

Extend Barnes Process. Certification process implemented for Article 43 Technical titles.

Other Important Gains

- 1974** Full Agency Shop, all occupations in bargaining unit pay members' dues or dues equivalent (except in "Right to Work" states).
- 1986** Creation of the Alliance for Employee Growth and Development.
- 1989** Increase Alliance Funding 150%.
- 1992** Ban on all secret monitoring. Guaranteed 40 hours training annually for all union workers.
- 1998** Neutrality and Expedited Elections for all acquisitions one year after purchase.
- 2005** Card check for all Appendix 3 business units, ATTSCO, GCI and Local Services. Expanded monitoring language protections to include fact/nice/star call recording systems.



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CWA

WE MAKE THE
DIFFERENCE
 AT **AT&T LEGACY**

2009 UPDATE

Bargaining for Our Futures

CWA members at the AT&T companies have worked hard over many years to win the good wages, benefits and working conditions we enjoy today. Our wages were not "given" to us by "generous" management. They were won piece by piece over years of negotiations with AT&T and all the companies that have preceded it. Our contracts insure that we have a solid base of wages and working conditions that work for us every day.

Experience tells us that good contracts are won in the workplace and in the community, not just at the bargaining table. The power we have at the negotiating table flows directly from our members and is a direct result of the information and education our members receive about the bargaining issues, along with their solidarity and their activity in the workplace. To win the kinds of improvements we will need in coming years, to improve on the benefits and employment protections we have now, we will need to mobilize all of our members with all the determination and solidarity we can.

Mobilization is the Way We Make the Difference

CWA first developed the Mobilization program in 1988 to put pressure on our employers in support of our demands at the bargaining table. Through Mobilization we educate members on the issues, build union organization and activism in the workplace and in the community. In turn, members let the company know that they are united behind their bargaining committees and willing to do whatever it takes to get the contract improvements they need.

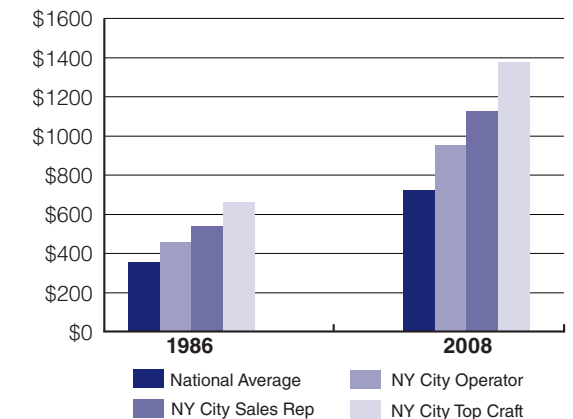
Over these 20 years, CWA has made great strides in each round of bargaining, despite some tough times in the economy, tumultuous change in our industry and increased opposition from management. Even so, from wage improvements and benefit enhancements to employment security and organizing rights, negotiations have yielded better contracts in every round. Mobilization has provided the sustained commitment of membership that has enabled CWA to achieve those goals.

In 1986, an operator in New York City was paid a maximum weekly wage of \$456 — 28% more than the average wage paid to all workers in the United States. Top craft workers were paid \$659 per week — 85% above the national average. Sales Representatives earned \$540 — 51% more than the average worker.

By December 2008, after the last pay increase in the 2005 contract, the wage rate for Operators had risen by 109% to \$95., Top Craft workers had increased by 109% to \$1,379. Sales Rep wages had risen 109% to \$1,128 per week.

Between 1986 and 2008, consumer prices increased by 99.5%, but average wages increased enough to gain 1.5% in buying power. Operators in New York City were paid 32% more, Service Reps 51% more and Top Craft 85% more than the national average weekly wage of \$772 per week. AT&T employees have increased their real wages by 5% since 1986.

CWA Wages Exceed U.S. Average



Key Bargaining Gains

Wage Increases

- 2002** 6.12% compounded general wage increase over 18 months, plus \$250 at ratification.
- 2003** 5.88% compounded general wage increase over 25 months.
- 2005** 11.19% compounded general wage increase over 41 months.

Health Care

- 1960** Established first Major Medical Plan with company contributions.
- 1964** Established Basic Medical Expense Plan for employees, retirees and dependents. Company paid 25% of cost, members contributed 75%.
- 1970** Company pays 100% of medical plan premiums.
- 1974** Dental Plan introduced.
- 1977** Long Term Disability Plan established.
- 1980** Vision Plan started.
- 1983** Joint Health Care Cost Containment Committee established to monitor health costs.
- 1989** Point-of-service managed care networks negotiated to hold down costs and avoid cost-shifting to workers. Dental benefits increased 25%. Company-wide Employee Assistance negotiated.
- 1992** Full-time, company-paid Managed Care Network Coordinator appointed.
- 1995** Eliminated deductibles in-network replaced by \$10 co-pay, increasing payments to 100%. Added coverage for routine physicals, well baby care, preventative mammograms, nutritionists. New prescription drug and mental health plans. Third-party medical appeals process approved.
- 1998** Eliminate co-payments (in-network) for occupational therapy, speech therapy and nurse midwife services. Provide annual mammograms at age 40 and thereafter. Added same-sex domestic partner coverage.
- 2002** No increase in out-of-pocket medical or Rx expenses for active and retired employees. Oral contraceptives covered by mail.

- 2005** Added domestic partner coverage for opposite sex partners.

Vacation and Time Off

- 1971** Vacation improved — 2 weeks after one year of service.
- 1974** Vacation improved — 3 weeks after 8 years, 4 weeks after 15 years.
- 1977** Excused work days introduced — one paid, one unpaid. EWD expanded to four paid, one unpaid.
- 1980** Vacation improved — 3 weeks after 7 years.
- 1983** Four-day work week introduced at some locations.
- 1992** Two EW Days may be used in two-hour increments on short notice.
- 1995** Three EW Days may be used in two-hour increments on short notice.
- 2005** EW Days can be taken in one hour increments. Vacation taken in half-days, with local agreement.

Pensions

- 1970** Eliminated Social Security offset in which company deducted 50% of Social Security check from pension (18-day strike in 1968).
- 1974** Early retirement penalty reduced by 50%.
- 1980** 30 and out. Early retirement penalty eliminated for those with 30 years of service. Revamped Pension Plan with increased minimum.
- 1986** Pension bands increased by 8%.
- 1989** Pension bands increased by 12%.
- 1992** Pension bands increased by 13%.
- 1995** Pension bands increased by 12%.
- 1998** Pension bands increased 15.7% by January 2000. Cash Balance Account negotiated: Gives all vested employees access to their pension benefits at any time that they terminate employment. Those with 15 years of service as of 7/1/98 have a choice of either plan. Social Security Supplement added to make up the difference for employees laid off with a pension penalty.

- 2002** Pension Bands and Cash Balance Account credits increased by 8%. L-Title pension bands improved.
- 2003** Pension Bands and Cash Balance Account credits increased by 5%.
- 2005** Pension Bands and Cash Balance Account credits increased by 6% in 2006 and 5% in 2008.

Savings and Security Plan

- 1977** Savings and Security Plan extended to non-management with 50% company match. (Took effect in 1979).
- 1990** 66% percent match on savings plan contributions.
- 1995** Employees can participate after 6 months service (instead of a year). More investment options.
- 1998** Employee can contribute 6% of pay, which the company will match at 66% percent rate. New employees can participate immediately. More investment options; no longer necessary for company match to be kept in AT&T stock.

Family Care Benefits

- 1989** Negotiated 1 year unpaid family care leave with 6 months of health benefits and 1 year of life insurance. Child and elder care resource and referral service established. Set up \$5 million Family Care Development Fund. Dependent care accounts created. Introduced adoption assistance benefit of up to \$2,000.
- 1992** Family Care Fund increased to \$7.5 million. Educational resource program established. AT&T/CWA/IBEW Academic Award establishing 40 scholarships of \$10,000 a year.
- 1995** Adoption Assistance increased. Gradual return-to-work program extended and improved. Added 30 Academic Awards of \$6,500 a year and eased standards for renewal.
- 2003** Family Care Development funding continued at \$3.35 million for the life of the agreement.
- 2005** Family Care Development funding continued at \$500,000 per year. Twenty eight AT&T/CWA/IBEW scholarships funded at \$6,500. Members of employee's stepfamily are covered under funeral language.

Employment Security

- 1977** Reassignment Pay Protection Plan (RPPP) and Supplemental Income Protection Plan (SIPP) established to assure income maintenance for those downgraded or laid off.
- 1980** RPPP improved to provide no loss of pay for employees downgraded due to technological change. SIPP formula improved. Language introduced to limit contracting out.
- 1983** Voluntary Income Pay Protection (VI PP) introduced.
- 1986** Career counseling and outplacement services provided for long-service laid-off workers. Three-year preferential right-of-return policy adopted for involuntary transfers.
- 1989** Established AT&T Transfer System (ATS) to aid transfers to bargaining unit jobs across AT&T. Restrictions placed on use of agency temp workers.
- 1992** Established expedited dispute resolution process to enforce subcontracting provisions. Established AT&T Rehire System (ARS) for re-employment of laid-off bargaining unit employees. Set up AT&T Options Program (ATTOP) with various termination options for employees in a surplus. Increased relocation allowance from \$7,500 to \$12,000 and guaranteed surplus workers 60 days placement priority.
- 1995** Created ATS Trial to allow workers on recall to be considered for ATS vacancies at the same time as surplus workers in the same business unit. No force freeze when a business is sold or a plant closes.
- 2002** Barnes Agreement process continued — to return the bargaining unit work given to management, Committee to develop new work opportunities for operators.
- 2005** Relocation Pay increased to \$7,000-\$13,000 for ATS transfers, Prior to being laid off, an employee must be offered a position within the company, Successorship Language: If the company chooses to sell a property or a part of its business, the buyer would be required to negotiate an equal contract. Agreement to bring work back from the Philippines. No additional contractors in a geographical area within 4 months of a VTP offer. Mandatory mediation of grievances on work done by management.