

International Brotherhood of Electrical Workers

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IBEW Telecom Union Says New AT&T Contract Won't Allow Any Changes to Health Care Benefits for Union Members or Union Retirees

Downers Grove, IL- The International Brotherhood of Electrical Workers, Local Union 21, is the exclusive bargaining agent for approximately 8,500 AT&T employees in Illinois and Northwest Indiana. On Friday, March 26, 2010, AT&T announced that it was taking a one billion dollar charge against income due to their claim that there will be increases to their benefit expenses due to the passage of the Health Care Reform Bill. IBEW Local 21 is currently reviewing all of the details of the Health Care Reform Bill and its impact on our members. At this point, we are not in a position to confirm the claims AT&T has made regarding increased benefit expenses. We note that the Chairman of the House Energy and Commerce Committee, Henry Waxman has already asked AT&T (as well as other corporations) to provide evidence to the Congress to support these claims. Waxman also stated that AT&T's claim is in conflict with two independent estimates that have been made.

Most disturbing, however, is that AT&T went on to announce that they were considering making changes to both active and retiree health care benefits because of these alleged increases to their benefit costs. Last year, IBEW Local 21 negotiated a collective bargaining agreement with AT&T which guaranteed that there would be no benefit diminishment for all active employees that the Union represents through June 25, 2012. The Union also secured a commitment that there would be no benefit diminishment for retirees through December 31, 2012. Earlier today, IBEW Local 21 put AT&T on official notice that this Union will not tolerate any effort to break the agreements and commitments that have been made regarding our active members' or our retirees' health care benefits and we stand ready to oppose any efforts by AT&T to break these agreements through all legal means possible.

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Background

Local Union 21 of the International Brotherhood of Electrical Workers (IBEW – an affiliate of the AFL-CIO) is made up of 9000 members working mostly in Illinois and NW Indiana. Working under dozens of contracts, Local Union 21 members largely work in skilled jobs in the telecommunications industry. IBEW Local Union 21, headquartered in Downers Grove, IL, is the largest IBEW communications union in the United States and Canada and the fourth largest local union in the IBEW.

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