

April 6, 2009

AT&T Is Just Like the Auto Industry— Except for its \$12.9 Billion Profit

While it isn't worth responding line-by-line to the Company's self-serving "Labor Update," we do need to address one of the company's outrageous claims on health care:

"Union-represented Core wireline employees pay similar amounts for their health care as union workers at the Big 3 automakers pay—and it's clear what those sorts of unsustainable costs have done to America's auto industry."

This is the lowest kind of scare tactic: "If you don't let us slash your health care benefits, we'll end up like the auto industry!" It's incredible that AT&T management is trying to draw a parallel between a successful and expanding telecom company and the Big 3. AT&T posted profits of \$12.9 billion for 2008 and is on track for solid growth this year.

We've shown the company how to save money without massive cost-shifting; yet their only objective is to make us pay more. Clearly, AT&T is looking for scapegoats, not solutions.

Read [CWA's press release](#) in response to AT&T's outrageous comparison to auto.

Union Update on CWA-AT&T Negotiations

Here's what's **really** happening:

Conversations are continuing at all 5 tables (see below for more information on AT&T Southeast/former BellSouth), but we are nowhere near agreements with AT&T. CWA has decided that we will stay on the job at the present time. However, the contracts have expired, which gives CWA the ability to call a strike at any moment of our choosing.

This begins Mobilization Phase 2: Strike Standby.

AT&T management sent out a "Labor Update" to announce the "highlights" of their proposals. They should have called it the "lowlights." This is a good reminder that you should always check with your local before believing the company's line.

Here is just some of what AT&T is trying to force on us:

- Major retrogression in health care benefits, including massive cost shifting in the form of premiums and out-of-pocket contributions
- Retrogressive pension proposals that would diminish the value of lump sums and provide no pension to new hires
- The company told us that its retrogressive health care and pension proposal was a "final offer." They are either not serious about the word "final" or not serious about getting a contract.
- No progress on the issue of substandard treatment of Prem Techs, just a token wage increase
- Elimination of the Employment Security Commitment
- Elimination of our Card Check Organizing Agreement which allows non-union AT&T workers to choose whether to join CWA without management interference
- Modest wage increases that would likely move our standard of living backwards over the life of the agreement. When describing wage increases, AT&T includes the wage progression that is already in our contracts!

Our bargaining committees stand ready to meet anytime AT&T is ready to get serious. The company must provide the data we need to evaluate their proposals, send someone to the table who has real authority to reach an agreement, and take its harshly retrogressive proposals off the table and start real bargaining.

Until then, stay strong, stay mobilized, stay united!

AT&T Southeast/Former BellSouth Negotiations

The AT&T Southeast/former BellSouth contract expires in August. CWA District 3 agreed to bargain early with the company, but their bargaining committee has concluded that AT&T has no interest in being fair or just to the members and retirees who built this company. District 3 locals will continue to mobilize in support of their brothers and sisters in other AT&T bargaining units.

[Read more](#) from District 3 Vice President Beverly Hicks.