Australia's Telstra suspends workers on flimsy charges of storing pornography

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Having committed itself to the elimination of at least 16,500 jobs over the next two years, Australia's largest telecommunications provider, Telstra, has initiated a witchhunt against scores of workers at its Global Operations Centre (GOC) in the Melbourne suburb of Clayton.

On April 20 Telstra suspended 27 employees and placed another 65 under investigation for alleged "inappropriate use of computers". According to management, those who were suspended had stored "hardcore pornography" in a central computer hard drive. Of those under investigation, 35 have been given a written final warning for storing "nude pictures".

The suspended workers face the prospect of instant dismissal, while those with warnings could also lose their jobs at any time in the future if Telstra asserts that they have breached regulations. Management has threatened to terminate their access to e-mail and the Internet. In addition, they may be forced to undergo compulsory counselling.

Telstra has already axed 26,000 jobs over the last four years. Its latest actions are a signal that as the job cuts deepen it will victimise workers to drive them out and intimidate others into accepting job losses and productivity speed-ups.

Telstra claimed that pornographic and other "non-business material" was being kept on the GOC network's central hard drive. Communications Electrical and Plumbing Union (CEPU) state secretary Len Cooper pointed out that much of the material had been stored for years, with some used as screen savers. "A lot of this material has been seen by managers."

Management's sudden "discovery" of these images is being used to discredit Telstra workers and justify dismissals. The media has joined in with headlines such as "porn scandal in Telstra," which are assisting management to publicly blacken workers' names.

Contrary to established disciplinary procedures, Telstra issued no prior warning before implementing the suspensions. It also told the Industrial Relations Commission (IRC) this week that the IRC had no jurisdiction to make a ruling on the dispute, and should not interfere.

According to Telstra, technical staff found the material during routine maintenance. Telstra's manager at the GOC said the disciplinary action resulted from a "breach of work conduct" and because the stored material "inhibited the efficiency" of the network's operation.

Telstra employees, however, say that the material was on drive space allocated for their own personal use. Some of the images included family and sports photos. Two of the 27 suspended workers had received unsolicited e-mail and deleted it but Telstra later retrieved the material from hard drive space.

Telstra's provocative approach is aimed at sending a message to all its employees—managers included—that it will tolerate only activities directly associated with company requirements. Section supervisors are ordering staff to clean out all non-business-related material from their computers. They are warning that employees found with stored material not authorised by Telstra or directly relevant to work activity could face dismissal.

The justifiable anger among Telstra employees was demonstrated when GOC and other Telstra workers held two stopwork meetings in Melbourne last week, one involving nearly 650 workers on Thursday and another attended by about 850 the following day. Workers voted to give their shop stewards and union officials the power to call action to defend the victimised workers.

Telstra's move against the GOC workers follows the imposition of a new level of supervision within the GOC. New “shift managers” directly monitor staff. Strict starting and finish times are observed. Personal or other items that might distract workers from their specific duties have been banned from workstations, including coffee and snacks.

Moreover, all field staff whose work activities are initiated by the GOC or regional Work Management Centres now have their performance and movements constantly recorded and supervised by a computerised work management system called Director 2. They are monitored from the moment they log into the system, at the commencement of a shift, including the time taken to travel to a job, and the start and finish times of each activity.

Field workers are called in each month for individual meetings with supervisors, where their performance is compared with their workmates and Telstra targets. They are forced to sign agreements to improve in areas of “less than satisfactory” performance.

A GOC worker told the *World Socialist Web Site* that many GOC workers had already been forced to transfer from other parts of Telstra's operations, where their previous jobs were eliminated. For that reason, he said, there was much dissatisfaction at the GOC.

Workers believe that Telstra is preparing to outsource all such technical “back room” work. This work, which does not require direct contact with customers, includes network supervision, technical support and field network maintenance.

Telstra has already announced the sale of its Network Design and Construction Division this year, affecting 6,500 network installation workers. Before the sale, Telstra aims to make the division as attractive as possible to prospective buyers by standardising operational procedures and work activity and maximising efficiency in order to reduce staff levels to the bare minimum.

Fuelling Telstra's drive to impose a harsh disciplinary regime are the demands of the financial markets that the telecommunications giant be fully privatised. At present 50.1 percent remains in government hands. In the eyes of the markets, Telstra is becoming increasingly unviable in an environment of global telecommunications mega-mergers because it cannot issue shares to raise funds for expansion. It is compelled to borrow funds instead.

Earlier this week two main credit rating agencies, Standard and Poors and Moody's, both downgraded Telstra's rating, forcing it to pay higher interest charges on loans. The agencies cited continued government ownership and the risks associated with Telstra's planned $A5 billion investment in a joint venture with Hong Kong-based Pacific Century Cyberworks. Moody's said government control of Telstra significantly restricted its ability to raise funds and become more flexible in its operations.

As a result of the twin credit downgrade, Telstra's share prices fell. Individuals and financial institutions that bought shares in the second round of Telstra's privatisation last year face substantial losses. The price of “T2” shares tumbled 14 cents to $4.26—well below the issue price of $4.50.

CEPU, the main Telstra union, has not called any industrial action to defend the victimised GOC workers, despite last week's stopwork meetings. Instead, union leaders have requested discussions with senior Telstra management. The union is asking for a commitment that no dismissals take place and that personal allegations be removed from employee files.

Union officials have neither called for the removal of the suspension notices nor a halt to Telstra's investigations. This is consistent with the union's record of blocking industrial action over the past 10 years as successive Australian governments—Labor and Liberal—corporatised Telstra, destroyed tens of thousands of jobs and then sold off half of its shares.