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UNIONS WARN BUSINESS OF OFF-SHORING RISKS

Unions will approach major corporate customers directly as they step up their campaign against the off-shoring of jobs from the telecommunications sector.

The Communication Workers Union says it will be writing to companies which it believes use the cloud services of major telcos to warn of the data security and privacy risks that off-shoring involves.

The move comes in the wake of recent announcements by Telstra that it would be offshoring elements of its Global Services business, with the loss of nearly 700 jobs.

“We will be asking corporate cloud services customers whether they are happy with having their own and their customers’ data sent overseas,” Divisional President Len Cooper said.

Mr Cooper said that the recent decision by Medibank to cancel a contract with service provider Luxottica showed that customers were not always aware where their data was being stored. Luxottica, which provided optical services to the Department of Defence under contract to Medibank, was found to have allowed client information to be stored offshore.

“We have our own reasons to believe that even when customers think their data is being kept securely here in Australia, that’s not always the case,” Mr. Cooper said.

“We’ll also see whether these companies are prepared to take a stance to protect Australian jobs.”

“Telstra’s recent announcement that they intend offshoring the provision of cloud services is just the latest in an ongoing trend of offshoring high quality jobs without any thought for the consequences for the Australian economy and for Australian communities in general”.

“Optus, Vodafone, iiNet, they have all sent work offshore,” Mr. Cooper said. “Telstra’s not the only guilty party – but it’s the biggest.”

Mr Cooper said that contacting the companies was only one component of a union campaign to address the skills drain associated with the offshoring of Australian jobs, especially in the Information and Communications Technology (ICT) sector.

“We will also be creating a register of companies who do not offshore,” Mr. Cooper said.

“The aim is to encourage Australian businesses to commit to retaining jobs in Australia. We will be promoting those who do so. We will also be naming those who refuse to commit.”

“Australian consumers must have a choice on this issue,” Mr. Cooper said.

Mr Cooper said that a new website, www.stopoffshoring.com.au, had also been launched so that members of the public could get information on offshoring and have their say on the issue.

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