

RECOMMENDATIONS FROM THE CWA EXECUTIVE BOARD

“Ready for the Future CWA Strategic Plan - Getting Stronger Together”

I. INTRODUCTION

Over recent years, major changes in our society, economy and industries have had a significant impact on our union at all levels. Every single local union and every administrative unit of our union is grappling with reduced resources in a time of greater problems. These circumstances have forced changes on all of us. We can choose whether we plan the change or it happens without thought or planning. We can choose what changes will help us deal with the realities that face us or we can allow financial realities to force change on us without making choices. While we might like to choose to do nothing and keep things from changing, we simply don't have that option.

2005 Resolution #1 Begins Union-Wide Dialogue

These recommendations continue the work we began together in 2005 when delegates to the convention adopted Resolution #1 directing the Executive Board to collect and consider input from all levels of the union and develop a strategic plan for the future to be presented at the 2006 convention.

2006 Strategic Plan Adopted, Establishing SIF, Stewards Army and Telecom Office

After extensive discussions across our union and review of hundreds of ideas and recommendations, the Executive Board presented an eleven (11) point Strategic Plan which included the establishment of the Strategic Industry Fund, Stewards Army, Telecom Office and a directive for the Board to bring to the 2007 convention a proposal to increase Board diversity. The delegates to the 2006 convention adopted all eleven proposals as well as the constitutional amendments required for implementation.

2007 Proposal to Increase Board Diversity Adopted

Following the 2006 convention the President established a committee chaired by then Secretary-Treasurer Barbara Easterling to research and develop a proposal to increase diversity on the Board. Also serving on the committee were representatives from the National Women's Committee and National Committee on Equity. The committee solicited ideas from CWA members nationally and held regional meetings and teleconferences with local leaders and staff to discuss issues and solutions. An interactive web site enabled all CWA members to participate in the discussion and voice their opinions. At the 2007 convention, delegates adopted the Board's recommendation to add four at-large diversity board seats, along with the necessary constitutional changes required for implementation.

2008 At-Large Diversity Board Members Elected, Canadian Region Established

In 2008 the convention delegates elected four at-large diversity board members, established the Canadian Region and added the Director of CWA-SCA Canada to the Executive Board as a non-voting member

2009 Biggest-Ever CWA Lobby Day Washington D.C.

In 2009, CWA held the largest lobby day in our history when the entire convention went to the Congress to lobby for the Employee Free Choice Act and health care reform.

Our Work Continues in 2010 – Ready for the Future

We can be proud of the changes we have made together in the last five years. There is no question that the changes we have implemented have made CWA stronger, more visible and more effective in representing the interests of our members. Our strategic industry fund campaigns have been wildly successful, thousands of activists and members have been trained and engaged in actions to bring about real change in our industries. Some SIF successes include: tearing down the wall between union and non-union technicians at Verizon Business in the East with the result that hundreds of technicians joined the union; passage of the Broadband Data Improvement Act in 2008 and \$7.2 billion funding in 2009; a breakthrough at Media News leading to a new contract; a \$1 million dollar investment in Appliance Park for IUE-CWA members; and leadership in the Employee Free Choice and Health Care reform campaigns, training 13,600 activists and holding hundreds of meetings with elected officials.

At the same time, however, our nation is struggling in an economic recession that is affecting our industries and members. The Newspaper industry is in crisis. We are seeing long-established papers shutting down, filing for bankruptcy or selling operations to large and union-hostile conglomerates. TNG-CWA has lost several thousand members as newspapers try to stem revenue losses that have resulted from a shift to Internet-based advertising and other economic challenges, including a high level of debt throughout the industry. Last year alone, TNG-CWA became party to seven bankruptcies, mostly related to companies that were over-leveraged. In broadcasting, the pending merger of Comcast and NBC Universal would strengthen the non-union cable industry and is a nightmare in terms of media and new media consolidation, and would give Comcast even more control over both entertainment and media production and distribution.

In Telecom, we are experiencing significant downsizing and a fundamental move by companies away from landline, voice only networks to wireless and data networks. Not so long ago, voice communications was a product provided by half a million workers in middle class, union jobs. Now voice is often a giveaway in a bundle of Internet access and entertainment offerings from telecom, cable and satellite providers.

There is no longer a real difference between wire line and cable communication companies. Cable and wire line companies compete directly in the same markets with the same products. The cable industry plans to use its power in the entertainment industry, its DOCIS 3.0 higher speeds, and its control of the set-top box to strengthen its position in the market and further undermine union jobs.

State and local public workers across the country are facing the brunt of governments looking to plug holes in their budgets caused by the economic downturn and declining revenues. Our members are being hit with pay cuts and forced furloughs, cuts in benefits and wholesale layoffs in many states with no end in sight. The election of Republican Chris Christie in New Jersey in 2009 is an extremely bad development for workers and citizens, since Christie's campaign included threats to privatize government services in the state. In California, CWA members in the State University system have been joined by students and community supporters in a campaign to overcome devastating budget cuts by the state, but furloughs will be implemented across the state.

The current economic crisis has only worsened the downturn in manufacturing that's been underway for more than two decades. The Alcatel-Lucent plant in Merrimack Valley, Mass., once had 11,000 CWAers on the job and in 2001 still employed about 3,000 CWAers. Today those jobs are gone. In 2009, the GM plant in Moraine, Ohio, was shut down, and CWA had to fight hard to keep pensions and retiree health care. GE has closed lighting facilities in Ohio and is looking to close appliance locations.

For AFA-CWA and CWA members in the airline industry, the skies remain unfriendly. AFA-CWA flight attendants at United fought against wage, health care, pension and other benefit cuts during the airline's two rounds of bankruptcy. Now, with flight attendants being paid at 1994 wage levels, United is demanding even more concessions. In 2000, CWA represented 10,000 US Airways customer service agents; today we represent 3,900.

These are perilous times for labor and we must continue to take bold steps to increase our power and put our resources where they will make the most difference and be most effective.

The following recommendations continue the work begun at our 2005 convention and address the convention mandate of the Ready for the Future Resolution regarding the "right-sizing" of the Board by 2011 and the effective use of resources.

II. RECOMMENDATIONS

1. Combine the C&T and Telecom Offices

Combine the C&T and Telecom office and elect one Vice President for Telecom and Technology at the 2011 convention by the delegates representing the C&T and Telecom bargaining units. The new Vice President for Telecom and Technology will retain all the bargaining and representational responsibilities currently held by the C&T and Telecom Vice Presidents.

The new Telecom and Technology Vice President will have responsibility for bargaining for AT&T Legacy, Avaya, Alcatel –Lucent and OFS and shall be responsible under the direction of the Executive Board for coordinating matters of common concern and interest with respect to contracts, wages, hours of employment and other working conditions for bargaining units of Telecommunications members other than AT&T, Verizon, Qwest and their subsidiaries and affiliates. These include Windstream, Frontier, and Century-Embarq. This office also provides a focus for rural telecom work.

Key Points

The C&T and Telecom national units have experienced significant declines in membership over the last ten years. In 2000, C&T represented 65,854 workers and Telecom represented 44,078. In Jan. 2010, those numbers were 10,016 and 7,969.

The C&T and Telecom Offices have been holding joint annual meetings and have shared an office and staff in Washington DC since 2006. Formally combining the two national units is the next step. The new Vice President of Telecom and Technology will retain all the bargaining and representational responsibilities held by the C&T and Telecom Vice Presidents.

2. Other Combinations

We will continue to seek other Sector and District combinations/efficiencies. Discussions are underway with other administrative units considering combination.

3. Telecom Office

Telecommunications (voice, data, cable, IP solutions) members continue to make up a significant percentage of our overall membership. CWA's leadership structure to lead and coordinate our telecommunications work has evolved over CWA's history.

There are many factors that continue to impact the framework of the industry; employer restructure and mergers, policy and legislative impacts, ever-changing technology that is rapidly escalating the move from wire line to wireless and rising replacement of voice by data and IP delivered solutions.

It is abundantly clear that we need to honor the autonomy that exists within each of the many bargaining units within our Union.

Key Points

The Executive Vice President will work with each of the District Vice Presidents, the Telecom and Technology Vice President, and the Director of Telecommunications to coordinate and unify our work. Day-to-day contract administration will remain with the appropriate administrative unit.

The Executive Vice President will oversee the administration of the Telecommunications SIF funds in partnership with the Vice Presidents that have telecommunications members. The SIFs will not only provide education for our local leaders and members but will focus on specific projects that will put us in a better strategic position; i.e., Speed Matters.

One of the jobs of the Executive Vice President will be to help lead this work and provide a vehicle for us to unify our efforts on key issues.

4. Move to a Biennial Convention Schedule

Move to a biennial convention schedule, beginning in 2011, and implement the following changes:

- a) The President, Secretary-Treasurer, Executive Vice President, Vice Presidents, At- Large Diversity Board Members and the Canadian Director will be elected for four year terms beginning in 2011.
- b) The Finance Committee will present to convention a two-year budget beginning in 2011 and will meet in non-convention years to review the financial operations of the union, including financial audits prepared by the Secretary-Treasurer's office. The Finance Committee will issue a report of its findings in non-convention years in addition to its regular convention report. The report during non-convention years will be distributed to Locals and convention delegates by the Secretary-Treasurer.
- c) Appeals will be handled at a Presidents meeting (or their Designee) in non-convention years. Local Presidents will receive notice of the meeting (date and place) 90 days in advance and will be credited with their local membership figures from the previous convention credentials.

At the option of the appellant, final resolution of any appeal involving matters of internal CWA governance may be deferred until the next CWA Biennial Convention. Any appellant wishing to exercise such option shall notify the CWA Secretary-Treasurer of such intent in writing no later than 30 days before the non-Convention year Local Presidents' meeting.

- d) The National Committee on Equity and the National Women's Committee will meet once a year in non-convention years and report on activities and recommendations. The President will distribute the report to locals and delegates in non-convention years.
- e) The Defense Fund Oversight Committee (DFOC) will meet at least once a year in non-convention years and will issue a report. The committee will review receipts, disbursements, investments and the administration policies associated with the Members' Relief Fund, the Defense Fund and the Strategic Industry Fund. The Secretary-Treasurer will distribute the DFOC report to locals and delegates in

non-convention years. DFOC member terms that expire in 2012 will be extended to 2013.

Key Points

These are extremely difficult times for the labor movement – with a loss of 800,000 members in 2009. CWA is experiencing the largest membership losses in our history, driven by the economic downturn and fundamental transformation in our industries. Never before has it been more critical to put our resources where they can make the most difference.

Faced with these challenges, we must put our resources where they can make the most difference. We estimate that the National Union would save \$1.3 million and the Locals \$4.7 million by moving to a biennial convention. This is a significant amount of money, funds that could be used in the front-line fights and challenges our members face in every industry. CWA and its merger partners are proud of our democratic history but we believe with annual District meetings and annual reports from the finance committee, DFOC, National Women’s Committee and National Equity Committee that we can continue our commitment to transparency.

Since the initial distribution of the 2010 Ready for the Future proposal, a number of local leaders raised concerns about some aspects of the change to a Biennial Convention. The handling of Appeals in particular was singled out. Instead of electing a rank and file committee to review and process the final step of an appeal, many suggested an interim meeting of Local Presidents in the off convention year as a way to give a more complete hearing to appeals. This amended proposal includes that suggestion. Additionally, there was concern that 2 year terms for National Union Officers and Executive Board Members would cause more ongoing campaigning and have each convention focused in some large measure on the process of elections. The solution which was most commonly heard was to switch to 4 year terms. This is within the maximum allowed by law of 5 years for National Union Officers. The amended proposal also includes that change.

5. Provide an Executive Board Vote for the Canadian Region Director

The Director of CWA-SCA Canada shall have a vote on the Executive Board.

Key Points

The Director of CWA-SCA Canada has served as a non-voting member of the Executive Board since 2007 when the Canadian Region was established. We believe the unique nature of the Canadian Region, with different laws and labor regulations, calls for giving the Director of CWA-SCA a vote on the Executive Board. Additionally, most North American unions with Canadian members provide a seat on their Board with voice and vote for its Canadian region. Recognizing the CWA-SCA Canadian Director as a full

member of the Executive Board will improve our ability to organize more workers in Canada. There is no additional cost to implementing this recommendation.

6. District Sector Division Collaboration

The President shall establish an Executive Board committee to draft specific recommendations to increase communications and collaboration between sector/division and districts. The committee shall present its recommendations to the entire Executive Board and the Board shall issue a report to the locals by the 2011 convention.

Key Points

Sectors/Division and Districts have strengths which are often complimentary and sometimes unique. Increased communications and collaboration will help us leverage our strengths. Specific areas of interest include political and legislative work, staff coordination, organizing, field office sharing and increased communication on bargaining expirations and contract fights. Although there already is a considerable amount of collaboration we believe an increased focus on this will yield benefits for all our members.

7. Staff Resources/Allocation

Shift more staff to organizing, political/legislative and retiree mobilization assignments. Report progress by District/Sector/Division at next convention.

Key Points

CWA's most important resource is our staff. Although we refer frequently to the CWA Triangle (1.Representation 2.Organizing and 3.Political/Legislative/Community) as the framework of our work, the reality is that our triangle is out of balance. Given the crisis we face we must take steps to rebalance our work and shift more staff to assignments that can grow and strengthen our power during these difficult times. The best way to improve our representation is to increase union density in our industries and build bargaining power. Training must be provided for all three sides of the triangle as needed to accomplish a more balanced work focus.

8. Fully Functioning Locals

Urge locals that want to more effectively represent members but are hampered by lack of funds to merge with other locals. In addition, encourage locals which represent a very small number of members in a bargaining unit to waive jurisdiction of these members to a nearby local that represents significant number of members in the same bargaining unit and can better serve them.

Key Points

Never has it been more important to have strong, fully functioning locals. Locals must have sufficient resources to meet their constitutional requirements. It is not ideal to have

a small number of members from a bargaining unit isolated in a local when a nearby local represents a significant number of members in that bargaining unit and has expertise working the contract daily. It is never easy for a local to give up members but it is our duty to provide members with the best representation possible. A fully functioning local is the least a member should expect for their dues.