

# **The CWA Strike at AT&T Southeast**

By Jeff Bigelow

## ***Dynamics in the 2024 Bargaining and Strike***

### ***Context***

### ***Episodes in CWA's Struggle to Achieve Some Measure of Power for Workers Amid Technological Change, Mergers and the role of the State***

### **Introduction**

ATT spent months stalling negotiations and forcing workers out on strike.

On July 11 its representatives even said that some of the workers are paid too much. ATT made \$144 billion in gross profit from June 2022 to June 2024 and it was only by the labor of workers that the profit was created. Yet AT&T wanted to stall and deny the workers.

Worse yet, the real AT&T, the real owners, the handful of financial institutions that own the huge blocks of stock that control AT&T, and take the profit, they get to hide behind the administration that does their bidding.

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## Intro

ATT spent months stalling negotiations and forcing workers out on strike.

On [July 11](#) its representatives even said that some of the workers are paid *too much*. ATT made \$144 billion in gross profit from June 2022 to June 2024 and it was only by the labor of workers that the profit was created. Yet AT&T wanted to stall and deny the workers.

Worse yet, the real AT&T, the real owners, the handful of financial institutions that own the huge blocks of stock that control AT&T, and take the profit, they get to hide behind the administration that does their bidding.

Holder	Shares	Date Reported	% Out	Value
Vanguard Group Inc	629.67M	30-Jun-24	8.78%	12,442,208,425
Blackrock Inc.	527.05M	30-Jun-24	7.35%	10,414,521,122
State Street Corporation	322.14M	30-Jun-24	4.49%	6,365,494,654
Newport Trust Company, LLC	197.98M	30-Jun-24	2.76%	3,912,017,246
Geode Capital Management, LLC	157.49M	30-Jun-24	2.20%	3,111,996,211
Morgan Stanley	88.46M	30-Jun-24	1.23%	1,748,057,117
Bank Of New York Mellon Corporation	81.08M	30-Jun-24	1.13%	1,602,074,444
Arrowstreet Capital, Limited Partnership	75.5M	30-Jun-24	1.05%	1,491,825,756
Norges Bank Investment Management	71.84M	30-Jun-24	1.00%	1,419,638,997
Northern Trust Corporation	68.28M	30-Jun-24	0.95%	1,349,232,02
				30.94%

The owners profit from the workers' labor. They profit from exploiting customers. They profit from buying up technologies and creating monopolies to jack up prices. And they profit from taking over companies in other countries. Yet their names and roles are largely hidden as they play divide and conquer.

On the West Coast CWA District 9 reached a tentative agreement with ATT on **August 9**. Their contract had expired on April 6, and they had been bargaining for a longer period. The issues they faced were very similar and the company was exactly the same. The [terms of the tentative agreement](#) were described in a way that measured whether they achieved what the members sought to win as reflected in surveys.

AT&T tries to play divide and conquer all the time. At the time an agreement was made in the West the company had still [not even agreed on one improvement](#) for Southeast (SE) members working in in call centers or for Wire Techs or Utility Operations. They claimed to be “family friendly” but every day demanded that wire techs stay beyond their shifts away from their families, increasing profits- and without limits to caps on overtime to the same level as the West at that point.

For a full week after that agreement on the West Coast ATT continued to play hardball or no ball in the Southeast<https://cwad3.org/news/att-southeast-bargaining-report-39>. On August 15 they said that they would negotiate on healthcare on a regional basis to lower costs and [then the same day reversed course](#). They said that they would consider proposals and then come back with little to nothing. These surface bargaining and unfair labor practice tactics by employers are well known.

A powerful response was necessary. They had had enough. The union went on strike in the Southeast on August 16.

On the morning of **September 5**, CWA District 3 held a conference with local presidents about bargaining. At the same time, ATT sent out notices to all of the workers on September 5 telling them that a “final” company offer was on the table. It was a scare tactic and essentially a lie that the bargaining team immediately countered. It [quickly put out the truth](#) in another bargaining report comparing the positions of ATT and CWA.

On **September 6**, CWA [announced](#) that the members of District 9 working in AT&T West had *rejected* the tentative agreement [by a vote of 56%](#).

The announcement made a point of quoting CWA District 3 Vice President Richard Honeycutt. **“This may be the wake up call AT&T needed to get these negotiations done.**

In other words, there was some potential for the strike to be expanded by 8500 on the West Coast, if the company didn’t get serious on both coasts.

Less than 10 days later, on [September 15 the strike in the Southeast was settled](#) with a tentative agreement and a new tentative agreement was arrived at in the West. Workers in the SE returned to their scheduled shifts on Monday, September 16.

## ***The Tentative Agreement: Some Numbers and Key Points***

### Across the Board Raises and COLA

The September 15 [summary of the contract gains](#) features first what everyone looks for first- **the money**. Over the term of a five-year contract, they won a general wage increase of 19.33%. Wire Techs and Machine Operators will get 3% on top of that.

The September 15 Tentative Agreement in the West is not yet posted but there apparently isn't any fundamental change in the wages except that the 5% in 2024 (if ratified) would be effective April 6, 2024 that is, retroactive back to the [date the contract expired](#). Applying the 5 percent raise for 6 more months obviously has more value and has an impact on other benefits.

In the SE the current contract expired on [August 4, 2024](#). Raises would begin at the point of ratification and not be retroactive.

### ***Across the board raises***

	at ratification	April 6 2025	9/7/2025	April 5 2026	9/6/2026	April 4 2027	9/5/2027	9/3/2028
West	5%	3%		3%		3.25%		
Southeast	5%		3.00%		3.25%		3.50%	3.25%

NOTE: Inflation during the term of the last five year contract was 23 percent (when the raise was [13.25%](#)).

Beating inflation requires a strong **Cost of Living Clause** that keeps pay increasing at the rate of inflation. But the Bell companies forced the elimination of COLA clauses in the 1980s- undermining all raises.

[Winning a COLA](#) was part of what CWA said that they needed in the beginning of bargaining. Members and leaders saw the Autoworkers union win the restoration of COLA in 2023 by way of national strikes strategically targeting key sources of profit in the Big Three Auto Companies. They did it in a way that generated popular support. They had lost COLA in the recession of 2009 under the pressure of both the companies and the government.

CWA was not in the same position organizationally as the UAW in terms of a prepared active membership focused on winning COLA and an agenda of other items. So this was an aspirational goal.

## **Health Care**

**Health care benefits** under the contract reveal many tiers- which are expanded by this contract. In one place the summary says that “employees hired in 2019 or later will receive a reduction in monthly contributions for medical coverage, from a 32% cost share down to a 28% cost share”. But in another section the summary lists the monthly contributions for those hired after ratification. Their premiums are 18 percent *higher* for individuals and 27 percent *higher* for family coverage than current employees. Their cost share can’t be 28 percent at those higher rates.

**Premiums** for health care benefits dip slightly in the second and third year and then rise so that by the end of the contract they are nearly 10% higher for individual coverage and 20% higher for family coverage. That will be the base for bargaining next time.

On September 13, just two days before the final settlement announcement, the main focus of the union’s news was the cost for “working spouse surcharges”. These are charges that employees pay that are in addition to the 29% cost share. Every AT&T employee whose spouse has an option for employer provided insurance has to pay a current monthly surcharge of \$115. Under the new contract this surcharge increases to \$140 by the end of the contract, an increase of 21%.

Note in the [ATT West Tentative Agreement](#) Prescriptions **Flat dollar copay amounts will be replaced with percentage** coinsurance, meaning members will pay a percentage of the cost of the drug (Option 1 - 10%, Option 2 - 30%) up to a maximum of \$50 for generics and \$100 for preferred brand drugs for a 30-day supply.

## ***The union's other priorities in bargaining and what it achieved***

On June 25, at the opening of bargaining, the union [outlined its priorities](#):

### Bringing Wire Technicians into the Core Contract

Showing the arrogant hostility of the company toward these critically important workers, on June 27 the company made a proposal to pay them more only when they perform Core work. They also proposed changing the scope of work required of Wire Techs.

The goal of moving them into the Core Contract was not achieved. But Wire Technicians will be upgraded from Wage Zones B & C to Wage Zone A over the life of the agreement

*Note that the AT&T Southeast Billing contract was eliminated and employees these workers will be moved into the AT&T Southeast Core contract and a separate Organizational Unit created for purposes of force adjustment meaning layoffs downsizing. This was a win.*

### Schedules

ATT imposes unreasonable expectations for the time needed to complete work- which creates overtime and scheduling problems and destroys work-life balance. On July 25, CWA [published a report](#) exposing low wages and scheduling problems. On [August 1](#), these issues were again the focus of a major rally.

Constant CWA pressure led to advances in this area in the contract. Any greater worker control over time and schedules is a win- and as an example- a win for everyone:

Wire Technicians: The new contract Increased the notification timeline for a schedule change notice from twelve (12) hours to sixteen (16) hours



Wire Technicians: The new contract removed the Company's ability to cancel an employee's scheduled work hours by deleting the Cancellation of Hours section of the addendum

Wire Technicians: The new contract reduced the weekly forced overtime cap from fourteen (14) hours to twelve (12) hours

Wire Technicians: The new contract eliminated language allowing the Company to designate a week of an employee's vacation to be taken at a specific time

Wire Technicians: The new contract added a letter requiring the Company to provide employees two (2) hours notice prior to assigning overtime

Core Contract Employees: The new contract changed the weekly forced overtime cap from twelve (12) hours per week in eight (8) months and ten (10) hours per week in four (4) months to twelve (12) hours per week in six (6) months and ten (10) hours per week in six (6) months

## Job Security

We have seen the workforce slowly dwindle over the years while the number of contractors has risen.

Wire Technicians: The new contract increased layoff allowance from a maximum six (6) weeks to a maximum of eight (8) weeks

Wire Technicians: The new contract modified language to provide employees who accept a Wire Technician vacancy from the Partnership Job Bank with pay protection and other economic protections

Utility Operations: The new contract increased the layoff allowance from a maximum of \$1,750 to a maximum of \$5,000

CORE: The new contract provided for Surplus Bumping: DTs, FTs, STs and OPTs – Modified Article 7.01C4c letter regarding the pooling of DT, FT,

OPT & ST for bumping to allow pooling regardless of wage scale for the purposes of bumping.

## Other Wage and Benefit Improvements

Added Martin Luther King Jr. Day as a recognized holiday

Wire Technicians: The new contract added Double Time compensation after fifty-four (54) hours in a week

Wire Technicians: The new contract modified the language so that *all* hours worked on Sundays be paid at the rate of time and one-half (1 ½)

Wire Technicians: The new contract increased the meal allowance for overnight trips to \$40

Wire Technicians: The new contract added new language to include Holiday hours excused from work in the weekly build for overtime compensation

## **How to Assess the Settlement: the importance of context, dynamics, strategic goals, and - the question of power**

The relative success of the strike cannot be determined by looking at the numbers or percentage increases in pay alone.

The dynamics of the struggle are the key factor in assessing the outcome. Sometimes, a bitter, large struggle against a terrible employer can force a concession and essentially a surrender on an important point that, to the outside world looks like something small. But in fact, it is an important victory. The workers recognized it as something they won as a result of their collective power. And they decided to return to organize again for more the next time.

What were the dynamics of the struggle this time? What were the union goals, what were the company goals and how well did they meet those goals? I discussed that above.

However, just limiting the analysis to that would exclude a larger question or a more foundational issue.

All of the contractual issues boil down to a matter of power and control. Every contract is essentially a peace treaty between labor and capital reflecting the relative strength of the two sides.

If we have total working-class power, then we would have full control. The banker “owners” would not have any power- which in terms of fairness and the labor invested in the job is what they are entitled to.

As representatives of labor, we should be first and foremost for building power- as expressed in the consciousness of our members and the organization of our members.

To what degree did this struggle further the development of the power of the workers in each local (and thus District 3) as measured by:

Developing class consciousness – for example in agitational material for the CWA members and community exposing ATT and its owners in the process of highlighting the critical issues that we should have been mobilizing members and the community around;

Developing an organization for prepared for mobilization;

How many new activists and leaders trained and recruited?

How many new activists were recruited to work on the local’s media websites, IG, FB etc. – much of which is outdated?

How many new young activists were recruited to help with the organizational structure of the local- tracking emails, IG and FB and cell phone numbers, etc. so that there can be an effective instant communication system with all members during a mobilization

Developing an organization with deeper community ties (not just politicians- but PTAs, corner stores, community groups, activist groups, other union locals in the area- with the ability to pull each of them out to action or the ability to go to speak to their meetings, show solidarity with their issues)

How is the face of the organization (at least the local and what the members see online etc.) changing to correspond to the membership? Look at the leadership in negotiations in this [picture](#). Not very [representative](#).

When this strike began, many CWA members thought it would be a short strike like the last one. The signs that I saw initially only said ULP strike, which meant that 90 percent of the passersby had no idea what the issue was. In fact, most workers would have been hard-pressed to tell the media what the main issues were other than ATT has not come to the table with the ability to explain their proposals. (Something that wouldn't quite seem true to a lot of people knowing how ATT can BS in most situations).

In other words, there was no focus on issues bringing the strike to life – finding ways for capture these issues in a few words or images or short videos to popularize them

- so much pressure to do more required overtime:
- I can't see my family and have to pay even more for daycare.
- We have produced so much more for ATT's bottom line but we are falling further and further behind – we need a COLA lifeline

There was no battle plan on issues that had been built up over time as had been the case with the UAW, for example.

Workers proudly held signs with slogans like “Honk for Workers” and “ULP Strike”. Later, signs said “Fighting for the Middle Class”. And all of that was great and energizing when cars honked.

But how many passersby understood the issues? And did the housekeepers and mechanics think of themselves as part of the Middle Class that CWA was fighting for? What happened to the working class?

How about something like: Fighting Against ATT for worker rights, lower bills

How about something like: Wire Technicians: Fighting for more rights= better service; join our struggle

The point here is that perhaps more thought and action could have gone into the mobilization of the community and popularizing the struggle instead of expecting it to end quickly and without using it as an opportunity to build a larger base.

In terms of mobilization - that was done to some degree in past struggles. In 1988 the union began a program called Bonds of Solidarity which was a mobilization program. In 1992, for example, the members in Bell Atlantic were highly mobilized and ready and the company knew it. It hired a ton of scabs to break the anticipated strike. The union held on for months at the table costing the company millions because they had to pay both the regular workers and the scabs – then the union didn't strike, won a number of demands and union reached out to organize those “scabs” who were kept.

## Historical Context- Examples of Dynamics in Other Struggles

### 1947- 1949 AT&T Divide and Conquer Works; A New Union Rising from Defeat

The loosely organized National Federation of Telephone Workers authorized the national Executive Board to call a national strike on March 7, 1946, the first national communications strike. After the war, prices had skyrocketed while overtime had ended; so income was cut. A national steel strike began in January by 750,000 workers, lasting weeks. General strikes broke out in Lancaster and Houston in Feb. 1946. NYC was also nearly brought to a halt by a tugboat strike in Feb. By 5:30 AM on March 7 it looked like the phone system would be shut down. But after an all-night bargaining session, a tentative deal was reached. It was *the first time* that AT&T agreed to a *national* agreement. This was a big advance for the union. ATT felt the potential threat and in that context opted to make a deal. ATT committed its associated companies to that agreement.

It was a huge victory, but during the tense negotiations, 34 of the 51 affiliated unions broke away and signed separate agreements. ATT could see the potential in divide and conquer. The national agreement was for only one year.

In 1947 when the right wing was on the rise and labor laws were in the process of being trashed, ATT refused to bargain on an industry-wide basis. They forced a strike when the union was not prepared to win a national strike. The company did not make a wage offer until three weeks into the strike.

The company made its offers contingent upon each NFTW union affiliate agreeing to NOT clear it with NFTW's policy committee. Five weeks after the strike began, seventeen contracts were signed.

The strike collapsed, and NFTW was defeated, torn apart and basically finished as a union. (Both the AFL and the CIO supported the struggle financially.)

In June 1947, 200 delegates met to form the CWA at a convention in Miami. They represented 162,000 workers. Later in 1949 they voted to affiliate with the CIO.

***1955 One of the Most Famous Strikes at Southern Bell:  
Tough Battles and Strategic Decisions***

One of the most famous strikes at Southern Bell began on March 11, 1955, when 50,000 workers went out and ended 72 days later when they voted to return to work on May 25. The company was out to break the union. It demanded that any new contract contain a no strike clause, and they refused to arbitrate differences during the strike. The union held on despite attacks by goon squads. There was a lot of violence and bad media coverage. In the end they won a 1- year contract, pay increases, a strengthened arbitration clause, etc. They agreed to a no strike clause, but they won a first time ever Bell System agreement that workers could refuse to cross a picket line if one were set up by say Western Electric workers who were likely to go out on strike and want solidarity. The issue of fighting for strategic goals to build organizational power in the future is a feature of CWA contracts in the late 1980s and 1990s

The CWA national convention took place from June 20 to June 24 and this strike, and the future of the union was a major focus of the discussion. The victory came at a great cost financially. Expenses from the strike were over \$8 million and the convention voted to assess all members a day's pay. Think about that sacrifice. In addition, they had to continue financial assistance to 249 members fired by Southern Bell. They were also being sued by various parties for up to \$5 million. People were shot during the strike, etc.

Having dealt with that, the convention focused on strategy for future.

WHEN I WAS ON THE ATT PICKET LINE about a 10 days ago, I was told that they felt like they had no leverage because unlike the old days of landlines, new fiber lines rarely go down and thus the need for immediate onsite tech support is less.

With that in mind think of the discussion in 1955 as CWA Pres Beirne laid it out.

## ***Grappling with Technological displacement in the 1950s***

Technological displacement- using that phrase- had already taken its toll. The introduction of automatic control devices led to 11,000 switchboard operators being laid off in 1953 and then 17,000 more in 1954. Bell management told them that by 1965 there would be 95 percent mechanization.

They went into a long strategy discussion covering bargaining demands, the political dimension of how to respond etc.

Regarding bargaining strategies, they discussed demands to enhance job security, job relocation issues, pensions, and company paid health care.

## ***1970s setting the stage for huge battles and strategic challenges in the 1980s***

***Jumping ahead*** – It wasn't until March 1964 that Southern Bell hired its first African American operator hired in Florida.

Note that CWA, like the labor movement in general, was forced to move and then lifted and energized by the civil rights movement.

On Dec 10, 1970, the EEOC filed suit against the FCC regarding ATT in a fight to end discrimination against women and African Americans in ATT.

On July 14, 1971, 400,000 CWA members began a strike against the Bell System which lasted a week and won a Cost-of-Living provision in their national contract. This was during a CWA strike at Western Union by 3000 that ended after 57 days.

The EEOC suit ended on January 18, 1973, in a consent decree when ATT agreed to pay \$15 million in back pay and \$23 million in raises to women and Black and Latin workers to achieve equal pay and promotions. The type of struggle and settlement that would be barred as a point of discussion under the new Florida African American curriculum standards.

(The current CWA national president Claude Cummings Jr. began working for Southwestern Bell in Houston in 1973. I don't know if his hire was influenced by the consent decree)

In the mid-1970s the activists began to press for organization of within CWA at the national level that would reflect the needs of African American members and

women members. In 1978 CWA held its First National Women's Conference and not until 1982 its First National Conference on Minority Concerns. Among others Dennis Serrette was a well-known activist in the 1970s and 1980s and a leader in education.

In 1978 MCI gained entry to the publicly switched long-distance market through a federal court ruling. This accelerated the trend to deregulation and the break up of ATT.

On July 12, 1979, the Executive Board authorized President Watts to establish CWA's National Organizing Department

### *The ATT Break-up*

On Nov 20, 1974, the U.S government filed an anti-trust suit to break up AT&T monopoly. Fighting monopoly power puts labor at a disadvantage. At the same time, it took a struggle to achieve national bargaining agreements with national standards. Between 1973 and 1982 they resisted deregulation and the split up of ATT.

1980s AT&T and CWA in a decade when the general trend for labor was one of being forced time and again to accept major wage cuts and two tier agreements in many industries

On August 11, 1982, a consent decree between ATT and the government was approved by a Judge that left CWA and the interests of the workers out.

Today it is difficult to appreciate how big ATT was- the world's largest private employer with over one million employees. It had \$138 billion in assets and was the richest private company in the world. Its profits totaled \$7.3 billion, and it ranked first in corporate net income. Its investments accounted for over 9% of U.S. domestic investment. The local Bell companies provided over 80% of the U.S. local telephone service, while AT&T Long Lines handled over 95% of U.S. long-distance calls. Western Electric was the world's largest manufacturer of telecommunications equipment. Bell Laboratories was the #1 research institution in the U.S, employing over 10,000 PhDs, with a budget that surpassed the total research budget for the rest of U.S. industry.



Just before the breakup, on August 7, 1983, 600,000 Bell workers went on strike against demands for concessions and stayed out for 22 days. It was the largest CWA strike since 1946. They won- improved wages, job security and health insurance, pensions. That was the last national strike.

*On Jan 1, 1984, ATT turned into 22 Bell operating companies. One bargaining table to 22.*

Although the workers at ATT had a very definite interest in the split up of ATT as did the working class in general, the capitalist courts excluded CWA from being involved saying that it was none of their business. But clearly their bargaining power and their contacts and rights set at a national level were all being ripped away.

The purpose of the divestiture is to establish conditions which will prevent the type of anticompetitive activities which the government had charged in its complaints. . . . These activities, and hence the settlement of the lawsuits, do not involve AT&T labor relations and, more particularly, they have nothing to do with the Communications Workers of America or its relationship with the Bell System.

Judge Harold H. Greene, **August 11, 1982** *Consent Decree Opinion*, p. 80

Between 1984 and 1992, over 60 percent of ATT's unionized workforce was eliminated.

During the same period, the regional Bell companies reduced its workforce by about 30 percent through attrition.

Deregulation and technology change in the 1980s, meant that industry evolved to include new non-union wire-line companies, wireless companies, and cable TV companies. Digital technologies and the development of the Internet, meant new jobs were developed that had to be organized- like computer programmers and software specialists. During this decade CWA evolved from a telephone union into an information age/ services union and a public sector union.

***Every major struggle in the 1980s revolved around the demand for concessions. COLA and Traditional Health Insurance were lost in this period***

For example, COLA was suspended in 1986 at ATT and eliminated in 1989. It was eliminated in Ameritech in 1989 and restricted in Bell Atlantic and Bell South in 1986. It was capped in Nynex in 1986 and eliminated in US Bell in 1986.

For example, companies forced health insurance changes. They tried in 1983 but in the decade of cutbacks and concessions they were able to force changes to the structure of health benefits to PPOs and HMOs – first in 1986 with Ameritech, BellSouth, and Southwestern Bell.

*CWA stopped the plans to replace traditional health insurance with managed care with strikes at Bell Atlantic (one month), NYNEX (four months), Pacific Telesis (two weeks), and US West (one week).*

CWA stopped the plans to replace traditional health insurance with managed care or PPOs at with strikes at Bell Atlantic (one month), NYNEX (four months), Pacific Telesis (two weeks), and US West (one week).

### The 1989 NYNEX Strike

**The 1989 NY strike** was particularly important. NYNEX workers spent 17 weeks on the picket line, fighting management’s attempts to shift health care costs. On August 15, CWA Local 1103 Chief Steward Gerry Horgan was killed when he was hit by a car driven by a manager's daughter acting in the capacity of a scab. He was only 34 yrs old. **It is in honor of his life and dedication to the union that CWA activists wear red tee shirts today.**

NYNEX had won in the past by dividing IBEW, which represented 20,000 workers, and CWA which represented 40,000 workers. But this time, both unions had spent time creating the unity needed to win. CWA trained 4000 “mobilization coordinators” who alerted the membership about the dire health care cost shift. There were escalating days of action involving wearing union shirts, stickers, buttons, and informational picketing. When management demanded that forms

agreeing to the cost shift be turned in even before the contract- and by a deadline; the mobilization team assured that 90 percent refused.

They reached out to the community- NYNEX customers- many of whom had no insurance with a message that they believed everyone should have the right to healthcare. They acted preemptively to stop a divide and conquer tactic where NYNEX would say to the community why support them to get more health insurance when you have none?

The union also spoke out against NYNEX rate increases, showing an identity of interests in advance of the strike.

During the strike, high profile community figures showed support - Jessie Jackson, NOW, Citizen Action, Bernie Sanders, etc

The unions won. CWA won also at Bell Atlantic, not only on health care but also winning elder care.

After these strikes, a CWA convention voted to approve a dues increase to finance a new Members' Relief Fund to provide weekly strike benefits

### 1990s Strategy as CWA Maneuvered Amid Massive Mergers and Technology Changes

On September 17, 1992, the FCC ruled that competing local networks must be allowed to connect with local Bell exchanges thus opening local telephone service to competition.

Also, by 1992, **MCI** had captured a 17% share of long-distance revenues from AT&T and 13% of the customer-declared presubscribed lines. MCI had become the second largest long-distance service provider in the U.S. and the sixth largest international common carrier.

ATT, which had a union, competed with lower cost non-union MCI. MCI achieved lower costs at any cost. In 1992, MCI hired First Data Corporation, a subsidiary of American Express, to run its operator services. MCI then laid off all of its operators, who were offered jobs at \$5 to \$6 per hour without benefits to work for First Data. AT&T, by contrast, was paying union operators \$12.83 per hour plus an additional \$8 per hour in benefits. Although AT&T operators were 20 percent more productive and had a 50

percent lower error rate in call completion, AT&T was unable to compete with MCI's 70 percent lower labor costs.

CWA had to face this in negotiations. Ultimately, they kept the full-time title with its existing wages and benefits in the contract, but also negotiated a new part-time job title, paying \$7 per hour with limited benefits. Within a year, 70 percent of the operators were part-time. This occurred because AT&T closed many operator centers and consolidated them into megacenters located in a small number of geographic locations. Operators who wished to keep their jobs had to geographically relocate; but less than 30 percent chose to do so. This two-tier approach had spillover effects for operator services in 1995 bargaining at the regional Bells, several of whom followed the AT&T pattern.

ATT's major competitor on the **equipment side** was Northern Telecom, and in long-distance service MCI is number two. Both were anti-union. Northern Telecom for example reduced its union density in Canada between **1981 and 1992** from 61 percent to 38 percent by layoffs and transferring operations to Right to Work areas of the U.S. (North Carolina, Tennessee, Florida, Georgia, and Texas). CWA began organizing one of the runaway plants in Nashville in 1976 and was recognized in 1980. The company dragged out negotiations for a year, hired 200 new employees and then encouraged a decert. The union lost. The company engaged in illegal wiretapping. The CWA sued, finally winning a settlement in Feb 1992. After decertifying CWA in 1981 the company won five more decerts between 1983 and 1988.

The landscape was once again being changed by both technology and the role of the capitalist state in approving the mergers that arise from the capitalist drive to create monopoly. In the 1990s for example:

- 1994 bought McCaw Cellular, which it renamed AT&T Wireless
- April 1996 ATT bought Baby Bell Pacific Telesis
- 1996 Telecommunications Act of 1996 (Bill Clinton's Deregulation "allowed the Bells to compete in long-distance" but led to greater concentration so that by 2001, 4 companies controlled 85% of the network)
- May 1997 ATT bought 30% stake in Telkom South Africa
- Jan 1998 ATT bought Southern New England Tel.

- 1998 The merger of WorldCom with MCI won approval.
- May 1998 ATT bought Ameritech
- 1999 GTE Wireless, Bell Atlantic Mobile and Vodafone AirTouch combined to form Verizon Wireless.
- 1999 SBC and BellSouth merged wireless operations to form Cingular
- Jan 1999 ATT bought Comcast Cellular
- 2000 Verizon Communications is formed by a merger between Bell Atlantic and GTE.

Deregulation was a big blow to CWA. Some of these companies were non-union and when merging with companies that had union agreements that created challenges. In some cases.

CWA faced a situation where:

- Rank and file members were constantly behind inflation and many times driven by speed up. They lacked the contractual rights and control and power on the job that they needed on the job to be able effectively fight back against harassment, arrogance, speed up and unfairness. They wanted action first and foremost on their immediate issues. In other words it was like every workplace situation where some rights had been won in the past, but workers naturally wanted more at the time of bargaining.
- CWA Staff and members recognized in the rapidly changing environment that wireline companies were downsizing – laying off and job security or the lack of it was a big issue
- CWA Staff and members saw that companies were outsourcing and subcontracting work
- CWA Staff saw companies creating non-union subsidiaries for wireless, data communications, telemarketing, and other non-regulated business that more and more undermined the power of the union
- CWA Staff saw companies mis-classify higher-skilled technical positions as managerial/professional so that these positions would be

outside of any potential bargaining unit. The trend in the industry was toward higher skilled positions.

Given the changing technological and industrial and political environment, CWA power was declining (as was labor's power in general). What strategy would help bring them additional leverage and power?

### *1990s Strategy and Union Building as Goals*

They opted to mobilize members for strategic bargaining goals – for example demanding wall-to-wall union recognition.

## UNION RECOGNITION

Their success in winning **union recognition and union security clauses** was tied not only to member mobilization at key moments in a contract fight but also to the legal position of the companies. They needed union support in the state regulatory arena after deregulation and especially during merger activity. (stats analysis from [here](#))

Companies wanted union support to get states to replace state-based operations and move to regional and national service. The price to pay for that became agreement on card check neutrality for organizing and/or successorship clauses in the case of mergers. Suddenly by the mid-1990s this dynamic led the companies to want to appear to be best friends.

For not opposing mergers with ATT, CWA won neutrality and card check which then translated into gains

Under neutrality agreements CWA gained at least 5,000 members at AT&T and 2,000 each at NYNEX (now Bell Atlantic), US West, Pacific Telesis, Ameritech, and SBC.

In January 1995, CWA won a unit of 2,000 representatives serving residential customers in New Hampshire and Maine by a close vote of 53 percent. This was the largest that had remained outside of the union in the NYNEX district. Had the company not been neutral the vote may have gone the other way.

CWA was successful in negotiating some form of organizing rights in the 1990s in all of the Bell companies – employer neutrality, card check and expedited elections. Except for US West all agreed to neutrality by 1998 and most agreed to expedited elections and three agreed to card check.

CWA won expedited elections at AT&T, BellSouth, GTE Southwest, and Lucent. It won card check recognition at Ameritech Cellular, Bell Atlantic, and SBC (formerly Southwestern Bell).

In 1998, the CWA negotiated a successorship clause with US West, which then applied to its acquisition of that company by Qwest

## OUTSOURCING

**The union also focused on outsourcing and bringing the work back in.** That was a key issue in the 1998 strike at Bell Atlantic where customer service and sales work had been outsourced. The union’s position in Baltimore had wide public support. In the end, Bell Atlantic agreed to bring all of the work back in-house. And they agreed to not subcontract anything until January, 2000, as well as a six-month notification of any proposed subcontracting after that date.

CWA negotiated an agreement with BellSouth for a joint study regarding bringing back in-house the work of “buried service wire” that was historically subcontracted. After a successful pilot, a separate contract was negotiated, with a lower wage scale and the opportunity for these workers to have first rights to bid into entry level technician jobs under the main union contract.

## JOB SECURITY

Just between 1993 and 1997 telecommunications employers announced plans to eliminate 98,000 jobs.

Technology changes and mergers helped to drive this. The telephone installation and central office crafts (the main pillars of power within the union at the time, often in coalition with operators) were the target of massive downsizing.

Job security was a big issue in the 1990s

Most agreements in this period achieved expanded transfer rights, retraining, early retirement incentives, and severance pay enhancements.

Only Pacific Telesis and Southwest Bell made no layoff commitments. “Restructuring” and “broad-banded” occupations with common wage schedules made some downsizing agreements easier in this industry re bumping etc than others.

## NATIONAL BARGAINING/ COORDINATED BARGAINING

The goal of national bargaining or less than that- coordinated or pattern bargaining was difficult to achieve in the 1990s or since even with fewer players.

CWA was able to maintain a loose pattern for bargaining across the industry on economic issues.

AT&T was permitted to escape the common expiration date starting in 1986, it remains not only a participant in the loose pattern

Only NYNEX agreements in 1989 and 1991 broke the pattern agreements.

## Skipping ahead again to the 2019 strike

In 2019, AT&T was the world's largest telecommunications company. AT&T was also the largest provider of mobile telephone services and the largest provider of landline services in the United States.

On **August 24**, 2019, twenty thousand CWA workers in the Southeast went on strike, the first CWA strike in the SE in decades. Their contract ended on August 3. By the time the strike ended on **August 28** they had stopped the company’s attempt to increase the percentage that the workers paid for health care. And they had limited the use of contractors. They had stopped ATT’s plans to increase the scope of work for wire technicians. They concluded a 5-year agreement with raises of 13.5 percent.



This short strike, with little demonstrated mass power other than the dispersed pickets, may have led many on the line in 2024 to believe that the strike this time would be short and require little mobilizing effort. That was an unfortunate message.