

# We've Made The Difference at AT&T. We Will Make The Difference in 2012!

*This month we celebrate Martin Luther King's birthday. At the time that Dr. King was assassinated in 1968, he was in Memphis to support the striking sanitation workers there. He believed that we all need to stand together to fight for justice. He knew that workers and their Unions are an important part of that fight.*

On Tuesday, January 17, 2012, we will be distributing "**We Make the Difference**" at AT&T. It is a summary of some of the gains we have made over the years in bargaining with AT&T.

- None of these gains was won without a fight.
- We need to fight if we want to save them now.

As we saw in 2009 bargaining and in every contract the CWA (and every other Union) has bargained in recent years, employers continue to increase their profits on the backs of their workers. Whether it is shifting the cost of benefits, changing long-standing work rules, massive layoffs, subcontracting or off-shoring, their goal is clear.

AT&T bargaining in 2012 will be no different. **WE** will make the difference in bargaining this year if we start our fight now and let AT&T know we will do everything necessary to win a fair Contract.

*We are fighting for the American dream. We will not let them steal it away.*

WEAR **RED** ON TUESDAY, JANUARY 17, 2012  
CWA Local 4250 Solidarity Star Reward 1 Star  
Liz VanDerWoude, President

CWA

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

**CWA**

**COMMUNICATIONS  
WORKERS OF AMERICA**

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## Fighting for the American Dream

So many Americans are having their dreams crushed by corporations that place greed over the interests of their workers. We can not let that happen at AT&T.

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 which have preceded it. Our contracts insure that we have a solid base of wages and working conditions which 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, and to improve upon 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, and 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 the Union 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. Service Representatives earned \$540, 51% more than the average worker.

**For the first quarter of 2011, the Bureau of Labor Statistics reported the nation's average weekly wage to be \$920. After the last pay increase in the 2009 contract, weekly wages for Operators were \$1,042, more than 13% over the national average. Top Craft workers, at \$1,503, were 63% over the average and at \$1,230, Service Rep wages were 34% higher. Overall, CWA members covered by the Legacy AT&T contract have seen wages increase 128% since 1986.**

**Between 1986 and 2011, consumer prices increased by 105.4%. During that time, the wages of AT&T employees have grown by 128% and their real spending power (after inflation) has increased by about 11%.**

## 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.
- 2009** 9.01% compounded general wage increase over 36 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** Join 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
- 2009** **Premiums offset by Health Reimbursement Accounts**

#### **Hearing Aid benefit**

**Mail order benefit offered at CVS retail pharmacies**

**No cost Retiree Health Care option maintained Health Reimbursement Accounts established for retired employees**

## **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 workweek 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. It 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, which makes up the difference for employees laid off with a pension penalty, added to the Contract.
- 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.
- 2009** **Pension bands and Cash Balance Account credits increased by 2% in 2010 and 2011, 2% + COLA in 2012,**  
**Cash Balance Annual Interest Rate tied to 30 year Treasury rate**

## **Savings and Security Plan**

- 1977** Savings and Security Plan extended to non-management with 50% company match. (Took effect in 1979)
- 1990** 66.67% 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 66.67% 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 and 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, 28 AT&T/CWA/IBEW scholarships funded at \$6,500, Members of employee's step-family 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 (VIPPP) 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 temps 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 during a plant closing.
- 2002** Barnes Agreement process continued — to return to 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, Extend Barnes Process, Certification process implemented for Article 43 Technical titles.
- 2009** **National Transfer Plan allows transfers into other represented segments of the corporation, simplifies access to job openings, priority placement over external candidates. JOG continues, OTP increased to \$61,000**

## 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.
- 2009** Alliance: annual company contribution increased to \$8.5 million.