

AT&T LAYS OFF AGAIN

AT&T. When you hear that name the odds are good that you think about the familiar blue logo, or if you are a little bit younger their one exclusive contract with Apple for the iPhone. You probably don't think about them as anything other than a retail store and that voice on the other end of the support line, but in reality providing phone service and wireless connections require a great deal of infrastructure in order for things to work properly. To that end companies such as AT&T may employ more people then you realize. This week some of those people are going to be out of a job. In the state of Illinois 97 workers, all members of the International Brotherhood of Electrical Workers union Local 21, were given their pink slip from the construction and engineering department of AT&T. The company is citing the reason for the cuts as simply surplus employees, which means that they have fewer people then they need to meet current demand. The company is attributing the changes in demand for landline access to a roughly 40% decrease overall, in favor of mobile phones only. On the whole the loss is a significant on, about 27 million lines on the whole. The company is offering a voluntary severance package to some, but not all of the workers who are going to be displaced. At the current moment there is no information being released about the terms of the severance or how many of the workers will be offered that option before the company lays they off involuntarily. While 97 may sound like a lot of cuts, and it is enough to qualify as a mass layoff action, the company actually employs roughly 15,400 workers in the state of Illinois currently, so the losses could be much worse then the are right now. Since the company is actually still hiring in other divisions they have made their intentions to help move workers to more profitable areas of the business, provided they are qualified, instead of just leaving them hanging in the open job market though again, the company did not give any idea of how many people they will be able to absorbed back into the company and how many will be moving onto the unemployment roles. AT&T has made some much more massive cuts to their staffing last year. For those of you who missed out on our earlier coverage here is an excerpt: "AT&T announced on April 20 that it reduced its workforce by 5,900 in the first quarter of 2011. The layoffs came in part because of a 3.2% drop in the company's landline business. According to company spokesman, Marty Richter, "Reduction in headcount was due to a number of factors including normal attrition and surpluses in our shrinking wireline business." Richter also said that the company is adding jobs and growing in other places, including U-verse installation and in retail stores. According to Joe Bonner, who is a telecom securities analyst at Argus Research Company, AT&T loses around 12% of its landline income each year, so these recent job cuts are nothing new for the company. Even with these cuts, AT&T still had 260,690 employees, although this year's potential merger with T-Mobile could result in thousands of layoffs as well.

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