



Characteristics of the Broadband Labor Market

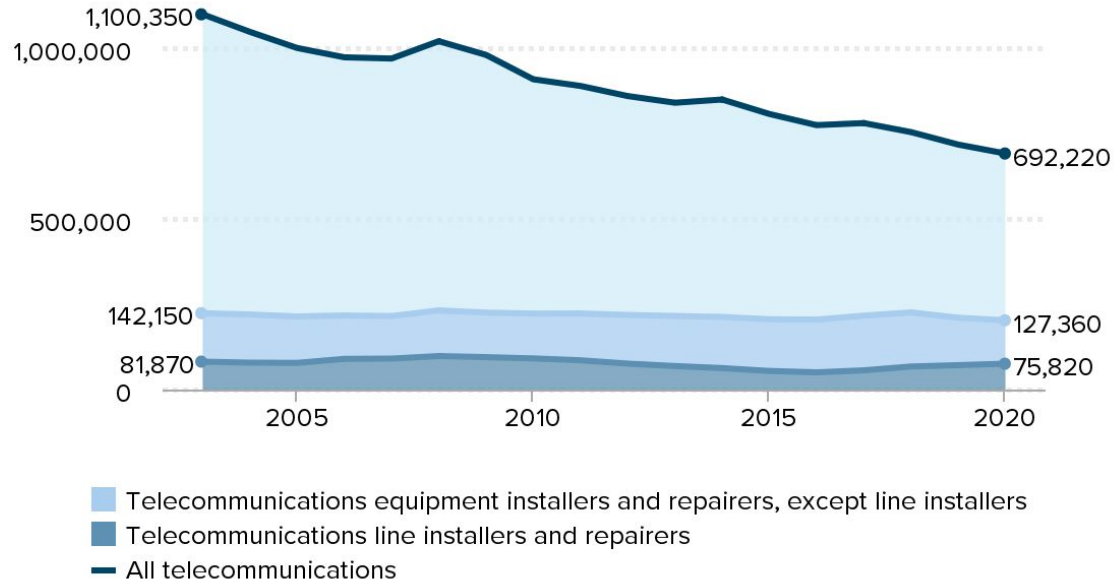
Communications Workers of America

Occupational Data from the US Census



- Demand for telecom services is expanding rapidly, but productivity growth is even stronger, reducing employment in the sector
- Unionization in the sector has historically been very high--but falling since the 1980s
- Wage growth has been highly unequal for four decades
- Inflation-adjusted wages have been stagnant or falling for the bottom half of workers in the sector
- Union workers in key telecom occupations earn 20-25% more and have better benefits

Employment in telecommunications, all and by two sub-occupations of interest, 2003–2020



Source: EPI analysis of Bureau of Labor Statistics [Occupational Employment Statistics data for telecommunications](#) (NAICS code 517). Telecommunications line installers and repairers category is OES code 499052, and telecommunications equipment installers and repairers, except line installers category is OES code 492022.

Share of workers represented by a union in telecommunications, select periods, 1973 to 2021

	1973–1979	1983–1986	2003–2006	2018–2021
Total	59.8%	50.4%	22.8%	15.1%
<i>Wired</i>	n.a.	n.a.	24.6%	17.7%
<i>Other</i>	n.a.	n.a.	17.7%	12.0%

Source: EPI analysis of Current Population Survey data.

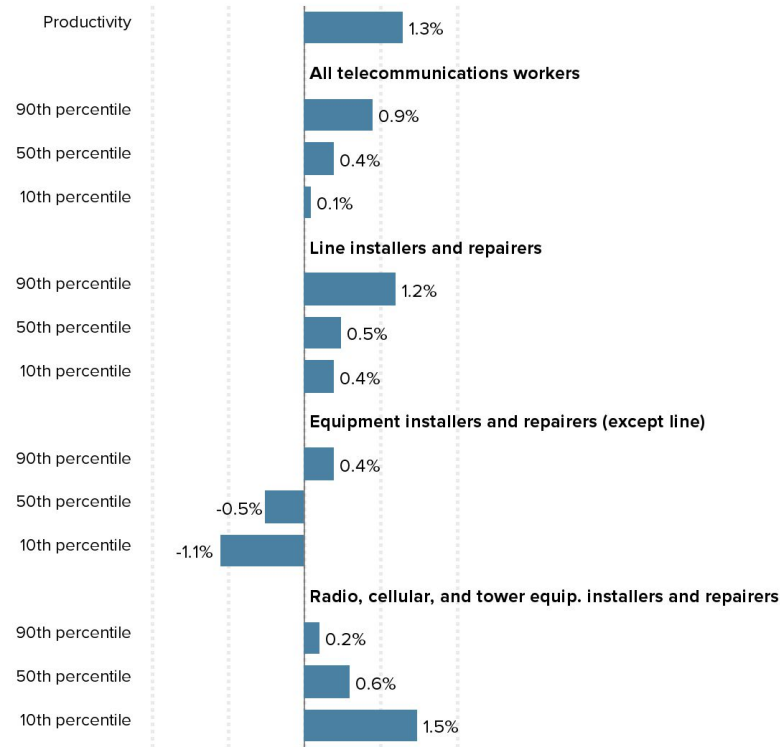
Economic Policy Institute

Wage trends for telecommunications workers and nontelecommunications workers, by wage percentile, select periods, 1973 to 2021

	1973–1979	1983–1986	2003–2006	2018–2021
Telecommunications workers				
Percentile	Per hour (constant 2021\$)			
<i>10th</i>	\$15.16	\$14.90	\$13.58	\$14.31
<i>50th</i>	\$24.53	\$26.51	\$29.49	\$30.05
<i>90th</i>	\$40.35	\$47.13	\$56.81	\$67.85
Wage relative to early (1973–1979) period				
<i>10th</i>	100.0	98.3	89.6	94.4
<i>50th</i>	100.0	114.4	120.2	122.5
<i>90th</i>	100.0	116.8	140.8	168.1
All other workers (excluding telecommunications)				
Percentile	Per hour (constant 2021\$)			
<i>10th</i>	\$9.78	\$8.74	\$9.91	\$10.94
<i>50th</i>	\$17.95	\$17.71	\$19.55	\$21.01
<i>90th</i>	\$35.41	\$36.80	\$45.01	\$52.21
Wage relative to early (1973–1979) period				
<i>10th</i>	100.0	89.4	101.4	111.9
<i>50th</i>	100.0	98.7	108.9	117.0
<i>90th</i>	100.0	103.9	127.1	147.5

Source: EPI analysis of Current Population Survey data. Wages are adjusted for inflation using the CPI-U-RS.

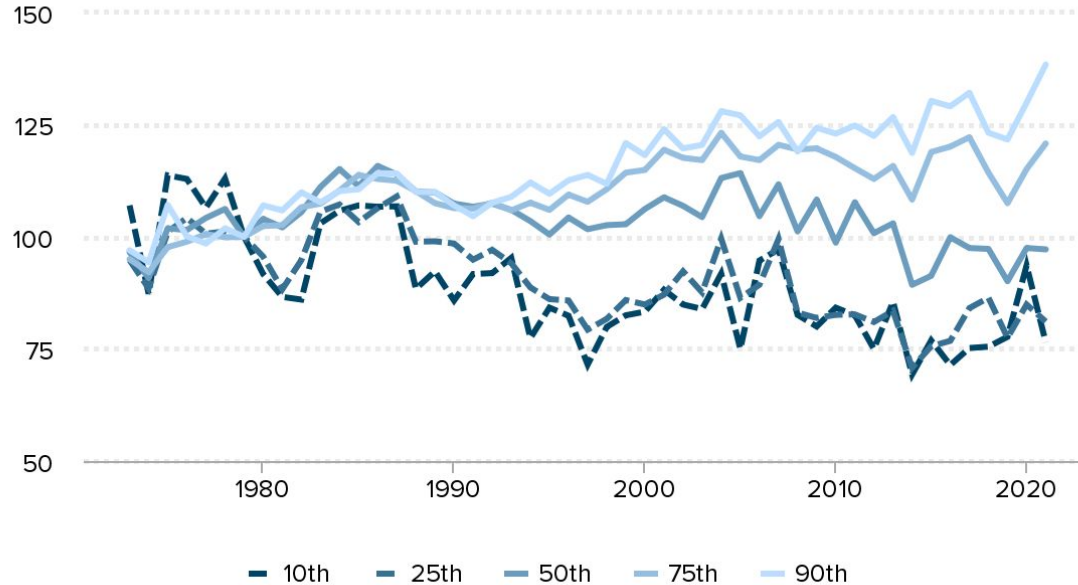
Average annual wage growth, by telecommunications occupations and wage percentile, 2003–2020



Source: EPI analysis of Bureau of Labor Statistics Occupational Employment Statistics data for OES codes 492022, 499052, and 492021, and Bureau of Labor Statistics [Labor Costs and Productivity data](#) for *U.S. Nonfarm Economy by Sector—Employees Only*. Wages are adjusted for inflation using the CPI-U-RS.

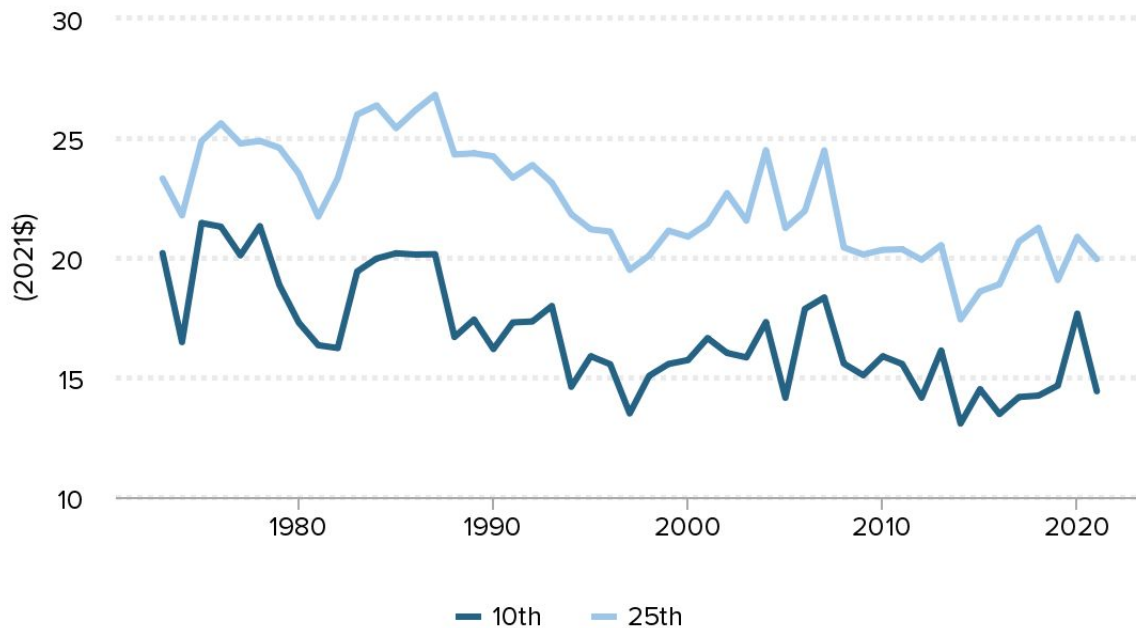
Inflation-adjusted hourly wage of telecom technicians, by percentile, 1973–2021

(1979=100.0)



Source: EPI analysis of Current Population Survey data.

Inflation-adjusted hourly wage of telecom technicians, by 10th and 25th percentile, 1973–2021



Source: EPI analysis of Current Population Survey data.

Union wage premium, 2017-2021

All workers:	9.1%
Telecom technicians:	23.4%
Telecom customer service reps:	24.8%

Source: EPI analysis of CPS data. Includes controls for gender, age, race/ethnicity, education, state of residence.

Union Benefits Premium

	Union	Non-union
Have access to employer-provided health insurance	95%	69%
Share of health insurance premiums paid by employer	79%	79%
Participate in retirement plan	95%	68%

Source: BLS

Causes of the Downward Pressure on Workers



- “Fissuring” of the workplace – outsourcing/contracting
 - Linked to a 4% to 24% decline in wages
- Comparing Wireline and Wireless Industries
 - Wireline
 - Significant presence of unions
 - Collectively bargained protections against outsourcing
 - Wireless
 - Multi-tiered outsourcing
 - Matrix pricing suppresses pay to subcontractors and workers
 - Widespread misclassification of workers as 1099 independent contractors
- The Cable Industry Model
 - Anti-union culture
 - Outsourcing of core functions like installation

Mass layoffs by union-represented telecoms

Since 2017, the four largest telecoms – AT&T, Verizon, Lumen, and Frontier – have reduced their union-represented workforces by more than 50,000 employees, the majority of whom are technicians.

CWA

Instead of Cutting Jobs, AT&T Must Lead the Recovery

Tuesday, June 16, 2020

 **LightReading**

Leading telcos in Europe and US have cut 292K jobs since 2015

6/8/2022

CWA Survey of Former Technician Members



- 74% of respondents said “yes” or “maybe” when asked if they would like to work in broadband if a good job were available.
- Only 16% of respondents report working full-time in broadband today, while 30% report they are currently underemployed in the broadband sector, meaning they have part-time or low quality work.

Comments from Former CWA Members: Inadequate Wages



There are no good jobs in the broadband sector. **Companies want people with 10-15 years experience and want to pay them \$15/hr.** – Premises Technician, Texas

Jobs in this field are now requiring all sorts of certifications so that they can hire "Qualified" technicians, yet, they only want to pay 15.00/hr. If they want someone who has worked hard to earn those certs, then they should pay them what they are worth. I can't find a job with my qualifications, skills, education, and experience for more than \$15 to \$20 per hour and some companies want the employ to provide their own tools and vehicle without adequate compensation. – Customer Services Technician, Texas

Underpaid and overworked. **Too many Contractors making big money and under paying the workers.** – Premises Technician, Florida

The men and women are there to do the jobs. The companies think a monkey can do it, so the pay, specifically per diem is not. You pay for what you get - Outside Plant Tech in Oklahoma.

Comments from Former CWA Members: Inadequate Wages, Cont.



The quality of worker an organization gets is on par with the pay. Too often experienced telecom individuals are underpaid and overworked, and **companies need to compensate experienced individuals better. For example, someone with 5+ years experience should make no less than \$30 an hour.** My current employer understands this, and until other companies follow suit the best talent will always look elsewhere.
– Premises Technician, Georgia

If this is a career pay career rates so people can enjoy the job so they will come back to work tomorrow to help improve your goals and job numbers. – Premises Technician, Mississippi

Lately, the broadband market seems to have low wages and not a very competitive work/life balance. Working through all the kids events, family dinners, missing 90% of date night plans and rarely ever being able to see friends for Saturday events tends to tarnish the appeal of working in the broadband market. Just my 2 cents. – Premises Technician, South Carolina

Hourly rate needs to be \$30. Or more . Training needs to be exceptional. A tech with knowledge will be a good tech – Telecom Specialist, Michigan

Comments from Former CWA Members: ISP outsourcing



I really wish there were more permanent jobs available in my vicinity. I know with this fiber roll out **the company shouldn't be outsourcing these very crucial employment opportunities.**

– Services Technician, Alabama

After AT&T, I worked for Comcast then Spectrum, now I work for a small ISP. I made friends at each company, both groups of friends say that both companies have done subtle things to help downsized their staff without formal layoffs. Like **increasing expectations too high and firing people who can't keep up. Or making processes too complicated and firing people who refuse to comply. Or not giving proper raises and usually waiting for the employee to quit.** It has been effective.

– Premises Technician, Michigan

Broadband work is being contracted out to 3rd party companies and **big carriers are downsizing to maximize profits.** – Premises Technician, Florida

There is not the quality of jobs there should be. Most of the work is being contracted or subcontracted out. It's a shame. Big companies still making the money and not paying the working man.

– Facilities Technician, North Carolina

Comments from Former CWA Members

Challenges for incumbent workers getting hired:

The fact that most companies want you to be certified with particular credential and **not base your employment off of you having tons of experience and know how from a huge company such as AT&T.** – Premises Technician, Texas

Misclassification of independent contractors

The industry is sabotaging good paying careers with good benefits by replacing them with temporary 1099 contractors. The time has come to realize the broadband and wireless services are an essential utility NOT a luxury. It needs to be regulated as such and have dedicated personnel placed in charge of it's maintenance, not these fly by night temporary contractors.
– Systems Technician, North Carolina

Failure to retain workers

[The] Company [is] not investing in keeping the staff, but investing more in **continuously finding fresh new persons to train and then lose because of the poor work conditions.**
– Premises Technician, North Carolina

Outcomes from declining job quality



- Low quality jobs typically have the same hallmark characteristics which lead to poor working conditions and labor management issues.
 - High Turnover
 - Lack of Investment in Training
 - Unsafe Work

Strategies to retain workers



- Key to retaining workers is investing in good jobs and high quality training.
- A 2021 survey by the Associated General Contractors of America (AGC) showed union contractors report easier time hiring skilled workers and fewer delays due to labor shortages.
- Traits of good jobs:
 - Good wages and benefits
 - Wage progression
 - Hourly wages vs piece rate
 - High quality benefits
 - High quality training
 - Safety
 - Worker voice on the job

Strategies to retain workers



From the Aspen Institute Quality Jobs Center of Excellence:

“A quality job means one’s work is valued and respected and meaningfully contributes to the goals of the organization. It encompasses having a voice in one’s workplace and the opportunity to shape one’s work life, as well as having accessible opportunities to learn and grow. Quality work affords an individual the opportunity to save, to build the security and confidence that allows one to plan for the future, and to participate in the life of and see oneself as a valued member of a community.”



Voices of CWA technicians

<https://txfiberstudy.org/report/union-fiber-installers>



Strategies to retain workers - training that matches the sector



- Training in telecom has traditionally been done in-house and is not tied to an apprenticeship due to the structure of the industry, which features direct employment by large firms.
- New programs must be designed to incorporate progressive wage scales and be co-governed by workers themselves.