

STEVE TISZA, *President*



LOCAL 4250

*Workers of America*

(AFFILIATED WITH AFL-CIO)

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## **CWA/AT&T District 6 Bargaining Report #59**

May 13, 2009

This bargaining report is for Tuesday, May 12, 2009. On Thursday, May 14, 2009 Randall Stephenson, CEO AT&T was scheduled to meet with your District 6 Bargaining Committee. The CWA Bargaining Committee was looking forward to meeting with him to take advantage of the opportunity to discuss a few of the CRITICAL issues and share our members' perspectives. We thought that through our dialogue we could help him understand CWA's position. We weren't necessarily expecting him to agree; however we were hopeful that through our dialogue we could move this process along. Unfortunately, after yesterday's full committee meeting we were advised of the following:

At Approximately 6 p.m. Monday evening Andy Milburn received a short call from Randall Stephenson concerning our proposal. Randall seemed to be upset and irate claiming our proposal moved from the current 7% employee cost to 1%. Stephenson also claimed WE weren't serious about bargaining!

Stephenson then cancelled the meeting with your Bargaining Committee and stated, "He would find some place else to bargain!" In closing he advised Vice President Milburn that we would get a response to our proposal tomorrow and hung up on Vice President Milburn. As the Company bargaining team at this time had already indicated they had questions about the proposal, it was certainly unclear to us how the Company could have calculated the proposal correctly, as it was determined later today that there was a misunderstanding about it.

AT&T apparently doesn't understand the BARGAINING PROCESS! When a proposal is passed that you don't agree with, you don't REACT---YOU COUNTER!

By Mr. Stephenson canceling the meeting with your CWA Bargaining Committee because he didn't like our proposal, Is PROOF POSITIVE that they JUST DON'T GET IT!!!! To add injury to insult, to attempt to meet with another DISTRICT is an OLD DIVIDE AND CONQUER TACTIC that attempts to PIT DISTRICT against DISTRICT! Let us tell you Randall, "THAT'S NOT GOING TO WORK!!!"



Randall Stephenson  
at&t Corp. CEO



## **CWA/AT&T Bargaining Report #60 - CWA DISTRICT 6 RESPONSE TO AT&T SOUTHWEST'S LAST, BEST, AND FINAL OFFER**

May 13, 2009

CWA/AT&T Bargaining Report #60

This bargaining report is for Tuesday, May 12, 2009. Today at 4:00 p.m. AT&T presented CWA with their Last, Best and Final Offer. Their package was well over one hundred (100) pages, which contained many items that the Union had not seen during the many weeks of Bargaining. This occurred one day after CWA had presented the Company with their Comprehensive Proposal, which the Company still has not responded to. In short, AT&T's package contains **MAJOR RETROGRESSION** and is **FULL OF TAKE BACKS**.

Out of the five (5) Districts currently in negotiations, we are the **ONLY** Bargaining Committee to receive a **LAST, BEST, AND FINAL OFFER**. The Company was prepared with an eight (8) page, "AT&T News Now Article," complete with a calculator, and a video from John Stankey, President CEO AT&T Operations addressing employees with the Company's detailed version of their package. All this was planned at a time where the Company knew that all the CWA Local Presidents would be out of town attending a joint CWA/AT&T Common Interest Forum (CIF) Meeting, therefore would be unable to communicate with their members promptly. Keep in Mind, this was just the **SECOND DAY** after face to face bargaining with the Company had resumed.

**LISTED BELOW ARE SOME OF THE COMPANY'S PROPOSALS CONTAINED IN THEIR PACKAGE:**

### **Wages**

The Company's Wage Proposal is as follows:

- 1<sup>st</sup> year - 2% and a \$500.00 Lump Sum
- 2<sup>nd</sup> year - 2.25%
- 3<sup>rd</sup> year - 2.25%

This falls well below CWA's proposal of:

- 1<sup>st</sup> year - 4.50%
- 2<sup>nd</sup> year - 4.25%
- 3<sup>rd</sup> year - 4.0%

## **Health Care**

The Health Care Proposal the Company offered was well below what CWA had proposed. The Union's Health Care Proposal **DID NOT** contain any employee premiums, which is money that would go right back to AT&T's pockets, since AT&T is self insured. The Company has proposed different plans for current employee's verses new hires and Appendix J employees. The Company's proposed rates for current employees range from \$5.00 to \$45.00 per month, and up to 15% of the **FULL PREMIUMS** for New Hires. The Company's projection for 2010 is that New Hires will pay up to \$321.00 per month.

The Health Reimbursement Account (HRA's) the Company is so PROUD of, will ONLY pertain to year one and two of the Contract and provides reimbursements in the range of \$200.00 to \$1,050.00 for **CURRENT EMPLOYEES ONLY\_ New Hires ARE NOT ELIGIBLE for HRA's.**

Deductibles for New Hires run from \$1,150.00 to \$2,300.00 In-Network and \$3,450 to \$6,900.00 for Non-Network. Current employees deductible will range from \$500.00 to 1,500.00 In-Network.

## **Premise Technicians**

The Company's proposal requires the Premise Technician to perform Group 1 Craft work for less than half the pay of other Technicians. The Company is also requiring the Premise Technicians to start climbing poles. This in turn will reduce the workload for Customer Service Technicians (CST's), which would create potential surpluses of CST's, System Technicians, and Data Service Technicians. This meager proposal does not guarantee a forty (40) hour work week, does not contain a decent Retirement Plan nor does it contain a Retiree Health Care Package, which are proposals that CWA presented to the Company for consideration. The Union's position is that the Premise Technicians benefits **SHOULD NOT** be different from ANY other employees in the Company.

CWA also presented proposals to the Company that included improved Work Rules for Premise Technicians, many of which would not entail additional cost to the Company. CWA has repeatedly asked AT&T to **STOP** treating the Premise Techs like **SECOND CLASS CITIZENS!**

### **The Company rejected the following Premise Technician Proposals:**

- \*Improvements in Vacation Selection
- \*Improvements in Overtime Rules
- \*Improvements in Time and Title (30 months is longer than any other Job Title in our current Agreement.)
- \*Improvements in Scheduling of Days Off
- \*Improvements in Sick Pay

## **Leveraged Title and MOA' s**

The Company created titles in Appendix B for Consumer, Business, Credit, and Collections Organizations. Temporaries could be assigned and would retain Temporary Classification. Current employees could choose to go to Leveraged Job Titles with associated Compensation Plans. The Employee could retreat one time within six months.

The Union **DID NOT REQUEST NOR DOES IT SUPPORT** the, "New Sales Title."

The Company will eliminate the Service Representative Title for both Consumer and Business, and Revenue Management Representative. The employees under this New Sales Title will get paid sixty (60) percent of the Service Representative base pay yet the Company fails to explain how to get paid for the other forty (40) percent of their wages.

The Company's report also excludes the fact that AT&T refused to extend the Service Representative Task Force Agreement. This would eliminate Appointment Book Time, Emergency Time, Close Key Time, and Protection from Discipline (up to and including Dismissal) for employees who do not meet Sales Objectives, etc.

The Company also refused to extend the Monitoring, Operator, Communications Consultant, and Revenue Management Representative Agreements.

### **Employment Security Commitment**

The Company's proposal on the Employment Security Commitment (JOG) will be continued, but with some **MAJOR** changes. The JOG offer can be anywhere in the 5 state area in our current Internet or Legacy T contract. If a surplus candidate fails to qualify after taking two tests for jobs, their JOG Rights are canceled. CWA's proposal extended the original ESC with the offer in YOUR scope and included jobs in the CURRENT CONTRACT only and allowed unlimited times to test qualify for a job. The Company can also cancel the ESC at anytime due to any fluctuation in economic or business conditions as determined by the Company. The Company has canceled the agreement before, prior to 2004 bargaining when it was reinstated after a 4-day strike.

The Company's proposal on temporary reclassification agrees to reclassify most of the temporary employees to regular employees. The Company failed to mention that these employees will acquire "New Hire Benefits." The Committee proposal also made these jobs available to regular employees who have been waiting up to 4 years to transfer to jobs through the Job Vacancy Article. CWA's intent was to protect our senior member's right to these positions through the Job Vacancy. At the same time, we proposed to convert these Temporary Employees to Regular Full Time, either in place if there is no job vacancy on file, or backfill behind a Regular Full Time that had moved based on this process.

### **Success Sharing Plan**

The Company has introduced a Success Sharing Plan, which will replace our current Team Performance Award (TPA). This proposal was **NEVER** discussed with the CWA Bargaining Committee; however it was included in the Company's *Last, Best, and Final Proposal*. Our current TPA guarantees a minimum of \$500.00. The Company's NEW Success Sharing Plan has **NO** guaranteed income for your HARD WORK AND CONTRIBUTIONS.

### **Lump Sum**

The Company's proposal for the Lump Sum Pension Payout upon Retirement will use a guideline set forth in the Pension Protection Act of 2006. This is only one of the Guidelines the Company has chosen to **DECREASE** your Pensions by a **SIGNIFICANT AMOUNT**. The Pension Protection Act allows for the use of the GATT Rate, which is what CWA has been attempting to negotiate. CWA strongly believes you're entitled to the BEST PENSION CALCULATION.

## **Health Care**

The Union proposed co-pays, instead of Co-insurance, which is 10% Network and 40% Non-Network. The Co-pays would have been \$5.00 increases for Office Visits, Emergency Room, Urgent Care, and Hospital Stays. The Company's offer for Annual Out-of-Pocket Maximums for current employees run from \$2,500 to \$5,300. The New Hires have three (3) options from \$4,350 to \$34,800. This Committee can not imagine almost \$35,000 a year for any employee to pay. The Company proposed prescription drugs at retail from \$10 to \$60 and mail-order from \$20 to \$120.

We must remind you that the Company information listed mostly 1<sup>st</sup> year items, forgetting to tell you about escalators in the 2<sup>nd</sup> and 3<sup>rd</sup> years that even the Committee can not find out exact figures for you. The Committee attempted to keep the same benefit plan with everyone knowing exactly what the cost would be for all three years. There are many differences between what the Company has proposed and what the Committee has attempted to do.

Considering that AT&T made \$12.9 Billion in profit in 2008, the Company proposal on Pension improvements is a minor 1% increase per year for all 3 years, while the Committee request was the same as wages at 4.5%, 4.25%, and 4%. This continues to reduce the percentage of pension in relation to your overall salary, putting more pressure on your 401K, and future Social Security income to maintain your standard of living in your retirement years. The Company offer would calculate lump sums beginning on January 1, 2010 in a different method as previously discussed; further reducing the lump sum amount, while the Committee offer would continue the same method of calculations. New Hires and Appendix J employees will not have the same pension. The Company proposal will offer a Cash Balance Plan.

## **401K Savings Plan**

The 401k Savings Plan will remain at the same matching rate of 80%, while CWA's proposal would have raised to 100% match for current employees.

The Company's proposal for benefits is different for current employees who will retire during the Life of this Agreement. This will involve keeping up with five (5) different types of benefits and/or employee/retirees. What Company in their right mind could come up with a system like this?

On a **BITTER NOTE**: The Company's proposal makes no reference to our many, retirees and their dependents! These are the employees who built this Company, and yet the Company refused to Bargain for Retirees, attempting to justify their actions by stating the RETIREES benefits run through the end of the year, at which time the Company would make a decision. WHO in their right mind would want their benefits left up to the discretion of the COMPANY? Just look at what AT&T has already done to their own managers and supervisors.

## **NO RETIREE BENEFITS---NO CONTRACT!!!!**

CWA's proposal would allow all employees, active, retired, future retired, new hires, and Appendix J, to be covered by the SAME BENEFIT PACKAGE!!!!

## **Retirement**

CWA's proposed Pension Bands to go up 4.50% the first year, 4.25% the second year, and 4.0% the third year. The 1% EACH YEAR the Company has proposed is an **INSULT**. The Company states few companies are offering such enhancements. The truth is, few companies made **\$12.9 Billion in PROFITS** in 2008, and are on target to make greater profits in 2009; however, AT&T IS!!!!

## **Letters of Changes in Custom and Practices:**

The Company also refused to withdraw Letters of Changes in Custom and Practice, which include substituting paid contractual time for unpaid Family Leave of Absence (FMLA). Eliminate payment for Partial Session Absence and Assignment of Overtime on a voluntary basis.

## **LISTED BELOW ARE MANY ITEMS THAT EXIST IN THE CURRENT CONTRACT, BUT WERE NOT RENEWED BY THE COMPANY IN THEIR LAST, BEST, AND FINAL OFFER.**

1. Memorandum of Agreement on Monitoring
2. Service Representative Task Force and Review Committee
3. MOA Vacation Portability
4. No Successorship Language in any Exchange Sale
5. No GATT Rate for future Lump Sum Pensions
6. Revenue Management Representative Working Group Recommendations
7. Operator Services Task Force Recommendations
8. Communication Consultants Joint Leadership Forum Recommendations
9. Hometown Job Security Commitment
10. Employment Opportunity/Enhanced Retirement Benefit
11. Night Differential Language Change-Night Differential will begin at 7:00 p.m. instead of 6:00 p.m., as it currently is.
12. No Joint Health Care Cost Containment Committee
13. Memorandum of Agreement on Evolving Technologies
14. Cost of Living Adjustment
15. Expedited Arbitration
16. No Team Performance Award
17. Console Operator Protection under Supplemental Statements
18. No prohibition on DML's and dismissals for Service Representatives solely for adherence performance.
19. One less Union Benefit Rep if needed.
20. No continued promotion of CWA Nett.

While AT&T says, "Virtually all Southwest Wireline Employees covered by the Core Contract will see a positive financial impact under this offer" with all the retrogression, take backs, and cost shifting that are in this package; we believe it is the Company and the top Executives at AT&T that will be coming out the best. There is nothing new in their package that truly rewards any of you for the hard work and dedication that you have shown AT&T, and the recognition that it is your toil, that makes AT&T 12.9 billion in profits. This contract offer by the Company does not even come up to the status quo, and they are attempting to run roughshod over your elected bargaining committee and circumvent the bargaining process. This contract offer is substandard for a company that just made \$12.9 billion in profits last year, and is already on track this year to do just as well, even in a down economy. Already this year the Company has spent \$3.4 billion in buying up other Companies from the time we kicked off bargaining in February. AT&T Executives have plenty of money to buy up anything they think they want or need, but yet don't seem to have enough to provide you with a decent

contract, or at least one that your elected committee could agree with. AT&T really shows their employees how much they are WORTH AND HOW WELL THEY ARE ALL APPRECIATED.

**DON'T FALL FOR AT&TS SLICK AND FANCY SPIN AND PROPAGANDA. OVERALL THEIR PACKAGE IS INADEQUATE.**

**CWA STANDS . . .**

**Together, United, and We Stand Shoulder to Shoulder against AT&T's corporate greed!**

**UNITED WE BARGAIN .....**

**DIVIDED WE BEG!!!!!!!!!!!!!!**

**opeiu#13**

**SISTERS & BROTHERS:**

**SHOW YOUR SUPPORT FOR CWA DISTRICT 6**

**E-Mail AT&T CEO, Randall Stephenson at: [rs2982@att.com](mailto:rs2982@att.com)**



**In Unity-Strength & Solidarity:**

**Steve Tisza, President  
CWA Local 4250  
Chicago**