

September 21, 2004

CWA Cites Offshoring as AT&T Cuts 450 CWA Jobs

AT&T continues to show its disregard for workers and customers by cutting jobs and closing customer service centers, said Ralph Maly, CWA vice president for communications and technologies.

The company's announcement on Sept. 13 that it was closing the customer service center in Charleston, W.Va., eliminating nearly 300 jobs, came just a year after company shut down its operator center, putting 100 people out of work, said CWA Representative Elaine Harris.

AT&T also announced it was cutting 130 jobs in Fairhaven, Mass., and closing centers in Hawaii and Puerto Rico, affecting more than 50 jobs in each location.

CWA President Morton Bahr thanked Senators Robert Byrd and Jay Rockefeller for speaking out against the West Virginia closing. He reminded the senators that **"two years ago, AT&T put our members in Charleston in a head-to-head competition with a call center in Bangalore, India. It is no surprise that we could not compete when measured against the total cost of doing business in India as against Charleston." AT&T has since opened another call center in Nederland, India**, he told the senators.

AT&T's announcement in July that it was abandoning the residential consumer market was another in a long line of missteps the company has made, Maly said.

Democratic presidential candidate John Kerry pointed out that because of Bush administration policies, "too many workers are still getting pink slips, like the workers at the AT&T customer service center in Charleston." Bush has chosen "to embrace outsourcing instead of closing tax loopholes that encourage companies to move jobs out of America."

In Charleston, Democratic vice presidential candidate John Edwards met with Gail Parker and Doug Harris, members of CWA Local 2001, just after the shutdown was announced, along with other area workers who have lost their jobs. This week alone, another 1,600 jobs in the region have been eliminated, Harris said.

Edwards again outlined the Democratic team's plan to keep good jobs in the U.S., by ending tax breaks for companies that send jobs offshore, encouraging investment in U.S. communities through tax incentives and providing better assistance to workers who've lost their jobs because of offshoring.





Leadership. Character. Commitment.

U.S. Senator Robert C. Byrd

Welcome

Speeches

Newsroom

About Me

Services

Issues

Features

West Virginia

Privacy Policy

News organizations seeking more information should contact Senator Byrd's Communications Office at (202) 224-3904.

September 13, 2004

Byrd Reacts to AT&T Job Losses in Charleston

U.S. Senator Robert C. Byrd, D-W.Va., Monday called telephone giant AT&T's decision to close its Charleston Call Center "a severe blow to Kanawha County."

"I am very disappointed by AT&T's decision to close its call center in Charleston and eliminate services to new residential customers across the country," Byrd said. "The men and women who work at this center have proved themselves time and again to be among the most dedicated, most efficient, and most loyal employees at the company. It is regrettable that, despite the efforts of these employees, AT&T is shutting the call center's doors. It is the end of an era in West Virginia, and likely signals the end of AT&T as we have known it for so many years."

AT&T has more than 270 employees at the Charleston call center.

In July, the Bush Administration announced that it would not appeal a court decision that overturned key portions of a Federal Communications Commission rule on local telephone competition. That ruling outlawed regulations which had enabled AT&T and other long-distance carriers to lease local telephone lines at discounted rates. The lower lease rules had been established in order to ensure competition in residential telephone services and better prices for consumers. By failing to appeal the court ruling, the company states that the cost of providing local service to residential markets would rise substantially -- to a level that makes continuing operations unprofitable.

"It comes as little surprise that the Bush White House would fail to stand up for those families who work at AT&T and for those consumers who benefit from competition in local telephone service. This is a White House that always puts big special interests ahead of the people's interests," Byrd explained. "By failing to act, the Bush White House has not only doomed these jobs but also likely set the stage for higher telephone bills for all consumers."

[Appropriations question? Visit the Committee website.](#)

[E-mail Senator Byrd](#)

For eight years, the Federal Communications Commission has encouraged competition in the local phone market by allowing companies such as AT&T to lease parts of the local network at deep discounts. AT&T had used those rules to bundle local and long-distance calling for one flat rate, allowing it to compete with similar packages from regional telephone companies such as Verizon, SBC Communications, Inc., and BellSouth. But the decision by the U.S. Court of Appeals for the District of Columbia tossed those rules out. The Administration's failure to appeal the ruling is bad news for competition, according to Consumers Union.

The move by AT&T to stop competing in several major markets is just the beginning of the end of local phone competition," said Gene Kimmelman, senior public policy director for Consumers Union, publisher of Consumer Reports. "By failing to stand up for a policy that supports competition, the Bush Administration effectively sentenced consumers to a fate of higher prices and poorer service when it comes to their local and long-distance service."

"The Administration's failure to challenge the ruling and provide leadership on this critical issue has paved the way for the Bells to drive out any real competitors still remaining, which ultimately will lead to higher rates and poorer service for many consumers," Kimmelman stated.

###

Use your browser's back button to return to Senator Rockefeller's Webpage.

FOR IMMEDIATE RELEASE

September 13, 2004

**ROCKEFELLER EXPRESSES CONCERN FOR AT&T
WORKERS; CONDEMNS BUSH ADMINISTRATION POLICIES
THAT LED TO CALL CENTER CLOSURE**

Washington, DC -- Senator Jay Rockefeller (D-WV) today expressed outrage for the loss of almost 275 jobs due to the closure of the AT&T's customer service center in Charleston. Rockefeller directly criticized the Bush Administration for refusing to fight for the pro-competition regulations that would have saved the Charleston jobs and delivered lower prices to consumers.

"My thoughts and concerns go out to the workers and their families who are affected by the center's closing," said Rockefeller. "Time and time again, we have fought to preserve these jobs, and each time West Virginia AT&T workers have stepped up to meet the industry's growing challenges and demands. I vividly remember in 1994 when the loss of this center was threatened, workers responded with an increase in productivity. I am so proud of all the efforts these workers have made."

"But this time, it was out of the workers' hands, and I'm very angry that the Bush Administration has turned its back on them," Rockefeller said. This summer, the Bush Administration declined to appeal the DC Circuit Court's decision to eliminate the Federal Communications Commission's rules requiring the regional Bell companies from opening their telecommunications infrastructure, as the law requires. As a result of the Administration's decision, AT&T announced in a June press release that, as one of its first steps, it would exit the local and long-distance market for West Virginia and across the country.

"The loss of these jobs is a direct result of this Administration's anti-competitive and anti-consumer telecommunications' policies. Today, we felt the blow of that decision first-hand," Rockefeller said.

"West Virginians can no longer afford this Administration's telecommunications policy. I fear that another four years of this Administration will bring the loss of more jobs. Instead of competition that benefits consumers, we will see consolidation among big corporations, and we will see higher prices for consumers. Instead of more jobs for the people of West Virginia and America, we will continue to see jobs being sent overseas."

On numerous occasions over the past 10 years, Senator Rockefeller has encouraged AT&T officials to maintain jobs in West Virginia. Unfortunately, due to Administration changes in telecommunications policy, the company had no choice but to close the call center.

Senator Rockefeller strongly supported the 1996 Telecommunications Act's competition-enhancing provisions, which increased competition and enabled West Virginians to enjoy lower prices and better services. Over 50 million Americans have benefited from the new local and long distance one-rate plans offered by both incumbents and competitors that are a result of the laws Congress enacted in 1996, although the Bush Administration's recent actions have undercut much of the earlier progress.

###