

Remarks by Commissioner James H. Quello

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Some might ask what is an old former management exec doing addressing the world's most prestigious communications union?

Well first, I'm in love with both Barbara Easterling, Secretary-Treasurer of CWA, and Loretta Bowen, CWA Political Director -- I'd like to say we live in the same condominium, but to be more exact and less intriguing, we live in the same condominium building. (Of course, I love straight shooting Morty too, but not in the same way I could love Barbara or Loretta.) I see them regularly -- When I ask them to flip a coin and the loser gets me. They never take me seriously. They smile and always ask "How's Mary?"

That really permanently establishes me as just a "friend" friend type. It also illustrates that at my age, I don't have to worry about avoiding temptation -- temptation avoids me. More to the point, Mary and I have been married for 57 years! It shows what a great sense of humor can do for a woman. In some ways, I'm lucky we met before the current trend that "women want a man in their life, but not in the house." Also, we were married way back in the old fashioned outdated times when you said "I do" rather than "I did." Overall, I believe in marriage. If it weren't for marriage some men might go through life thinking they had no faults at all.

Mary must have been born with union instincts -- she was always very good at letting me have her way . . . It reminds me of Morty Bahr's expertise in always allowing management to have his way.

Most people don't realize that my family experience in my early life conditioned me to appreciating the vital service unions provide the working man.

Do you remember Tennessee Ernie Ford's famous song "I owe my soul to the company store"?

Well, I remember my Uncle Bat was a blacksmith for the copper mining company in Michigan's Copper Country in the early 1920s -- He was grateful to get a job coming from Italy -- with his frame building rowhouse and everything available at the company store. Everything was provided for the workers but it amounted to perpetual fiefdom -- no pension, no social security, practically no money to spend. Some kind of a union was needed and it eventually dramatically changed things for the better.

My next family union exposure came from my brother Jack who was a charter member in 1921 of a musicians' union, the Michigan chapter of the American Federation of Musicians. Years later, he was president of the Florida Federation. When the orchestra at station WJR learned about my brother, he became useful as a friendly negotiation threat -- "Give the boys a little inflation raise or we're going to call Jack."

When the Goodwill stations were purchased by Capital Cities in late 1964, the station personnel feeling threatened with the uncertainties of new ownership, joined NABET.

When the negotiated union rate fell behind inflation in 1968, I voluntarily gave a 2-1/2% increase for the remaining two year term. I was pleased that an article on the front page of the NABET official publication described me as "Man of the Month." But all that didn't do me much good six years later when I initially sought confirmation as an FCC Commissioner. I had been branded as a former VP-GM of the 3rd largest radio station in the country (complete with orchestra and chorus) and also an executive who assisted in acquiring WJRT-TV. My early years which preconditioned me to be sympathetic to the working man carried no "brand" name to counter the stigma of management executive in that very activist era -- it was the old "fox guarding the chickens" syndrome. I survived the longest confirmation hearing on record and the next three reappointments were among the shortest (the last stretched to almost 12 minutes).

I can't speak for the other Commissioners, but I sense that practically all are sensitive to union needs. Most of us realize there must be some reasonable distribution of wealth which primarily includes a decent living wage and a good standard of living for workers. Union job negotiations are not a subject of FCC regulations, but the FCC can exercise considerable discretion in allocating spectrum to provide new services and new jobs.

Fortunately, the oncoming information superhighway and advanced telecommunications are creating attractive opportunities for new allocation, new construction, new services and jobs.

In fact, the potential for additional jobs was the prime motivating factor in my decision when I was interim Chairman to initiate the PCS service in 1993 despite the fact we were underfunded and overwhelmed by implementation of the Cable Act and by finalization of the Fin/syn rules. I had been told that the PCS mobile communications would generate between 200,000-300,000 well paying new jobs by the manufacturers and the service providers. I told the staff this exciting new PCS service must be launched because (1) much needed job opportunities, (2) new flexible service to the public; and, (3) huge auction fees to be generated -- in that order.

I was most gratified last week when my Congressional Godfather, John Dingell, presented me the PCIA Lifetime Achievement Award at a formal PCIA dinner for 20 years of distinguished service. I was as honored by his gracious remarks as I was by receiving the prestigious award. In making the presentation, Chairman Dingell stated that the initial Report and Order was issued, spectrum was allocated and the Congressional authority for auctions was implemented all on the historic FCC meeting in September 1993 under my Chairmanship. During this period, the FCC also asked for proposals from national auction experts who later played a key role in framing the successful auctions. Chairman Dingell also mentioned that it was this unheralded early heavy lifting, with additional jobs as a prime motivating factor, that set the stage for the single largest peacetime investment by an industry and the largest auction ever conducted by a government. The rules were finetuned and the auctions promptly and skillfully conducted by the FCC under the vigorous leadership of Chairman Reed Hundt.

The winning bidders invested a whopping 7.7 billion dollars! As you know, there are smaller additional auctions due in June. After that I want to see the jobs roll in to construct and provide an exciting new service that promises to change how Americans will communicate with each other.

Stay tuned -- there is going to be a growing need for trained communications workers. America needs your know how and the American economy needs your employment -- particularly when you consider all the mind-boggling possibilities of technological development. For example, digital transmission and digital broadcasting, are making new services, and indeed whole new segments of the communications industry. Telephone companies today can initiate a wireless MMDS service competitive to cable. HDTV, Video Dialtone systems, Personal Communications Systems, DBS, wireless cable and allied manufacturing and marketing entities collectively have the potential to create hundreds of thousands of new jobs and inject billions of dollars into the national economy.

All of this demonstrates Morty Bahr's wisdom in endorsing competition and deregulation as the one-two punch that will make this potential a reality. And this marks quite a departure from former thinking about the way new technology and competition impact working people. Time was, competition was looked upon as an engine to drive downsizing business and scaling back employee benefits in the interest of efficiency. Deregulation was looked upon as the green flag allowing that to happen. Certainly your leadership needs to remain aware of the potential that employers may use competition as a smokescreen for unnecessarily or unfairly ratcheting down on worker benefits. But, notwithstanding this possibility, I will tell you that, from my perspective as both a 20-year Commissioner and a lifelong union supporter, nothing -- and I mean NOTHING -- is better for working people than the shot in the arm that competition and deregulation will give our economy.

Eventually, I envision multiple electronic superhighways effectively competing with each other along with added competition from cellular-PCS wireless networks, DBS and MMDS. We are beginning to see cable competing with telephone and vice versa in a multi-faceted, multi-channel broadband telecommunications service encompassing video, telephones, computers, data processing, interactive services, home shopping, home banking video on demand, and other advanced services coming onstream.

Overall, it is a challenging time to be at the FCC. This is a period of revolutionary growth, contentious development and technological advancements in all fields of communications -- and the best is still to come! The FCC's challenge will be the orderly practical implementation of advanced technology services of telecomputers, fiber optics, DBS, DAB and HDTV and digital compression. We must deal, too, with the implications of increasing communications globalization for American investment and American jobs.

In summary, the telecommunications industry, the communication unions and government must work together to implement advanced technology and to maintain and increase our communications leadership so that Americans remain the best informed, most gainfully employed and best served people in the world.

Best wishes to all of you for more jobs and more personal and professional fulfillment in the exciting great years ahead. May your tribe increase!

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