

# INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS SYSTEM COUNCIL T-3 <sup>AFL</sup> <sub>CIO</sub>



## IBEW – AT&T Reach Early Tentative Agreement

Wednesday, April 26, 2017 - 2:00pm (CST) - The IBEW System Council T-3 (SCT-3) and AT&T reached a tentative agreement on a new five-year contract covering approximately 5,000 employees working for the company nationwide, primarily in Illinois and Northwest Indiana. The parties entered into early negotiations to replace their current collective bargaining agreement that expires on June 24, 2017.

The new tentative agreement must be voted on and accepted by the members of the IBEW. The IBEW SCT-3 will present the contract to its members over the next few weeks through a series of meetings and other communications. Complete ratification information and detailed contractual changes will be provided as soon as possible.

In the rapidly changing telecommunications industry, the IBEW and AT&T agreed there are several issues affecting both parties. These talks addressed their concerns. Job security, health care, wages, and post-retirement benefits are always bargaining priorities which are addressed in the new agreement.

IBEW System Council T-3 Chairman Paul Wright stated, “Our industry is one of the most rapidly changing industries in our country. These were difficult negotiations because of the unknowns and how they could potentially affect IBEW members.” The officers and delegates of the IBEW SCT-3 feel the tentative agreement addresses many of the concerns IBEW members expressed when surveyed.

“This is a fair and mutually beneficial agreement that helps employer and employee alike,” said IBEW International President Lonnie R. Stephenson. “It’s a testament to the strong relationship between the IBEW and AT&T and shows the way to building strong labor-management partnerships in the telecommunications industry.”

### Agreement Highlights:

- Five year agreement 6/25/17 - 6/25/22 with wage increases totaling 13.25% when compounded it equates to nearly 14%.
- Basic Weekly Wage Rate increases per year of 3.0%, 2.5%, 3.0%, 2.25% and 2.5%.
- \$1,000 signing bonus if ratified by June 1, 2017.

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- Medical Benefits - Medical cost sharing for employees on the payroll prior to the expiration of the current contract will increase from current 26% to:
  - 2018 – 27%, 2019 – 28%, 2020 – 29%, 2021 – 31%, 2022 – 32%
- A lower cost health care option is also being offered. Option 2 is the same PPO plan but offers a different cost structure allowing employees more options to manage their health care costs.
- 401k Plan Improvement - Significant improvement in the 401k plan. The \$65 cap on basic contributions has been removed; up to 6% of your weekly rate will be matched at 80%. For example, if you are a Wage Group One employee this can add an additional \$1,200 in matched money in the first year alone.
- Pensions - Pension bands will increase by 1% each year of the agreement.
- Success Sharing - Payout for dividends and stock price increases continues for 5 years.
- Bilingual Differential - New bilingual differential of \$6 per shift or \$3 per half shift.
- Board and Lodging Meal Allowance - Increased to \$42.
- Tuition Aid - Reimbursement now includes Nano degrees.
- Layoff Moratorium - No employee covered under this agreement may be forced off the payroll before March, 2018.
- Increased job security for Customer System Technicians and Cable Splicing Technicians.
- Additional IBEW positions to be created. AT&T has committed to hire 1,000 people into IBEW-represented jobs over the next five years, including a new call center in Chicago.
- Letter of understanding regarding contracting out of DIRECTV work prior to any Premise Technician surplus announcement.
- National Transfer Plan established which will allow IBEW SCT-3 members in the new tentative agreement to transfer to any IBEW SCT-3 DIRECTV technician position or IBEW SCT-3 DIRECTV call center position (and vice versa).
- Card Check Organizing Agreement was renewed.
- Parental Leave - Employees are now eligible for two weeks paid leave for the birth or adoption of a child.
- Retained all other key language in the collective bargaining agreement.
- Premise Technician Appendix C Improvements:
  - Mandatory Overtime reduced from 17 to 14 hours per week.
  - Personal Days and Floating Holidays are now considered time worked for the purposes of overtime.
  - One additional guaranteed day off added.
  - Board and Lodging Meal Allowance increased to \$37.

Additional details with more specific article by article changes will be released in the days ahead.

Your Council Officers and bargaining team worked tirelessly and held many frank discussions with AT&T executives to bring this contract to you for your review, and ultimately your approval.

This agreement helps protect middle class jobs by offering IBEW members AT&T jobs in areas of the company that are growing while providing significant wage and 401K increases, and industry-leading health care benefits. Since 2012 we have been committed to building a stronger relationship with AT&T, those efforts allowed us to enter into early negotiations and reach this fair agreement.

“This is a win for good jobs and a stronger company,” said Stephenson. “I am proud of the role IBEW members have played in AT&T’s success and look forward to many more years of an enduring and strong relationship.”

We encourage all members to read the details of the tentative agreement, more of which will be released in the days to come, and to attend the regular May Union meetings or specially called meetings if necessary. The tentative agreement will be thoroughly explained. After reviewing the new contract we feel our members will agree with the officers and delegates of the IBEW SCT-3 and vote to accept the tentative agreement.