After four months, no contract for Verizon telecom workers

Samuel Davidson, Maria Kovalenko
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The unions representing 39,000 workers at the giant US telecommunication company Verizon continue to isolate their members as the company pushes for massive concessions, job cuts, and is arbitrarily firing workers.

Members of the Communication Workers of America (CWA) and the International Brotherhood of Electrical Workers, (IBEW) have now been working without a contract for more than 100 days since their old contract expired on August 1.

The workers include service representatives, operators, installers, central office technicians and many others at Verizon's landline business in 13 states in the Northeast, from Virginia and Pennsylvania to New York and Massachusetts, as well as Washington, DC.

In October, the CWA negotiated a concessions contract with AT&T covering 28,000 workers in the former Bellsouth region, which includes Florida, Louisiana, Tennessee and North Carolina.

That contract falls in line with other contracts negotiated between the CWA and other AT&T units throughout the country. It includes limited pay increases that don't keep pace with inflation, along with additional cuts to health care; shifts increasing health care costs onto retirees; and expands the use of contractors and temporary employees.

The contract with AT&T will also allow the company to continue its shedding of thousands of jobs and the company's push for ever greater productivity from the workers.

Verizon and AT&T are the two largest telecommunications companies in North America, controlling almost all voice, data and internet communication and the vast majority of wireless services. They are both also major providers of cable television and pay-on-demand service.

Both companies are enormously profitable. Verizon reported a third-quarter revenue of $33.2 billion, or 99 cents per share, up 5 percent from the same period last year. In the first nine months the company reports a cash flow from operations of over $28 billion and has rewarded its Wall Street investors with over $11 billion in dividends and stock buybacks.

AT&T reported that its third-quarter revenue was $39.1 billion, up almost 19 percent from the same period in 2014. Much of that was due to its purchase of Direct TV. Both companies report growth in the wireline and wireless sides of the business.

Despite its massive revenues, Verizon is seeking massive concessions centered around cuts to pensions and health care, changes to work rules and the expanded use of contractors and temporary workers.

Verizon has destroyed tens of thousands of jobs while pushing for greater productivity. Since its founding in 2001 with the merger of Bell Atlantic and GTE, Verizon has cut its workforce more than half from 87,000 to the current 39,000.

One of the main issues in the current contract talks is the job security letter contained in the old contract, which requires a list of conditions before layoffs can occur. It also prevents members from being transferred to a location more than 35 miles from their current work location. The company sees transferring workers great distances from their current work location as a means of forcing older workers to retire.

Verizon has openly stated in internal communications to employees that it intends to use technology to force greater productivity from each worker so that it can continue to shrink the workforce. The union has signed off on this at every step.

The attack on jobs, once focused on the wireline side of the business, is now developing on the wireless side. Verizon is in the process of shrinking the number of call centers it operates in the entire United States from 20 to 6, laying off some 6,000 people in the process, in what it calls a “new market-based structure.”

Over the past month, Verizon has stepped up the company’s intimidation and victimization of workers without any response from the unions. In New York City and other locations, the company has begun using GPS devices installed in trucks and employees’ handheld devices to track the whereabouts of every worker.

The company and union had previously agreed that GPS alone could not be used for discipline. Despite this, many workers have been disciplined, including being fired, if their GPS does not show them where they are supposed to be. In many cases, workers are not given the option to explain that the discrepancy might be the result of road construction, congestion or simply taking a break.

The union, further demonstrating their role as another layer of management, has responded to this intimidation and victimization of workers by repeatedly instructing the members to follow all of Verizon’s rules and the instructions of their supervisor.

At one New York City garage a CWA representative went so far as to tell the workers not to complain about the high number of victimizations since the larger number will help them make a case.

In justifying instructing their members to continue working without a contract, the CWA maintained that nothing has changed from the previous contact. In reality, workers lose the right to arbitrate grievances, which means that once the grievance is denied by the company they have no other recourse.

The CWA has stated that they will make all disciplinary action part of any future settlement and that they have the option of calling a strike to protest disciplined cases. In reality this encourages the company to expand disciplining workers to use as hostages in exchange for concessions.

There is, however, one aspect of the union contract that does not change. A 2012 decision by the National Labor Relations Board ordered companies to continue taking union dues from employees’ paychecks and passing those funds along to the unions.

In other words, the income stream of the union officials will continue unabated. This was a deliberate decision of the Obama administration, which wants to ensure that the union bureaucracy is well rewarded for their continuing efforts in curtailing the growing anger of workers over stagnant wages and mounting social inequality.

As part of their “mobilization” effort the unions have been telling employees to refuse voluntary overtime. However, the company can force workers to work up to 10 hours a week of overtime and the union is telling workers to work the forced overtime, making it a boycott in name only.