$100 million grant from the Commonwealth as part of the Definitive Agreements governing the NBN project. The CWU is happy to report on its involvement in this programme to date and on its assessment of its current direction.

There is, however, a number of further issues relating to labour supply in the NBN context that the CWU wishes to bring to the Committee attention. These relate to the question of skills development and potential skills shortages for the project as a whole, above and beyond the Telstra training programme.

A number of initiatives has been taken by NBN Co, by training providers and by the Commonwealth and States, to ensure the availability of an appropriately trained workforce for the NBN roll-out. The CWU is concerned however that these may not yet be sufficiently well coordinated and funded to meet the needs of the project in a timely fashion.

**The Telstra NBN Training Programme.**

The CWU has met with Telstra on a number of occasions to discuss the content of this programme and the timetable for its implementation. Our formal responses to these consultations and Telstra's subsequent replies to us are attached for the Committee's information. This correspondence essentially represents the sum of our input into this programme to date.

As will be evident from the attached documents, the CWU's concerns in this area are two-fold:

- to ensure that employees whose current roles are affected by the government's NBN project and the structural separation of Telstra have the opportunity for ongoing employment within the company and
- to provide any employees leaving Telstra either voluntarily or involuntarily with the best opportunities for finding work in the broader industry, especially on the NBN project.

These priorities, we believe, align well with the stated purposes of the Commonwealth grant.

From this perspective, then, the CWU has been supportive of the general thrust of Telstra's proposed training plan. In particular we have welcomed:

- Understandings that the training will be based largely on the nationally endorsed training package for the telecommunications industry (ICT10) with outcomes aligned to the Australian Qualifications Framework.
- A focus on the development of higher skill levels and roles (generally at AQF3 and 4)
- Targeting of areas where there are well recognised skill shortages relevant to the NBN roll-out e.g. network designers
- Development of skill profiles matched to emerging work opportunities (e.g. providing integrated services in the "smart home"/"smart office" environment).

Nevertheless, it is early days and to date little training has occurred. Moreover, as we noted in our letter to Telstra of 20 April, it is not yet clear what the training programme will produce when thought of in terms of new jobs and roles and how these will relate to current employment structures and related industrial instruments (i.e. to negotiated pay and classifications systems).

These may not be questions which fall within the scope of the Trust Deed but they are of course of concern to the CWU and its members.

#### **Recognition of Prior Learning.**

A further question is the role that Recognition of Prior Learning (RPL) may play in allowing Telstra employees to gain nationally recognised qualifications as part of the overall NBN training and certification effort.

The CWU considers that the first objective of the Telstra training plan should be the long-term retention and utilisation within Telstra of employees who "might otherwise have faced redundancy". However, given the sweeping and disruptive character of the NBN project, it may reasonably be expected that some staff will be displaced by it over time. Ensuring that these employees leave Telstra with recognition of their skills is important both for them and for overall industry skill supply.

Telstra in its letter of 13 December 2012 has indicated that as part of its proposed training programme it will consider combining RPL with new training "where we are reasonably able to do so." The aim would be to maximise the formal recognition of Telstra employees' capabilities/competencies with a view to their reaching full certificate levels.

For those leaving Telstra in the shorter-term, however, there are currently no undertakings in relation to Recognition of Prior Learning.

Formal recognition of competencies already held by any employees exiting Telstra will assist them to make the transition into the broader NBN workforce by meeting the requirements of the "preferred pathways" for training specified by NBN Co. The processes for RPL involve costs, however, and the question arises as to how they should be met – by individual workers, by Telstra, by NBN Co's principal contractors or by government?

The CWU will be raising this issue in the context of its current Enterprise Agreement negotiations with Telstra. However the CWU considers that this question is also deserving of the Committee's attention insofar as it affects the availability of suitably qualified labour for the NBN project.

### **Broader Skill Supply Issues.**

The CWU has been warning of possible skill shortages in relation to the NBN roll-out for several years. In 2008 it proposed that questions relating to labour supply should form part of the Request For Proposals for the original Fibre-to-the-Node (FTTN) project. Respondents should, we argued:

- specify how they intended to meet the skills requirements involved in building, maintaining and operating the proposed FTTN network;
- identify any areas where they anticipated skill shortages in relation to any of these functions and
- outline what measures they intended to take to address such shortages.

Preference should be given, we argued, to proposals which would help enlarge Australia's telecommunications skills base on a long-term basis.

This remains the CWU's perspective. In the event, however, the model eventually adopted for the NBN has meant that responsibility for skill development and supply does not and cannot be made to rest with any one participant in the project. As a result, co-ordination and funding questions in relation to skill shortages have inevitably arisen.

These have been exacerbated by structural changes in the telecommunications workforce over the last decade (or more) which has seen many former employees become sub-contractors. Such workers may often not have the means or the incentives to undertake retraining for the NBN project, especially where significantly higher skill levels are required.

The CWU would be interested in exploring these questions with the Committee more fully when we appear before it. We would simply note at this point, however, that while Telstra is a major piece in the overall NBN skill supply puzzle, the \$100 million government grant to the company is only one part of its solution.