

43,000 strike telecommunications giant Verizon in Northeast US

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43,000 telecommunication workers in the Northeast of the United States went on strike Sunday morning against massive concessions demanded by Verizon including cuts to pensions, wages and health care and the ending of all job security provisions.

Verizon is demanding more than 100 concessions. According to striking workers on the picket line, Verizon refused a last-minute offer by union leaders to continue working under the previous contract, forcing a strike.

The strike covers workers from Virginia to Massachusetts, and west to Pennsylvania. Verizon, with nearly 200,000 workers, is primarily nonunion and it has made extensive preparations for a strike. Management from different parts of the country have been brought in to act as scabs, and retired Verizon employees have also been brought back to keep operations running.

Perhaps the most draconian of Verizon's proposals is the freezing of pensions for current employees, eliminating the annual increase and completely eliminating pensions for new hires. For example, a 37-year-old worker who has worked for Verizon for 15 years would have to continue working until he or she reached 65 and would only receive around \$600.00 a month.

New employees would get nothing. In 2005, Verizon carried through the same cut for its management employees.

The company is also demanding that all pay increases be tied to performance, giving individual supervisors the authority to deny pay raises to their employees. Verizon is also seeking to create a new job title in its customer service offices whereby workers would be paid based on commission. The company also wants to eliminate differential pay for nights and weekends and

double time for hours past 49 per week.

While pay and pensions are cut, the company is demanding that workers pay more for health, dental and prescription drugs. Verizon will pay a fixed amount towards medical premiums and workers would have to cover the difference. For a worker or retiree to cover their family, the cost would range from \$1,380 to \$3,810. Dental coverage would cost \$435.00. As premiums go up each year, so would these costs.

Verizon is also demanding the elimination of all job security provisions and would be able to lay off at will. Currently workers cannot be required to move more than 35 miles in a forced transfer. Under the proposal, Verizon will be able to force workers to move anywhere or be out of a job. The company also wants to abolish most job classifications, meaning that workers can be forced to do almost any job.

Other provisions would allow the company to eliminate disability benefits, reduce the number of sick days, and reduce paid holidays. The list of concessions goes on and on.

Verizon is exploiting the deepening jobs crisis in the United States. The federal government, led by the Obama administration, has rejected any jobs program to address the crisis, facilitating the efforts by corporations to ram through unprecedented cuts.

A Central Office Technician in Pittsburgh said, "It's ridiculous what they are asking from us. They know the economy is bad. There are millions of people out of work, and they just feel they can get away with it. I have worked for the company 11 years. I have a long way to go before retirement and they are saying all I will get is about \$400 a month.

"In the past few years things have been getting really bad," he added. "They keep cutting jobs and putting more and more work on everyone. One of the main

things they want is to have your boss decide whether you get a raise or not. My boss doesn't work with me, he doesn't know what I do from day to day. How can he decide whether I deserve a raise or not?

"All the company cares about is the bottom line. They don't care about service or the employees."

Verizon is one of the most profitable companies in the US. In the past four years it has made \$19.5 billion in profits. Its five top executives were paid more than \$258 million in wages, bonuses and other benefits during the same period. In 2010, then-CEO Ivan G. Seidenberg received more than \$18 million, or nearly \$9,000 an hour, in total compensation.

Despite its huge profits, Verizon continues to report losses in its landline division as more and more people switch to cell phones. At the same time, the company has taken on massive debt, along with the rest of the telecommunication industry, as it races to deploy high-speed lines to support phone, Internet and video.

On August 1, Lowell McAdam became Verizon's CEO, replacing Seidenberg. Seidenberg will remain chairman of Verizon. Before this, McAdam was running Verizon's wireless division and is said to want to drastically change the landline side of the business to meet the realities of its shrinking business.

Neither the Communication Workers of America nor the International Brotherhood of Electrical Workers, the two unions on strike, have any intention of mounting the type of struggle that could defeat the company's demands. This would require the mobilization of a broad section of the working class. Such a campaign would cut across the unions' alliance with the Democratic Party. Both unions campaigned heavily for the election of Obama and promoted Obama's pro-corporate "health care reform" as an opportunity to save the company billions. The CWA is mounting a major campaign to elect Democrats to the Congress next fall.

The CWA and IBEW have worked closely with Verizon to help the company cut costs and eliminate tens of thousand of jobs. Less than a decade ago there were over 100,000 CWA and IBEW members working at Verizon. Now it is down to 43,000. In the past two years alone, Verizon cut 14,000 jobs when it sold its landline service in 14 states to Frontier, a company largely owned by Verizon. The unions have also worked with the company in expanding the use of

contract, short-term and temporary workers.

Both unions have made clear that they are willing to accept significant concessions. The CWA has called for "a fair contract that reflects workers' contribution to the company's success"—i.e., they accept the principle that the workers must pay to boost the profits of Verizon. What concerns the union is whether they can control the membership, where opposition to the demands of the company is overwhelming. More than 90 percent of workers voted in favor of strike authorization.

The Socialist Equality Party calls for the broadest mobilization of popular support for the striking Verizon workers. All the cuts demanded by the company must be rejected, and the resistance of workers at Verizon must be connected with the fight for the social rights of the working class as a whole. There is a growing mood of resistance to the unending demands of the corporations and the government for concessions and cuts.

Such a struggle, however, requires the building of rank-and-file committees independent of and in opposition to the trade unions. The organization of the strike must be taken out of the hands of the CWA and IBEW, which are preparing a sell-out, and organized by the workers themselves.

Above all, what is required is a political struggle against the Democrats, the Republicans and the entire capitalist two-party system. It is high time to reject an economic system in which the vast majority of the population must accept its own impoverishment—and the destruction of every social gain made in the course of decades of struggle—to satisfy the demands of the corporate and financial aristocracy.



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