



Telecom contract secures 1400 Transfield jobs

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THE jobs of 1400 Transfield engineers are safe after Telecom network arm Chorus agreed to renew its contract with the Australian contractor.

Transfield, which provides infrastructure maintenance and engineering services, said recently that it would lay off 170 people from five offices throughout New Zealand because it was losing money on its Telecom contract.

Transfield telecommunications general manager Ross Lockwood said the jobs of the 1400 staff in the telecommunications division — mostly working for Telecom maintaining its mobile and fixed networks — would also have been at risk if Telecom had not renewed the contract when it expired in January.

But Telecom had committed to a five-year contract and Transfield no longer needed to make people redundant. "It's a huge relief for our people."

Transfield had said it was losing money on the Telecom contract as its value had not increased with rising fuel, copper and staff costs.

Mr Lockwood said the details of the contract had not been decided,

but Transfield was confident it would be a "sustainable agreement".

The company had said that recruitment and training in the telecommunications division would end and overtime be cut back but these and Transfield's work for Telecom would now continue as normal, he said.

Telecom intends to spend about \$1.4 billion upgrading its network in the next few years.

Negotiations to renew the contract have been going on for about four months.

The Engineering, Printing and Manufacturing Union national secretary, Andrew Little, said the agreement was a relief for union members at Transfield.

"If this deal hadn't gone through there would have been 1400 redundancies in the New Year and our members would have faced the prospect of either starting from scratch with a different Telecom contractor or taking their skills overseas."

Transfield employees protested outside Telecom's annual meeting last week at the delay in contract negotiations, claiming Telecom was aggressively pushing to contain its costs.