

2009 Bargaining AT&T Southwest / CWA District 6
Opening Remarks
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On January 1, 1984, Southwestern Bell Telephone Company (SWBT), a former subsidiary of the AT&T Corporation, took its first step as a Baby Bell or Regional Bell Operating Company (RBOC). SWBT and CWA were in recovery from a 21-day strike that had been provoked by its mother company, AT&T, in its efforts to shift health care costs to union workers. There was much speculation whether a small RBOC, like SWBT, could survive in the competitive environment it was facing. SWBT, soon to become SBC Communications, and CWA recognized if the company, the workers, and the union were to succeed, it would take a partnership to get the job done. And so, the partnership began to grow and flourish.

Quality of Work Life became Participative Management/Employee Involvement. Common Interest Forums were established for CWA Local Officers and Company Managers, and a Strategic Alliance was formed for the top-ranking CWA Officers and SBC Managers. SBC realized the value of the CWA workers' knowledge and productivity and the clout that CWA had with state and federal legislatures. Through our partnership, we lobbied every state capitol in the District and Washington D.C. for legislation that would allow SBC to compete and grow. Our efforts proved to be very successful--so successful that the once small RBOC, Southwestern Bell Telephone, went on to purchase other RBOCs and its own mother, AT&T. Today, AT&T is the largest and most successful telecommunications company in the world and a testament that our partnership has worked. It is CWA's belief that the respect, collaboration and partnership we have built over the years lays the groundwork for successful negotiations.

As we enter these negotiations, AT&T is financially sound and well-positioned for 2009 and the future. AT&T made \$12.9 billion in profits last year. It paid its top executives \$33.5 million in 2008 and paid \$9.8 billion in dividends to investors. CEO Randall Stephenson stated, “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.”

We have heard it before from AT&T and, undoubtedly, we will hear it again at the bargaining table that AT&T needs a competitive cost structure. In plain English, AT&T would like to lower the wages and benefits of its employees to the level of those workers at its cable TV company competitors. CWA has no intention of participating in a race to the bottom. We should look for ways to stimulate the economy, not shrink it. When workers have less, the economy doesn't grow. And with \$12.9 billion in profits last year, AT&T is competing quite well. However, by working with CWA, AT&T can help level the playing field with its competitors by supporting the Employee Free Choice Act. When the Employee Free Choice Act is passed, cable TV workers will join unions by the thousands and the competitive playing field will become level.

So if AT&T can take care of its executives and investors, it can look out for those who create these profits--its employees. CWA members are a key part of the company's success. It should keep its commitments to its employees and retirees. Cutting benefits and breaking promises to retirees on fixed incomes is not only the wrong thing to do, but it is especially wrong in this economic downturn. We cannot stimulate the economy by reducing the standard of living. Rather, AT&T should be a leader in helping turn the economy around, not offshoring jobs, cutting jobs and reducing benefits.

In 2004, we bargained for the high tech jobs of the future. AT&T has fallen short on keeping its commitment to its workers. Most of the evolving work goes to lower-paid jobs with lesser benefits, contractors, non-bargained-for workers and offshore. Put America back in the jobs. AT&T stands for AMERICAN Telephone & Telegraph, CWA stands for Communications Workers of AMERICA. Make the “America” in our names’ meaningful to the American worker.

While there are many important issues we must address in this round of bargaining, health care is THE issue. Health care reform has been a big issue for many years and we finally have the opportunity to achieve a comprehensive health care system. With an administration that is willing to move forward on health care reform along with determined members of Congress, we have a real opportunity to take health care off the bargaining table with major employers and create a system that corresponds with the kind of coverage every other industrialized country provides.

I know that AT&T has been involved with CWA and others in trying to move the health care debate forward. It is those efforts that will fix health care. A 21-day strike in 1983 against the original mother Bell and a 4-day strike in 2004 proved that health care cannot be fixed at the bargaining table and it can’t be done by shifting costs to workers. That won’t work. We should learn from history and not let it repeat itself.

AT&T employees already contribute to health care costs and have accepted less in wages during past negotiations to offset health care cost. Our goal should be to work together so that your competition, other employers that don’t provide quality health care to their employees, pays a fair share of what is a social good.

We have CWA Members at AT&T Mobility (Orange Contract) who are working without a contract. You should know of our solidarity with our Brothers and Sisters at Mobility. We have a saying in the Labor movement, “An injury to one is an injury to all.” This is not just a slogan to us but a commitment to one another. We strongly encourage you to use your influence to achieve a satisfactory agreement quickly for Mobility.

You should also be aware that the members of District 6 stand ready to support their elected-bargaining committee members by whatever means are necessary to achieve a fair and equitable contract.

Let us be clear about our goals in these talks. We represent the members of AT&T Southwest in Texas, Missouri, Oklahoma, Kansas and Arkansas. We come here today to bargain a regional Agreement with you and look forward to productive discussions that will enable us to reach a quality agreement that will set the standard for the industry.