

Tentative Agreements reached between AT&T and the CWA in lead-up to contract votes

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Three days after a 72-hour contract extension expired for members of the Communications Workers of America (CWA) employed throughout the US southeast at DirecTV, a subsidiary of the multinational telecommunications company AT&T, the union announced a new tentative agreement (TA) Friday. The deal was reached one week after the union concluded a new four-year TA with another AT&T subsidiary, AT&T Mobility.

The CWA is also currently in negotiations with telecommunications company Liberty Latin America for its members in Puerto Rico, and jointly with the Teamsters union for passenger service agents at American Airlines.

The contract talks with AT&T encompass CWA's District 3, which includes its locals in the US southeast. According to District 3's website, collectively this arm of the CWA includes hundreds of locals with a membership of over 70,000. Nationwide, the CWA "represents more than 150,000 workers at AT&T, including 45,000 at AT&T Mobility nationwide; 9,000 at DIRECTV and 2,000 at AT&T Internet."

The previous four-year agreement for AT&T Mobility workers ("Mobility Black") expired in February 2022, but management was given a one-year extension. The recent contract talks between the union and both AT&T Mobility and DirecTV began in January.

Instead of mobilizing its entire membership behind the AT&T and DirecTV workers, the CWA is instead aiming to dissipate rank-and-file opposition by holding isolated "selective" informational pickets.

While during negotiations the CWA stated that AT&T Mobility "continues to miss the mark [on livable wages], but they are headed in the right direction," it announced on February 10 that a TA was reached, releasing the contract highlights on Thursday. At the same time, the union announced that DirecTV was refusing to budge on "the most important issues" for its members—wages, benefits and job security.

However, the highlights for both new contracts are a slap to all CWA members. While boasting of a "strong TA" that includes, among other things, "substantial raises for all job titles," both new contracts would in reality entail a wage cut.

The TA with AT&T Mobility would give workers a 14 percent total increase in base wage pay over the four-year life of the contract, already well below the current 6.4 percent rate of inflation. The first year of the contract would see a five percent wage increase, followed by three percent annually for the remaining three years. The last three years of the contract would have "inflation protections" of 0.5 percent attached to "the increase above three percent," but as the highlights point out, "in no event shall the wage increase for 2024, 2025, or 2026 exceed 5%." (Although the new contract duration for DirecTV members has not been announced as of this writing, the released "highlights" indicate identical wage increases.)

For each of the three health care options offered, deductibles would increase for each of the four years of the new contract. The union also conspired with the company to lure members into a quick ratification by dangling a "one-time bonus of \$1000...if the contract is ratified by March 10, 2023."

With over 100 million subscribers in the US alone, AT&T, along with Verizon and T-Mobile, is one of the largest North America-based telecommunications companies. The company's 2022 full-year revenue was \$120.7 billion, with its mobility operations, its most lucrative sector, increasing its year-on-year fourth-quarter revenue by 1.7 percent to \$21.5 billion, largely driven by service costs, a reflection of increasing subscription numbers.

Prior to the announcement of the TA, the CWA published a report, co-authored with the National Employment Law Project, detailing the widespread use and ramifications of outsourcing by telecom companies, which is one of the mechanisms used to maintain their profits.

According to the report, "between 60 to 80 percent" of

wireless carriers' retail operations are outsourced to "third parties, referred to as 'authorized retailers' or 'authorized dealers.'" The report found that AT&T escalated its "use of authorized retailers in the last five years—from 61 percent of stores in January 2018 to 73 percent in December 2022".

The company outsources its operations through a license agreement which, "[u]nlike a franchise agreement ... does not require the payment of upfront fees by the licensee to the licensor. This legal difference enables licensors (the carriers) to avoid disclosures required under franchise laws."

The report further states that "[b]oth Corporate Store Workers and Authorized Retailer Workers do the same work, but job quality is often worse at authorized retailers than job quality at corporate stores. No authorized retailers are currently unionized."

The union's claim to be interested in mitigating exploitative conditions is exposed by an examination of its real role as a labor police force installed to protect the bottom line of the corporations.

This is indicated in the section, "Memorandum Of Agreement for Retail Store Operations and Authorized Retailers" in the new TA for the CWA's District 3 AT&T Mobility members. It states that in case of the company encountering any operational shortfalls, it "shall not close any [Company Owned Retail] locations, nor shall it declare any involuntary surplus in all or any of the COR Stores *unless there are adverse economic or business conditions.*" (emphasis added)

Furthermore, the previous four-year "Mobility Black" contract contained a no-strike clause, which stipulated point blank that the union "not cause, call, or sanction strikes of any kind, including sympathy strikes and strikes in protest of alleged unfair labor practices, boycotts, work stoppages or slowdowns which interfere with the Company's production or business." In the case that rank-and-file opposition inevitably broke out of official union confines, the previous contract indicated that the "Company and the Union will work together to bring any such unauthorized action to an end."

The CWA in fact has a direct monetary stake in preventing strikes. Although it sat on \$400 million of net assets last year, according to its most recent Department of Labor filings, it disbursed \$0 in "strike benefits" between June 2021 and May 2022.

Despite the title of its supposedly "nonpartisan" Political Action Fund, the CWA incessantly attempts to chloroform its members with the lie that the Democratic Party, if pressured from below, can be made to defend workers' interests.

The CWA recently offered unctuous praise to President Joe Biden's outgoing Labor Secretary, Marty Walsh, and

other Biden officials, including vice president Kamala Harris. This despite the the actions of the Biden administration in ramming through dictatorial anti-strike legislation against railroaders last fall.

The record of the CWA demonstrates it will do nothing to organize a genuine and concerted fight against the companies. Through its unofficial auxiliary agent at the federal subcontractor corporation, Maximus, the CWA oversaw several selective strikes at call centers throughout the southeast last year. However, when the company moved to arbitrarily layoff hundreds of workers at call centers in Mississippi and Louisiana, the CWA, through Call Center Workers United, responded by merely writing a letter to the Democratic Party Secretary of the Department of Health and Human Services, Xavier Becerra, pleading with him to right the wrongs Maximus had committed.

The struggle facing AT&T workers takes place within the context of the intensification of the class struggle internationally. In its recent perspective on the unfolding strike wave in Europe, the *World Socialist Web Site* wrote: "What is unfolding is not a series of national trade union struggles that can be resolved by isolated negotiations with one or other capitalist government. Rather, it is an international political struggle, as workers raise similar demands in every country and are met with police crackdowns and legal threats from governments that are discredited and widely despised."

In order to wage a victorious fight against the companies, CWA members must learn the lessons of the 2016 Verizon strike and the 2019 AT&T strike, both of which were isolated and betrayed by the CWA and the International Brotherhood of Electrical Workers. Workers must form their own independent rank-and-file committees to wrest control of the contract talks from the hands of the union bureaucrats. The committees would democratically decide on workers' demands, and link up the struggle of AT&T workers with other telecommunications workers, as well as workers in other industries throughout the world.



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