

STEVE TISZA, *President*



LOCAL 4250

Workers of America

(AFFILIATED WITH AFL-CIO)

3055 Glenwood-Dyer Road

Lynwood, IL 60411

708-757-4065

April 25, 2009 - The Pace of Bargaining – By: Christina Huggins, EVP CWA Local 9415

The Union has known for some time now that the goal of most major Corporations in this country is to get rid of Unions. AT&T is no exception. A couple of years back, some high level Company documents were accidentally posted on an unsecured web site that detailed a plan to reduce occupational salaries and minimize the Union's influence. We are seeing that goal play out now in the greedy, unreasonable attack on the Union by AT&T at all 5 bargaining tables. They are determined to take back the hard-fought benefits achieved over the past 30 years. They have adopted a cynical and manipulative strategy to try and exploit the economic crisis to take from those who enabled them to make their \$12.87 Billion in profit last year. May 1st is International Workers' Day. That holiday began in the 1880s in the United States, with the fight for an eight-hour work day. Workers were being forced to work ten, twelve, and fourteen hours a day at the time. A three-day general strike in Chicago led to the notorious Haymarket Square Massacre. A memorial to those workers who were shot by police remains to this day. We are sure that Corporations would love to get rid of the eight-hour day again. Just look at how they are treating their own lower and mid-level managers.

Why is the work that corporate executives perform so much more valuable than ours? Why should their work command salaries in the millions per year while they try to take our medical benefits from us? These ideas are the same that resisted the eight hour day; that fostered child labor. Our future and our children's future are at stake here. We must not let them take back the fruits of our labor while they enjoy excessive personal profit.

Some of you are frustrated with what is perceived as the slow pace of bargaining. What is really going on here is that the Union is operating strategically; measuring our options. We will continue to mobilize internally and externally to place pressure on the Company until they come to the Bargaining Table showing respect and recognizing the value of our work.

The Alameda Labor Council has vowed to help us to enlist all the various other Unions, Elected Officials and the Faith Based Community in our struggle to achieve a fair and reasonable Contract. And your mobilizations have had an effect: from the singing of "Solidarity Forever" in a large group, standing up several times a day and holding the "I am ready to strike" signs, working to the rule, the black balloons on every chair, practice picketing and many other things being done at the Pleasanton and Sacramento locations; in Oakland and other cities the refusal by Technicians to work overtime, the large demonstrations at Webster St., the grievances being filed, all of these things have been noted by the Company. We will strike if and when we are ready and we won't be notifying the Company! Keep fighting the good fight! Our future, our children's future is worth it! They say, "Take back." We say, "Fight back!"

The eight-hour day was realized for many working people in the U.S. in 1938, when the [Fair Labor Standards Act \(29 U.S. Code Chapter 8\)](#) under the [New Deal](#) made it a legal day's work throughout the nation.

Background of AT&T and CWA Negotiations

The Contract has Expired

Since April 4, 2009, when the collective bargaining agreements covering union workers at AT&T expired, 125,000 CWA members have been working without a contract. The CWA members have voted to strike when and if CWA's leaders deem it necessary to call a strike. In the meantime, talks are continuing, workers are still on the job and they have shown disciplined support for CWA's bargaining position.

This factsheet contains background information about the largest set of collective bargaining negotiations taking place in the U.S. in 2009.

The Company

AT&T is one of America's largest corporations – fourth behind Exxon, Wal-Mart and Microsoft – with a market capitalization of nearly \$150 billion dollars (4/15/2009). In 2008, the company earned \$12.9 billion on revenues of \$124 billion.

The company's press release for its fourth quarter results quotes Chairman and CEO Randall Stephenson: "Despite the economic environment, we grew revenues in 2008, and I expect 2009 will be another year of overall revenue growth and solid progress for our company." Indeed, AT&T's first quarter 2009 earnings exceeded expectations. "For this economy, it was an outstanding performance," one analyst commented.

AT&T's size far outstrips that of any of the other U.S. based companies in the telecommunications industry. AT&T is the nation's leader for traditional wire line telephone services, providing 55.6 million access lines within the footprints of its five regional operating subsidiaries:

- **AT&T East:** Connecticut
- **AT&T Midwest:** Illinois, Indiana, Ohio, Michigan and Wisconsin
- **AT&T Southeast:** Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North and South Carolina, and Tennessee
- **AT&T Southwest:** Arkansas, Kansas, Missouri, Oklahoma and Texas
- **AT&T West:** California and Nevada

Through these regional companies, AT&T also delivers broadband data services over DSL and other technologies, including U-Verse, its product for television over the Internet which competes with cable television offerings. Data services have been an increasingly important part of the AT&T business, accounting for 45 percent of revenue over the wire line network during 2008.

CWA at AT&T

AT&T reports 302,660 total employees in its annual report for 2008. Of these, more than half are represented by the Communications Workers of America. This is the largest union workforce at any single U.S. employer.

More than 40,000 of these workers are employed by AT&T Mobility, the only union represented workforce in the wireless portion of the telecommunications industry. CWA successfully negotiated a contract covering more than half of these Mobility employees which was ratified on April 2.

About 125,000 CWA represented employees are involved in the negotiations which are presently underway at six different locations around the country. (Five of the contracts are with the geographically-based operating companies. The sixth, a national contract, covers employees of the former AT&T long distance company.) Five of the contracts which together cover about 100,000 workers expired on April 4. The sixth, AT&T Southeast, expires in August.

The current negotiations are focused on contracts for the AT&T employees who build and maintain the core wire line network. All of the company's businesses depend on the integrity of that wire line network. Therefore, the maintenance, monitoring and administrative functions performed by CWA represented employees in these core contracts are critical to the ongoing success of the company in all of its product and service areas.

Most CWA members in the core AT&T units perform work in one of three categories:

1. Network technical services monitoring, maintaining and upgrading the telecommunications network involves 49 percent of employees.
2. Customer or consumer market service duties are performed by about 24 percent of CWA represented employees.
3. Another 9 percent of workers are involved with business customers whether in sales or service.

The rest of the CWA members perform functions in the finance, clerical, real estate or information technology areas.

Status of Contract Negotiations

AT&T has proposed a myriad of economic take-backs as well as work rule changes that would reverse years of progress in collective bargaining that have created hundreds of thousands of solid middle class jobs. By far, the most contentious issue in these negotiations has been the medical plan.

Both AT&T and CWA recognize that health care costs are rising and that our health care system requires fundamental reform. However, AT&T proposals would drastically shift costs to employees and retirees. By the company's own estimate, its goal is to move employees from around 10 percent of total health costs, to paying about a quarter of all health costs.

Historically, CWA has worked in partnership with AT&T through joint labor-management health care committees to develop ways to contain health cost while preserving quality health care. This year is no different. CWA negotiators have offered some innovative approaches to address the rising cost of health care while trying to maintain current living standards for our members and advancing value-based health care.

CWA has also proposed a partnership approach to national health care reform. We believe the best way for large employers like AT&T to get relief from rising health costs is to guarantee coverage for all Americans. We believe AT&T could save \$600 million a year with comprehensive health care reform that guarantees everyone affordable, quality health care and that requires all employers to pay their fair share. These health care cost savings could be re-channeled into further investment in expanding broadband and creating good jobs.

Conclusion

In spite of difficult economic times, AT&T has remained profitable and is poised to lead the nation in advanced telecommunications. This is not the time for AT&T to force severe concessions on its workers. Rather, AT&T should play a leadership role in helping to preserve middle class jobs and to promote the need for national health care reform that will help its workers, and the nation.

April 29, 2009

Mr. Randall Stephenson, CEO
AT&T Inc.
208 South Akard Street
Suite 3700
Dallas, Texas 75202

Dear Mr. Stephenson:

I am concerned that AT&T is demanding severe cuts in health care benefits for CWA-represented workers in my Congressional District.

At&T is the seventh largest company in the world as measured by market capitalization and is poised to succeed in the global digital economy.

Given our nation's economic condition, a strong company like AT&T should be leading the way, showing how America can grow jobs, build communities, and achieve guaranteed health care for everyone. Now is not the time to insist on a reduction in health care coverage from workers who, through their labor, contributed to the company's ascent to its position as a solid international competitor.

I urge you to quickly come to terms with CWA for a settlement that includes a fair wage and benefit package.

It would send a powerful message if AT&T was at the forefront of the effort to enact legislation that would guarantee quality health care for all Americans. Your company's support for such legislation would help eliminate the cost shifting that AT&T currently pays for, as providers increase charges to insured patients to cover the cost of the uninsured. National health insurance would benefit AT&T's bottom line by providing the company with hundreds of millions of dollars in additional earnings.

Sincerely,

Bobby L. Rush

Illinois-1st, Democrat
2416 Rayburn HOB
Washington, DC 20515-1301
Phone: (202) 225-4372

Jesse L. Jackson Jr.

Illinois-2nd, Democrat
2419 Rayburn HOB
Washington, DC 20515-1302
Phone: (202) 225-0773

Daniel Lipinski

Illinois-3rd, Democrat
1717 Longworth HOB
Washington, DC 20515-1303
Phone: (202) 225-5701

Luis V. Gutierrez

Illinois-4th, Democrat
2266 Rayburn HOB
Washington, DC 20515-1304
Phone: (202) 225-8203

Mike Quigley

Illinois-5th, Democrat
1319 Longworth HOB
Washington, DC 20515-1305
Phone: (202) 225-4061

Peter J. Roskam

Illinois-6th, Republican
507 Cannon HOB
Washington, DC 20515-1306
Phone: (202) 225-4561

Danny K. Davis

Illinois-7th, Democrat
2159 Rayburn HOB
Washington, DC 20515-1307
Phone: (202) 225-5006

Melissa L. Bean

Illinois-8th, Democrat
432 Cannon HOB
Washington, DC 20515-1308
Phone: (202) 225-3711

Janice D. Schakowsky

Illinois-9th, Democrat
2367 Rayburn HOB
Washington, DC 20515-1309
Phone: (202) 225-2111

Mark Steven Kirk

Illinois-10th, Republican
1030 Longworth HOB
Washington, DC 20515-1310
Phone: (202) 225-4835

Deborah L. Halvorson

Illinois-11th, Democrat
1541 Longworth HOB
Washington, DC 20515-1311
Phone: (202) 225-3635

Jerry F. Costello

Illinois-12th, Democrat
2408 Rayburn HOB
Washington, DC 20515-1312
Phone: (202) 225-5661

Judy Biggert

Illinois-13th, Republican
1034 Longworth HOB
Washington, DC 20515-1313
Phone: (202) 225-3515

Bill Foster

Illinois-14th, Democrat
1339 Longworth HOB
Washington, DC 20515-1314
Phone: (202) 225-2976

Timothy V. Johnson

Illinois-15th, Republican
1207 Longworth HOB
Washington, DC 20515-1315
Phone: (202) 225-2371

Donald A. Manzullo

Illinois-16th, Republican
2228 Rayburn HOB
Washington, DC 20515-1316
Phone: (202) 225-5676

Phil Hare

Illinois-17th, Democrat
428 Cannon HOB
Washington, DC 20515-1317
Phone: (202) 225-5905

Aaron Schock

Illinois-18th, Republican
509 Cannon HOB
Washington, DC 20515-1318
Phone: (202) 225-6201

John Shimkus

Illinois-19th, Republican
2452 Rayburn HOB
Washington, DC 20515-1319
Phone: (202) 225-5271

Peter J. Visclosky

Indiana-1st, Democrat
2256 Rayburn HOB
Washington, DC 20515-1401
Phone: (202) 225-2461

Joe Donnelly

Indiana-2nd, Democrat
1530 Longworth HOB
Washington, DC 20515-1402
Phone: (202) 225-3915

Mark E. Souder

Indiana-3rd, Republican
2231 Rayburn HOB
Washington, DC 20515-1403
Phone: (202) 225-4436

Steve Buyer

Indiana-4th, Republican
2230 Rayburn HOB
Washington, DC 20515-1404
Phone: (202) 225-5037

Dan Burton

Indiana-5th, Republican
2308 Rayburn HOB
Washington, DC 20515-1405
Phone: (202) 225-2276

Mike Pence

Indiana-6th, Republican
1431 Longworth HOB
Washington, DC 20515-1406
Phone: (202) 225-3021

André Carson

Indiana-7th, Democrat
425 Cannon HOB
Washington, DC 20515-1407
Phone: (202) 225-4011

Brad Ellsworth

Indiana-8th, Democrat
513 Cannon HOB
Washington, DC 20515-1408
Phone: (202) 225-4636

Baron P. Hill

Indiana-9th, Democrat
223 Cannon HOB
Washington, DC 20515-1409
Phone: (202) 225-5315

[Burris, Roland W.](#) - (D - IL)
387 RUSSELL SENATE OFFICE BUILDING WASHINGTON DC 20510
(202) 224-2854
Web Form: burris.senate.gov/contact/contact.cfm

[Durbin, Richard](#) - (D - IL)
309 HART SENATE OFFICE BUILDING WASHINGTON DC 20510
(202) 224-2152

[Bayh, Evan](#) - (D - IN)
131 RUSSELL SENATE OFFICE BUILDING WASHINGTON DC 20510
(202) 224-5623
Web Form: bayh.senate.gov/contact/email/

[Lugar, Richard G.](#) - (R - IN)
306 HART SENATE OFFICE BUILDING WASHINGTON DC 20510
(202) 224-4814
Web Form: lugar.senate.gov/contact/