



● COMMUNICATIONS WORKERS OF AMERICA ●
● INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS ●



News from

*The Communications Workers of America and
International Brotherhood of Electrical Workers*

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**Verizon Settlement Provides New Union Jobs, Protects Health Care
For Active and Retired Workers, Boosts Wages, Pensions for 65,000**

WASHINGTON, D.C. -- A new tentative three-year contract settlement with Verizon achieves union employees' major goals of promoting union jobs and expanding bargaining rights, providing good health care for both active and retired workers, and increasing wages and pensions for 65,000 workers from Virginia to Maine, the Communications Workers of America and International Brotherhood of Electrical Workers reported.

In a breakthrough agreement, Verizon will extend union recognition to 600 former MCI technicians at Verizon Business who have been seeking representation for nearly two years. These workers, who perform the same jobs as the union workforce, have received strong support from CWA and IBEW members in a campaign to "tear down the wall" between union and non-union sectors at Verizon. The agreement also includes new opportunities for union workers to provide customer support and service at Verizon Business.

The tentative settlement also eliminates subcontracting of work in a number of job areas, converts many temporary jobs to permanent and brings additional jobs associated with Verizon's cutting edge FiOS technology into the union bargaining units. Overall, the settlement should create 2,500 new union jobs.

Verizon and the unions have agreed to meet regularly during the course of the new agreement to review technological and business developments affecting employment, which will allow the company to stay current with business opportunities while also insuring that the unions are able to continue to represent employees as the business environment changes.

The issue of health costs and benefits was a major focus of the talks, as it has been in contract negotiations in virtually every industry. The settlement preserves fully-paid health care premiums for all active and retired employees. Future hires will have a defined contribution formula for retirement health care with the amount of Verizon's contributions subject to negotiation in each subsequent contract.

In addition, Verizon agreed to work with the unions in a joint effort to achieve meaningful health care reform. The company will provide funding of \$2 million per year to the project.

The settlement calls for wage increases totaling 10.87 percent compounded over the three-year contract term. COLA (cost of living adjustment) language remains in the contract.

Pension bands also will be increased by 10.87 percent compounded over the term of the agreement.

The settlement also provides for a streamlined grievance dispute resolution system which will speed up a process that has been taking as long as three years to complete.

“This is a breakthrough agreement in many ways,” said CWA President Larry Cohen. “It creates new union jobs including major growth areas like FiOS, it takes a big step forward on health care and it brings hundreds of Verizon Business employees the union rights they deserve. We applaud management for agreeing to keep the best health coverage in America and for their commitment to work with us for real health care reform. This settlement provides a framework for growth at Verizon and a good standard of living with careers for our members.”

“This agreement is a tribute to the solidarity and activism of IBEW and CWA members working at Verizon,” said IBEW President Ed Hill. “Our members mobilized strong and negotiated hard for a good contract that will benefit workers and their families now and in the future. We congratulate union and company negotiators for finding solid common ground upon which we can build a better Verizon. With this agreement we have met our goals to protect the retirees who helped build this company and have negotiated important provisions that will ensure future jobs for union members.”

CWA represents 50,000 workers at Verizon and IBEW represents another 15,000 in the northeast.