

Communications
Workers of America
AFL-CIO, CLC

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202/434-1100



October 10, 2017

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Dear Ms. Dortch:

RE: Ex Parte Notice. In the Matter of Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment. WC Docket No. 17-84

On October 6, 2017, Debbie Goldman and Brian Thorn of the Communications Workers of America (CWA) met with Commissioner Brendan Carr and Jamie Susskind, Chief of Staff, to discuss employment in the telecommunications industry. The attached materials were the focus of our discussion. In the course of a more general discussion, we referenced the above-captioned proceeding and therefore file this ex parte.

CWA highlighted the fact that historically the telecommunications industry has provided high-skilled, good-paying jobs for non-management employees, with wage increases tracking growth in labor productivity in the industry. But over the past 15 years, low road employment practices of non-union telecommunications companies have broken the link between productivity and wages. According to Bureau of Labor Statistics (BLS) data, since 1990 the average earnings for wireline telecom employees have remained relatively flat while labor productivity has more than doubled. At the same time, tens of thousands of telecom call center employees' jobs have been sent offshore. According to BLS, there are 477,000 wireline telecom employees and 119,000 wireless employees. In contrast, Internet "edge" companies employ 189,000 people (excluding Amazon with its large number of low-paid warehouse employees.)¹

In our discussion, CWA discussed the impact on jobs of proposed policy changes in the Wireline Broadband proceeding. Specifically, CWA noted that "one-touch make-ready" proposals that would allow third parties to move equipment belonging to telecom and other providers would short-circuit safe processes, leave third parties and their contractors without accountability for

¹ See CWA, Jobs in the Telecom Industry, Oct. 6, 2017 (attached).

poor or unsafe work, and violate legally-binding collective bargaining agreements, eliminating good, career jobs in the community. The Commission should reject one-touch make-ready as harmful to public safety and quality jobs.²

CWA also noted that proposals in the Wireline Broadband proceeding that would reduce or eliminate copper retirement advance notice requirements to retail customers, the Section 214(a) service discontinuance functional equivalent test, and oversight of *de facto* copper retirement would have the unintended consequence of slowing broadband deployment while reducing quality jobs. Consumers need advance notice to prepare for change, thereby facilitating technology transitions. Moreover, the Commission's *de facto* copper retirement serve as a deterrent to incumbent LECs' failure to maintain copper networks and as an incentive to upgrade those networks to fiber. Finally, stripping down the Section 214 protections would be a dangerous disservice to communities, particularly small towns and rural areas, where a functionally equivalent alternative may not be available.³

Sincerely,

A handwritten signature in cursive script, reading "Debbie Goldman".

Debbie Goldman
Telecommunications Policy Director
Communications Workers of America

cc: Commissioner Brendan Carr
Jamie Susskind

² CWA Comments, In the Matter of Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment, WC Docket No. 17-84, June 15, 2017.

³ *Ibid.*

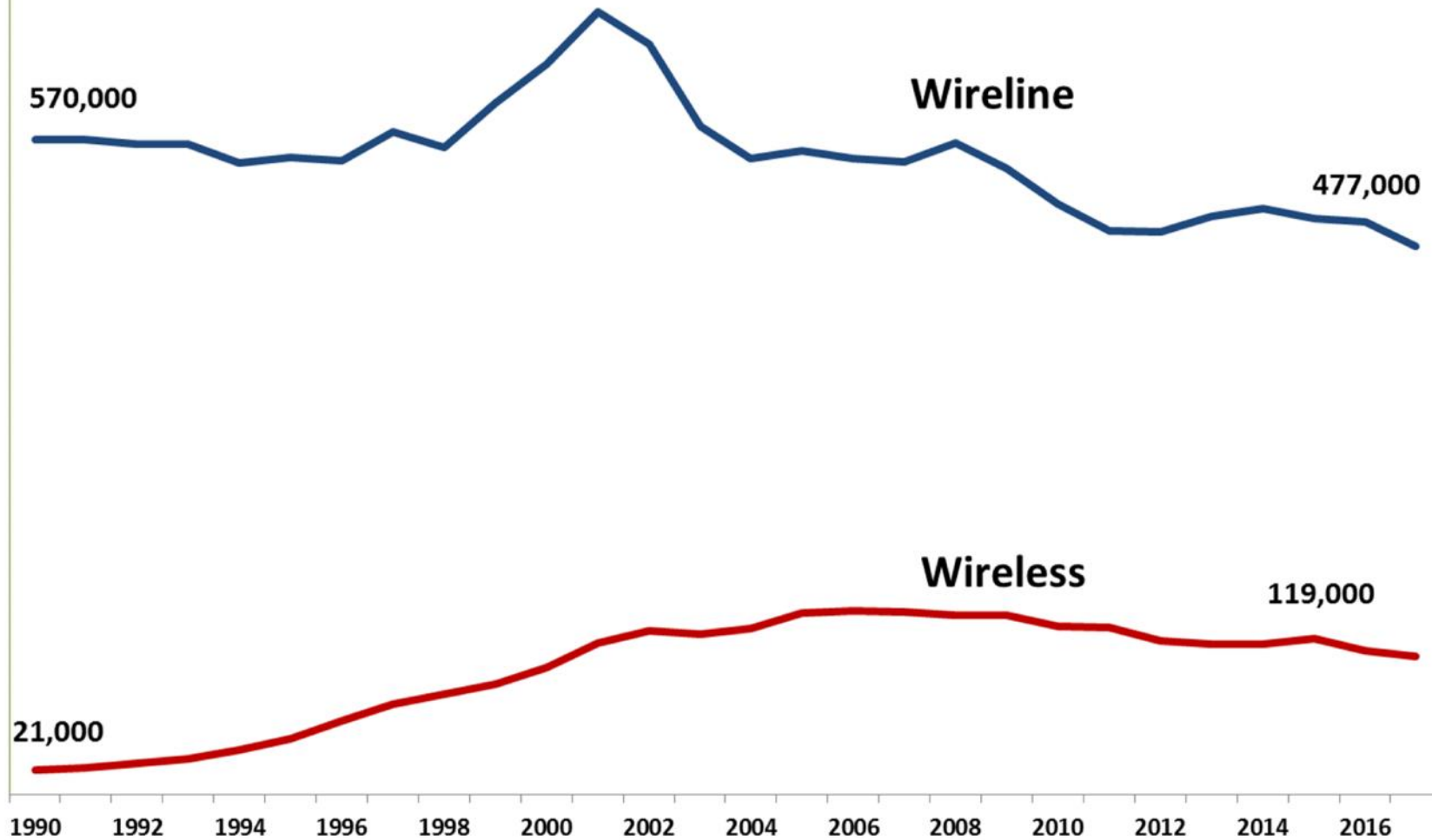
Jobs in the Telecom Industry



Communications Workers of America
October 6, 2017

U.S. Telecommunications Employment

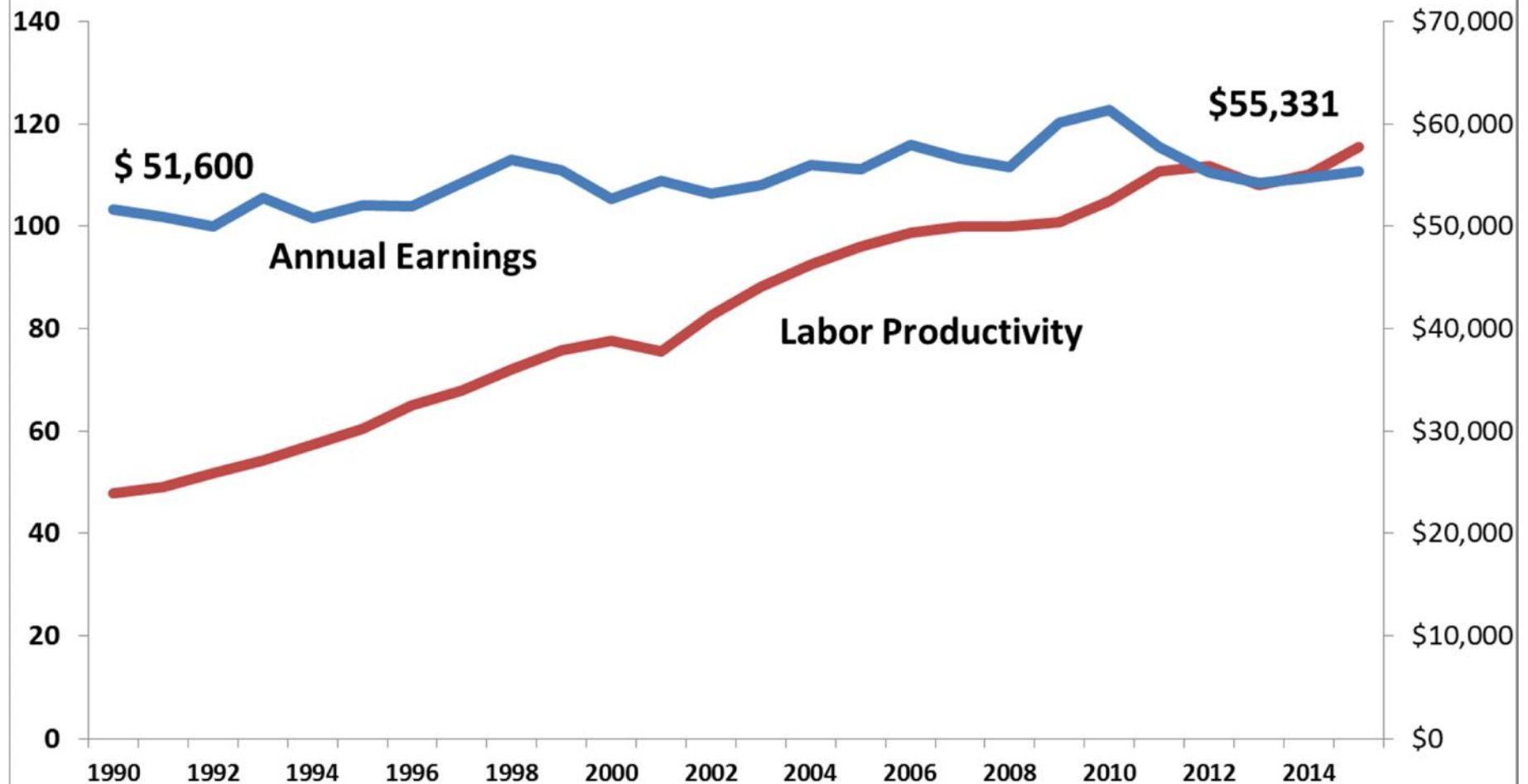
1990-2017



Source: Bureau of Labor Statistics Current Employment Survey; Non-Supervisory Production Workers



Wireline Telecommunications Employees' Earnings Remain Flat Despite 138% Rise in Labor Productivity 1990-2015



Source: Bureau of Labor Statistics Current Employment Survey 1990 to 2015; Non-Supervisory Wireline Telecommunications Production Workers' Earnings adjusted with the CPI into 2015 dollars. Wireline Telecommunication; Bureau of Labor Statistics Current Employment Survey Labor Productivity has a base year of 2007 (equal to 100).



**Jobs at Broadband Network Companies
Far Exceed Jobs at Applications Companies, 2016**

Network Providers	Employees	Applications Providers	Employees
AT&T	268,000	Amazon	341,400
Verizon	160,900	Google	72,053
Comcast	159,000	Youtube	owned by Google
Charter	91,500	Microsoft*	63,000
T-Mobile	50,000	Facebook	17,048
CenturyLink	40,000	LinkedIn	10,113
Frontier	28,300	Uber	6,700
Sprint	28,000	eBay*	6,600
Dish Network	16,000	Netflix	4,700
Altice USA (formerly Cablevision)	16,000	Twitter	3,583
Windstream	11,870	Vonage	1,883
US Cellular	6,300	Zynga	1,681
MediaCom	4,410	Etsy	1,043
Cinn Bell	3,400	Mozilla	630
FairPoint	2,500	Lyft	695
Total	886,180	Total	530,434
		Total excluding Amazon	189,034

Network providers include 15 largest telecom, video, wireless employers, excluding privately-held Cox for which data is not available. Network providers' employees are almost all in the US.

Applications providers include 15 largest content, application, and service ("edge") providers. Many applications providers' employees are located overseas. EBay and Microsoft's employee numbers are for the US only. Amazon employs many warehouse employees.

Source: SEC Forms 10-K for year ending 2016; CapitalIQ estimates for non-public companies



Capital Expenditures, 2014-2016

	2014	2015	2016	Three Year Total 2014-2016	Percent of Industry Total
AT&T	\$ 21,433	\$ 20,015	\$ 22,408	\$ 63,856	21.2%
Verizon	\$ 17,191	\$ 17,775	\$ 17,059	\$ 52,025	17.3%
Comcast	\$ 7,420	\$ 8,499	\$ 9,135	\$ 25,054	8.3%
Sprint	\$ 5,952	\$ 6,004	\$ 6,972	\$ 18,928	6.3%
T-Mobile	\$ 4,317	\$ 4,724	\$ 4,702	\$ 13,743	4.6%
Charter	\$ 2,221	\$ 1,840	\$ 5,325	\$ 9,386	3.1%
CenturyLink	\$ 3,047	\$ 2,872	\$ 2,981	\$ 8,900	3.0%
Time Warner	\$ 4,097	\$ 4,446	-	\$ 8,543	2.8%
DirectTV	\$ 3,225	\$ 3,081	-	\$ 6,306	2.1%
Frontier	\$ 688	\$ 863	\$ 1,401	\$ 2,952	1.0%
Windstream	\$ 787	\$ 1,055	\$ 990	\$ 2,832	0.9%
DISH	\$ 1,001	\$ 761	\$ 603	\$ 2,365	0.8%
Cablevision (Altice after 6/2016)	\$ 892	\$ 816	\$ 626	\$ 2,334	0.8%
US Cellular	\$ 605	\$ 581	\$ 443	\$ 1,629	0.5%
Network Operators Total	\$ 72,876	\$ 73,332	\$ 72,645	\$ 218,853	72.8%
Google	\$ 11,014	\$ 9,950	\$ 10,212	\$ 31,176	10.4%
Microsoft	\$ 5,485	\$ 5,944	\$ 8,343	\$ 19,772	6.6%
Amazon	\$ 4,893	\$ 4,589	\$ 6,737	\$ 16,219	5.4%
Facebook	\$ 1,831	\$ 2,523	\$ 4,491	\$ 8,845	2.9%
LinkedIn	\$ 547	\$ 507	\$ 865	\$ 1,919	0.6%
eBay	\$ 622	\$ 668	\$ 626	\$ 1,916	0.6%
Yahoo	\$ 396	\$ 543	\$ 11	\$ 950	0.3%
Twitter	\$ 202	\$ 347	\$ 219	\$ 768	0.3%
Netflix	\$ 70	\$ 91	\$ 108	\$ 269	0.1%
Vonage	\$ 12	\$ 17	\$ 26	\$ 55	0.0%
Etsy	\$ 1	\$ 11	\$ 36	\$ 48	0.0%
Zynga	\$ 9	\$ 8	\$ 10	\$ 27	0.0%
Applications Providers Total	\$ 25,082	\$ 25,198	\$ 31,684	\$ 81,964	27.2%