# ORGANIZING PROSPERITY

Union Effects on Job Quality, Community Betterment, and Industry Standards

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with

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## **Executive Summary**

The accomplishments that result from working Americans joining together and reaching understandings with their employers are some of the most important and instructive but often ignored stories in society today. This study tells the stories of how unions have made a positive difference in a cross-section of industries, occupations, companies, and communities, from casino workers in Las Vegas to child care providers in Pennsylvania. It also tells how weakening or eliminating unions has worsened conditions in industries and occupations. At a time when the nation is grappling with serious economic challenges, these stories should be told and their lessons understood.

#### **Hospitality workers in Las Vegas**

Nearly 90% of the employees in the major Las Vegas, Nevada hotels have union representation, and hospitality workers in Vegas and the surrounding county typically earn at least 50% more than similar workers in non-union Reno – plus they have health insurance and limits on onerous workloads. Through a consortium of hotel casinos and unions, workers receive education, training, retraining, and opportunities for career advancement. Their relatively high wages have enabled them to join the ranks of homeowners; to address the lending downturn in late 2008, the union announced a new housing program, the cost of which is shared equally by the unionized casino companies and a grant from the state government.

The union has the support of community leaders and even many business leaders in Las Vegas. J. Terrence Lanni, the chairman of the MGM Mirage, sees the union as playing an important role in ensuring that service workers are able to present a good image to guests.

#### **Nurses in hospitals**

Nurses are generally paid much less than other professionals in health care. In addition, because of reduced staffing and increased workloads over the last two decades, they increasingly suffer from stress, exhaustion, and frustration at work. We are in the midst of a nursing shortage – in 2005 there were estimated to be between 126,000 and 153,000 vacant RN positions – but the problem is not a shortage of qualified nurses; the problem is a shortage of working nurses: the number of trained nurses not working in their profession far exceeds the number of vacancies.

Unionization among nurses has surged over the last decade, and the union partnership with Kaiser Permanente in California provides an example of how workers and

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management can work together to transform labor relations, improve patient care, and expand the customer base.

#### **Grocery workers**

For decades after the industry became highly unionized in the 1930s and 1940s, grocery work was a middle-class career, and the industry offered stable, high-wage jobs. But beginning in the early 1980s, non-union competitors began opening stores in rural areas where there was little threat of unionization. After getting a foothold there, these firms began to enter urban markets. Chief among them is Wal-Mart, which has been found guilty of and has had to settle numerous suits relating to its bending and breaking of the law to avoid paying overtime.

Wal-Mart has been effective in staving off unionization; anti-union training for employees begins on the first day of work. But, in cases in which employers have remained neutral, grocery workers have voted to unionize. The CEO of Safeway praised a 2007 contract at the company's Vons subsidiary for providing employees "with the best wages, benefits, and working conditions in the Southern California retail market, while making certain Vons has the tools to thrive in a highly competitive environment."

#### Meatpackers

After a union shakeout in the late 1970s and early 1980s, wages and working conditions in the once heavily unionized meatpacking industry began a steady slide downward. By closing or selling unionized plants and opening non-union plants so it could undercut union sources, Iowa Beef Packers transformed the meatpacking industry in ways that reached beyond wages and benefits. First, it restructured the labor process by eliminating skilled workers and reorganizing the factory into a one-story disassembly line. Second, it opened its new slaughterhouses in rural locations, where the factories could be close to feedlots and far from heavily unionized urban areas. Third, IDP and much of the rest of the industry developed an indifference to employees' health and safety, recreating the conditions exposed in *The Jungle* a century earlier.

As a result of deunionization, meatpacking no longer supports middle-class communities. During the unionized era meatpackers could afford to own their own homes; now, they're likely to live in trailer parks – or share rooms in motels.

#### **Tech workers at AT&T**

The nation's largest provider of Internet access and wireless service as well as local and long-distance telephone service, AT&T is overwhelmingly unionized. It has almost 180,000 union members among its 300,000 employees, and it partners with the Communications Workers of America on education, training, and counseling.

The generally cooperative relationship between AT&T and CWA is based on respecting workers' rights to join and organize unions. The company's Cingular Wireless division reached a neutrality agreement with CWA under which the company and the union both refrain from attacking each other or coercing workers during organizing campaigns. The agreement also allows workers to form unions by majority sign-up on authorization cards.

According to a vice president at the company, "AT&T and its customers benefit from the skills and professionalism of union-represented employees in our business units."

#### **Janitors**

The Service Employees International Union launched the Justice for Janitors campaign in 1985 with the goal of organizing a group of workers who had mostly lost union protection. To date, SEIU had successfully organized 225,000 janitors in approximately 30 cities.

#### **Truckers**

Beginning in the 1970s, deregulation in the trucking industry, once highly unionized as well as highly regulated (with the support of business, labor, and state agencies), precipitated deunionization. The growing non-union sector has led the industry in dragging wages down while increasing the amount of hours that drivers must put in. To keep pace, truckers have had to work more hours and drive faster.

Turnover generally runs around 100% in non-union long-haul companies, but it remains low in union companies. Indeed, most union carriers indicate they have no complaints with workers, while finding and retaining skilled workers is a chronic problem for non-union companies.

Are there benefits to trucking deregulation? Certainly shippers have gained, as have the major trucking companies, but the investment rate in the industry continues to decline, and, by at least one measure, productivity has clearly declined: average load per dispatch has dropped since 1980.

#### Child care workers at Brightside

Child care providers usually receive low wages and few benefits. At the Brightside Academy, a child care facility in Pennsylvania, a labor-management partnership has boosted workers' pay and benefits, built up their skills, reduced staff turnover, and improved the quality of care and education. More than 500 of Brightside's 700-plus employees are represented by AFSCME, and the two organizations work together to address the challenges of recruiting, retaining, and training staff. The result – as parents, administrators, and employees attest – is better early care and education for the children.

#### **Security guards**

Before their first union contract raised wages and benefits in 2008, security guards in Los Angeles earned just \$8.50 per hour, and most guards are thrown into their jobs with little or no training. With such meager earnings and lack of training, turnover is high – between 100% and 300%.

Building on the success of Justice for Janitors, SEIU has sought to bring similarly good wages and working conditions to security officers through its Stand Up for Security campaign, which aims to take wages out of competition by targeting an entire city. The union negotiated a landmark agreement in Los Angeles at the beginning of 2008 and, although many commercial property owners staunchly resisted unionization, some owners have seen the benefits. According to Robert F. Maguire, who owns eight high-rises in downtown Los Angeles, "These jobs are very important downtown in terms of having good security." Indeed, he said, "It'll also give people hope. They can get paid decently, have good benefits. It's positive for the entire community."

#### **Construction workers**

Becoming a union construction worker used to be a ticket to the middle class. An inexperienced, unskilled worker could join the local craft union and become an apprentice and then, after three to five years, become a skilled journeyman. The high wages commanded by union workers were to a large extent offset by the higher productivity their training brought to the job. But as open shops eroded the density and power of unions in construction, wages in the entire industry declined, especially in residential construction, where training essentially vanished, craft lines blurred, and work was de-skilled. The extreme deterioration in wages and working conditions resulted in a demographic shift, with residential construction jobs increasingly being staffed by immigrants, particularly Latinos. This shift, in turn, has been accompanied by an increase in exploitative practices.

In the last decade, unions have undertaken successful efforts to organize residential construction. Four construction unions – the Roofers, Iron Workers, Sheet Metal Workers, and the International Union of Painters and Allied Trades – are working together on an organizing campaign to improve the wages and working conditions of Latino immigrant construction workers. Even without organizing new workers, unions have sued successfully (notably in Houston and Seattle) to improve working conditions for residential construction workers.

#### **Laundry service workers**

Unsafe working conditions are standard in the laundry cleaning industry, as are low pay and overwork. In 1998, when only about 10,000 of the 100,000 laundry workers nationwide were union members, UNITE launched an organizing campaign. Today roughly 50% of the industry is organized.

A central element of the campaign is improving workplace health and safety through action plans and worker participation, including teaching workers how to file OSHA complaints. The union has also used contact negotiations to establish labor-management health and safety committees and used train-the-trainer programs to encourage group problem solving on the shop floor. A major obstacle to further organizing is the opposition of the largest national laundry, Cintas, which is vehemently anti-union and has so far successfully fought the union drive.

#### Home care workers

Most home care workers earn near minimum wage, with no health benefits, paid vacation, or even workers' compensation. Many are on public assistance because their wages are so low. One result of these working conditions is high turnover.

SEIU began to organize home care workers in Los Angeles in 1987. A major challenge was the absence of an employer of record, and the union successfully pushed the state to establish a public authority with which the union could bargain. In 1999, SEIU union won an election to represent the county's 74,000 home care workers, the biggest union victory since 1937. Home care workers in more than two-thirds of California's 58 counties are now covered by union contracts. A major focus of the union's ongoing efforts is training. In Los Angeles, for instance, the union established a pilot program, the Homecare Training Center, to train workers in CPR, first aid, food preparation, and nutrition.

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In different ways, each of these stories tells how unions make a difference for employees and employers, industries and occupations, local communities and the nation. Unionism not only anchors workers in the middle class; it also promotes quality jobs, products, and services. But quality work requires a quality workforce. As this review of events illustrates, in very different industries and occupations – from child care and nursing to construction, telecommunications, and building security – unions are raising standards, partnering with management to offer education and training, and providing the credentials that workers need to find jobs and grow within them.

Unions not only improve companies – they also improve communities. By winning better wages and benefits, hospitality workers in Las Vegas and building security workers in Los Angeles have strengthened the economies in their communities by increasing consumer demand and thereby boosting local businesses. These reasons explain why so many business leaders quoted in this review praise the contributions that unions make to employers as well as employees

## Introduction

#### Unions and the American dream

Once upon a time in America – specifically, 50 years ago – almost every other worker in the private sector belonged to a union. Today it's only about one in 13, and the U.S. Chamber of Commerce, nearly every industry association, and most non-union business owners believe that's a good thing – if only the share were lower. But the 7.5% of private-sector workers who belong to a union, and even some of their employers, would like to tell you a different story.

The accomplishments that result from working Americans joining together and reaching understandings with their employers are some of the most important and instructive but often ignored stories in society today. This study tells the stories of how unions have made a positive difference in a range of industries, occupations, companies, and communities. It also reveals how weakening or eliminating unions has worsened conditions in other industries and occupations. At a time when the nation is grappling with serious economic challenges, these stories should be told and their lessons understood.

By forming unions, working Americans have transformed low-wage jobs into positions with living wages and opportunities for advancement. Over the years, with union representation, major occupations and industries – from the construction crafts to nursing to aerospace – have become anchors for the middle class, with incomes sufficient to support a family, regular raises, health coverage, retirement security, and dignity at work.

For companies, industries, and the entire economy, unions offer what has been called a high-road approach to improving productivity and quality. When unions close off the low-road route of cutting costs by slashing wages and benefits, employers have to compete through other means, such as improving the productivity of their workforce and enhancing the quality of their products and services.

The improved pay and benefits that unions secure for their members can create competitive advantages for companies. By offering good pay and benefits, companies can recruit and retain a high-quality workforce. Because well-paid workers are less likely to quit, unionized companies reduce the costs connected with employee turnover, including hiring and training new staff. Experienced employees pursuing careers at their own companies provide a source of institutional memory and a means to mentor new hires.

By developing working relationships with unions, companies can draw on oftendeep reserves of employee experience and ideas. At non-union workplaces, workers are often afraid that, if they speak out about problems on their jobs or offer new ideas about how to perform work better, they will be punished or even fired. However, unionized workplaces usually provide due process for workers in danger of being disciplined or dismissed, as well as labor-management meetings in which employees address unresolved issues and propose innovative ideas. As companies and unions develop more confidence in each other, their relationships can evolve into genuine partnerships. Working together, companies and unions can solve problems such as improving productivity, keeping employees' skills current, controlling health care costs, and improving the quality of products and services. While non-union companies can introduce employee involvement programs, efforts to build cooperation between employees and employers are more successful at unionized companies because workers are more confident that they will share in the gains.

In a changing and churning economy, unions can introduce elements of stability. As they organize and represent large numbers of workers in their industries, unions can set standards for employees' earnings and benefits, making it more likely that companies will compete by improving quality, not paying poverty wages. As even established, and sometimes profitable, companies downsize their workforces – and as even the most dedicated workers move from job to job – unions can work with employers to create industry-wide systems for training and credentialing workers and to establish portable benefit programs for health care and pensions.

In addition to promoting quality jobs, products, and services, unions can improve the entire economy and strengthen society. By providing workers with a bigger share of the wealth that they produce, unions have helped to create the consumer demand that is the engine of economic growth. By lifting people out of poverty and creating the first middle-class majority in history, unions have helped to build an America whose citizens have a stake in their society and participate in the democratic process.

It has been well-documented that union workers in America make considerably more than comparable non-union workers – across the economy as a whole the union wage premium has fluctuated between 15% and 20% since the peak of union membership in the 1950s in the United States (Bratsberg and Ragan 2002). Research has also shown that unions are positively correlated with productivity (Doucouliagos and Laroche 2003, 2004; Brown and Medoff 1978), reduce turnover (Freeman and Medoff 1984), and can increase employee involvement and training (Shaiken 1993, Vidal 2007). But the story of how unions can improve the quality of life for individual workers and families, both within and outside the workplace, is less well known. We seek to tell that story here, beginning with the astounding tale of a dishwasher who owns a six-bedroom home.

#### **CHAPTER 1**

## **Hospitality Workers**

## In the winners' circle in Las Vegas

Working in hotels, restaurants, and casinos is often considered a dead-end job. And dishwashing is rarely a road to the middle class. But with union representation, hospitality workers in Las Vegas are building better lives for themselves and their families. Sylvester Garcia provides an example.

After a quarter century working as a welder in the copper mines in New Mexico, Garcia moved to Las Vegas. Now he's a dishwasher at the Luxor, and he says, "I love my job" (Meyerson 2008). At \$11.86 per hour, Garcia earns \$4 more than the national industry average. As part of his union contract, he is also paid for 40 hours' work every week, has a family health care plan with no out-of-pocket premiums, a defined-benefit pension, and three weeks of vacation per year. Garcia lives in his six-bedroom home in a mixed neighborhood consisting of hotel employees and white-collar workers, including his next-door neighbors, an attorney and a minister.

Over the past 20 years – with aggressive organizing, effective bargaining, and an innovative partnership with the hospitality industry – a union has turned low-wage, deadend jobs into positions paying living wages, with opportunities for career advancement, homeownership, and entry into the middle class.

Nearly 90% of the employees in the major Las Vegas hotels have union representation, giving the hospitality workers' union – UNITE HERE Local 226, better known as "the Culinary" – the leverage to set standards for the entire industry in the metropolitan area.

#### Wages and benefits: the envy of the industry

Under the most recent union contract, Las Vegas hospitality workers receive wages and benefits that far exceed what workers receive in nearby non-union Reno. Recent average wages in Clark County (where Las Vegas is located) and Washoe County (Reno) are \$11.88 vs. \$6.60 for bartenders; \$12.37 vs. \$8.48 for cooks; \$9.37 vs. \$6.00

for kitchen helpers, porters, and dishwashers; and \$9.25 vs. \$6.39 for housekeepers (Waddoups 2001).

In addition to higher wages, unionized hospitality workers in Las Vegas can count on better benefits, especially health coverage. The Culinary Union has negotiated a comprehensive and entirely employer-paid health insurance plan. When restaurant hostess Lynne Myrden's husband had open heart surgery, the couple only had to pay \$250 of the \$600,000 hospital bill and nothing of the \$80,000 in doctors' bills (Greenhouse 1998). In another important advance in benefits, and in a first for Las Vegas, MGM agreed in 1998 to provide a day care center for union members

Effective unions respond to the challenges in their industries and occupations. In the Las Vegas hospitality industry, the Culinary Union addresses two important issues – guaranteeing work hours and controlling workloads.

In non-union hotels, many workers don't have guaranteed working hours, and hotel workers have to hold two jobs just to earn enough money to survive and support their families. That is why the guaranteed 40-hour work week specified in the Culinary Union contract is so significant. With guaranteed full-time work and a living wage, members of the Culinary are able to make a living with just one job. This means Culinary members working as housekeepers earn at least \$478 per week, compared with housekeepers in other cities often working just 30 hours per week and bringing in only \$240 (Greenhouse 2004).

Another important issue is workloads. In the intensely competitive hotel industry, employers often seek to boost their profits by increasing the number of rooms that housekeepers must clean. Room quotas nationally have increased over the years, now typically ranging between 15 and 17 rooms per hour. At the same time, in an effort to increase service quality, hotels have been adding room amenities, such as coffeemakers, hair dryers, irons, bathrobes, and extra sheets and pillows. With more rooms to clean and more to do in each room, housekeepers increasingly have to skip their breaks and lunches in order to meet quotas (Bernhardt, Dresser, and Hatton 2003).

In Las Vegas, the Culinary Union made the workload for housekeepers a central effort of its 2002 contract campaign. In a workload study commissioned by the union, a team of economists from the University of California, Berkeley found that, in addition to skipping breaks and lunches, many housekeepers were coming into work 30-60 minutes early and working off the clock in order to meet their quotas (Hayes 2006).

The union succeeded in negotiating strong language on workloads in some contracts in 2002. These agreements provided for a freeze on the number of rooms cleaned per worker during the life of the contract, and reductions in room loads for a variety of classes of workers, such as workers that have to travel between two floors on a single day (Hayes 2006, 181). In subsequent contracts, the union has succeeded in reducing the number of rooms per hour in many of the Vegas Strip hotels (Meyerson 2008).

At a time when employers in many industries are subcontracting the work of regular employees, especially union members, the Culinary Union has taken steps to protect job security. The union has negotiated clauses in most of its contracts requiring that subcontracted work – an increasing phenomenon in the industry, and often an anti-

union tactic – must stay within the bargaining unit, and subcontracted workers are typically subject to the same terms as traditional workers (Hayes 2006, 1).

#### Developing a high-skill, high-wage workforce

Understanding that high skills are essential for high wages, the Culinary Union has worked with employers to create skills training and certification that help the employees move up in their jobs and help the hotels offer better services, attract more customers, and earn higher profits.

Through the Culinary and Hospitality Academy (CHA) of Las Vegas, a joint venture created in 1993 through a consortium of hotel casinos and unions, workers receive education, training, retraining, and opportunities for career advancement. Funded by the hotels and administered by the Culinary Union, the CHA provides industry-specific training, based in part on advice from an employer board, as well as classes in English as a second language, high school general equivalency diploma preparation, and training in "soft skills" that are essential in a service industry with direct contact with the public. Thus, the CHA both helps provide important training for workers lacking skills and solves formerly severe recruitment and retention problems for the hotel casinos (Bernhardt, Dresser, and Hatton 2003).

The success of the CHA is a model for adult education and career training programs throughout the nation. Nearly 18,000 workers have graduated from the academy in the last nine years. Hotels often hire an entire graduating class. Further, the academy works closely with the union hiring hall so that any workers not hired immediately typically move quickly into full-time employment in the industry (Meyerson 2008). Workers going through the academy are likely to end up with good jobs, and hotels enjoy a steady stream of well-trained applicants. Union hotels report that the turnover rate among academy graduates is 50% lower than that of hires from off the street (Bernhardt, Dresser, and Hatton 2003).

#### Building up the industry and the community

The Culinary Union has helped many workers – including women, Latinos, and recent immigrants – to sharpen their skills, do their jobs better, strengthen their commitments to their employers, own their own homes, join the middle class, and become productive and participating citizens. For these reasons and many more, the union's role has attracted the attention of journalists and the acclaim of leaders in the hospitality industry and the local government.

As the news media have noted, Las Vegas is one community in which workers in the service industry have been able to buy and hold onto their own homes, even as the nation's financial crisis began. Sylvester Garcia – the dishwasher who owns a six-bedroom home – is not an anomaly. When union organizer Jo Marie Agriesti moved to Las Vegas and began her first house visits, she thought she accidentally received a list of middle managers rather than front-line workers. "One of the first people I met"

recalls Agriesti, "was a dishwasher who came from a family of dishwashers and lived in a nice place. That was a lesson for me, for I realized that dishwashers could own their homes and amount to something in Las Vegas" (Cannon 1997). In the words of Hattie Carty, a former housekeeper, widowed mother of 10, and homeowner who went on to become president of the Culinary in the late 1990s, "Las Vegas is the only place in the U.S. where a hotel housekeeper can afford to buy a house" (Greenhouse 1998).

The Culinary Union has been so successful in securing decent living standards for its workers that it has won a variety of supporters. Former mayor Jan Laverty Jones has credited the union with helping to move people off the welfare rolls and says it has "provided a foundation" for working-class prosperity (Cannon 1997). The Culinary also has the support of many business leaders in Las Vegas, including J. Terrence Lanni, the chairman of the MGM Mirage, who sees the union as playing an important role in ensuring that service workers are happy and able to present a good image to the guests. After all, he says, "the first contact our guests have is with the guest-room attendants or the food and beverage servers, and if that person's unhappy, that comes across to the guests very quickly" (Greenhouse 2004).

During the final months of 2008, as the financial crisis and the recession deepened, the Nevada economy, the hotels and casinos in Las Vegas, and the members of the Culinary Union have been hit hard. By November 2008, the state of Nevada had suffered from the nation's highest foreclosure rate for the preceding 20 months. Meanwhile, the union estimated that up to 10% of its 60,000 members had lost their jobs or suffered reductions in their work hours.

In an effort to help its members afford homeownership and to stabilize the Las Vegas housing market, the Culinary Union announced a new housing program that makes available \$2 million in loan assistance to first-time homebuyers covered under the union's contracts. The cost of the program is shared equally by the unionized casino companies and a grant from the state government.

In order to participate in the program, union members must first qualify for mort-gages, contribute 1% of the purchase price, and complete an eight-hour homebuyer education course. After meeting these requirements, union members who are first-time homebuyers can then receive as much as \$20,000 in down-payment assistance. When their homes are sold or refinanced, the borrowers must repay the down-payment loan.

The program could generate as much as \$80 million in new mortgage lending, which would help stabilize the Las Vegas housing market. "This is exactly the medicine our ailing housing market needs," said Nevada State Assembly Speaker Barbara Buckley, who helped to enact the state's matching grant mortgage assistance program (Mishak 2008).

#### A revitalized union revitalizes an industry and a community

The Culinary Union itself has rebounded from decline to improve conditions for the hospitality workers, the hospitality industry, and the Las Vegas community.

The union reached its lowest point in 1984, when attempts by some operators to break the union prompted a major strike. Ultimately, 900 workers were arrested, six hotels decertified the union, and four other hotels illegally reneged on the contract, without repercussion (Meyerson 2008; Greenhouse 2004).

Culinary Union members elected new leaders in 1987. With assistance from the national union (the Hotel Employees and Restaurant Employees International Union, or HERE, now UNITE HERE), the union built rank-and-file committees in each of the casinos. In 1989 the union negotiated card check—neutrality agreements with the hotels, covering any new property opened by the major casinos. This meant that employers would not fight the union organizing drives (neutrality) and that a union could be certified with 50% plus one of the workers signing union cards (card check). Card check—neutrality was a major victory for the union and was subsequently added to all contracts with the hotel casinos. The membership of the Culinary more than doubled in the 1990s (Meyerson 2008; Greenhouse 2004).

The union negotiated the first card check—neutrality agreement with Steve Wynn, owner of the Mirage and other major hotel casinos. Wynn established cooperative relations with the union and, in exchange for his vow of neutrality, the union agreed to reduce 134 job classifications down to 30 and to use its lobbying clout in support of industry interests (Greenhouse 2004). Subsequent contracts with major operators were patterned on these negotiations.

Today the Culinary Union has more than 48,000 members, many of whom are actively involved in their union and their community. Prior to the 2002 round of contract negotiations, the union held a bargaining rally that was attended by nearly half of its members, an astonishing 23,000 people (Meyerson 2008). Leaders from the Las Vegas business community, local government, and civic and charitable sectors agree that the community benefits from this better-paid, increasingly skilled, and involved and empowered workforce.

#### **CHAPTER 2**

## **Nursing**

### Improving patient care and RN's jobs

"You go home and you think, 'Did I do this? Did I forget to check that?'" explains Debbie Cuaresma, a registered nurse at St. Vincent Medical Center in Los Angeles. "Some days I would just go home and cry. I couldn't meet the needs of patients or their families. I couldn't help them because I didn't have enough time" (Cleeland and Bernstein 1999).

Nursing is among the noblest of occupations. In hospitals, nurses provide bedside care for the patients, serve as an early warning system for the medical team, advocate for patients, and counsel patients' families. Usually, nurses are the professionals who conduct the tests, administer the treatments, and determine how the patient is responding. Especially compared to inexperienced young doctors, nurses are likely to understand how the human body will react to an illness, an injury, an operation, or medication and whether a course of treatment is succeeding or failing.

#### A profession in peril

Despite the fact that registered nurses form the backbone of the modern health care system, they are generally paid much less than other professionals in health care and other sectors of the economy. In addition to low pay, nurses suffer from working conditions that make it difficult for them to do their best work. Because of reduced staffing and increased workloads over the last two decades, nurses increasingly suffer from stress, exhaustion, and frustration at work.

Moreover, with the growth of managed care and the increasing power of health maintenance organizations (HMOs) and insurance companies, nurses maintain that cost cutting is overriding patient care. Managed care plans have increasingly pressured hospitals to cut nursing staffs and reduce the length of hospital stays.

Understaffing in hospitals has not only decreased job satisfaction among nurses; it has also been associated with increased nurse errors in patient care (Clark and Clark 2006). In addition to high patient loads, understaffing has led to increased workloads

for nurses in other ways. Mandatory overtime has become increasingly common, as has "floating," a practice in which nurses are shifted to different areas of the hospital, without regard for training or experience. With relatively routine procedures increasingly shifted to outpatient care, the average patient admitted to a hospital tends to need more care than in the past, while at the same time the pressure to discharge patients as soon as possible is stronger than ever. As a result, nurses must deal more intensively than before with patients who need more care than before.

Poor working conditions are both a cause and a consequence of the nursing shortage plaguing the profession. Because of the low pay, overwork, and overruling of nurses' professional judgments, many nurses are pursuing other occupations, and fewer young people are preparing to become nurses. Meanwhile, the shortage of nurses further contributes to understaffing, thereby exacerbating the problems that make nursing less attractive than in the past. Moreover, as is the case with teaching, nursing is a traditionally female profession; as with teaching, nurses have long been underpaid and undervalued, compared to other professionals, and, as with teaching, the nursing profession is suffering a shortage now that other professional opportunities are opening up for women.

The nursing shortage is severe. In 2005 there were estimated to be between 126,000 and 153,000 vacant registered nurse (RN) positions. As a result of nurse shortages, fully a quarter of hospitals have been forced to close beds, 19% have increased waiting times, and 34% have reported increased complaints or decreased satisfaction from patients (Lafer 2005).

The problem is not a shortage of qualified nurses; the problem is a shortage of working nurses. In fact, in 2000 nearly 500,000 RNs in the U.S. were not working in their field. Approximately 136,000 RNs worked in non-nursing occupations, and 132,000 were unemployed. (Of the unemployed, 118,000 were under 60 and did not have children living at home.) In short, the number of trained nurses not working in their profession far exceeds the number of vacancies (Lafer 2005).

Surveys of nurses' job satisfaction suggest that these problems will persist. In one national survey, 50% of nurses reported feeling "exhausted and discouraged," and 55% would not recommend nursing as a career for a friend or child. According to the American Organization of Nurse Executives, 43% of working RNs say they plan to leave their current position within three years (Lafer 2005).

#### Improving nursing by organizing unions

Nurses are turning to unions to help them improve their wages and working conditions. Unionization among nurses has surged over the last decade. In the two years between 1997 and 1999 nearly 20,000 RNs joined unions nationwide (Cleeland and Bernstein 1999). Between 1998 and 2003, the percentage of nurses represented by unions increased from 16.8% to 19.5% (Clark and Clark 2006).

In California, the California Nurses Association (CNA) organized 63,000 nurses at 415 facilities in 2005. Nurses at Palomar Pomerado Health, in San Diego County,

successfully negotiated their first contract in 2003; it provided a 30% salary increase, increased staffing levels, a new pension plan, and a ban on mandatory overtime (*San Diego Business Journal* 2005).

Other major unions organizing nurses are the Service Employees International Union (SEIU), the American Federation of State, County, and Municipal Employees (AFSCME), the United American Nurses (UAN), and the American Federation of Teachers (AFT).

Most nurses see the issues of unionization and improved working conditions as inseparable from the issue of quality patient care.

Tom Yaksich, who works at Sparrow Hospital in Lansing, Mich., has been a nurse for 27 years. Nurses at Sparrow unionized 20 years ago. According to Yaksich, "In organizing we can give better care and more safe practices for nurses" (Kasmetatos 2007).

Brenda Perry, an emergency room nurse, has worked at Columbia Los Robles Hospital/Medical Center in Thousand Oaks, Calif. for 14 years. In 1993, as the hospital sought to cut labor costs, nurses lost a \$2-per-hour weekend differential and lost vacation and sick pay. After the nurses there won a union election drive in 1996, Perry was relieved. "We as nurses started this because we need to stand together," she said. "With big business and HMOs taking over the hospitals, we need to stand together. We are the ones by the patients' bedsides, we are on the front line of patient care. We are the ones with patients' lives in our hands" (Pols 1996).

Many other nurses agree. As Mary Sorensen, a registered nurse in the radiology department of St. John's Regional Medical Center in Ventura, Calif., states, "By forming a union, we can make sure employees have a voice in decisions so that we can strengthen patient care – not just the bottom line at St. John's" (Saillant and Kelley 1999). For nurses at the Northridge Hospital Medical Center in Los Angeles, as with many other nurses nationwide, the primary concern is "dangerously" low staffing levels, according to Linda Pickford, a registered nurse in the neonatal intensive care unit. "But most of all, we'll have a voice," she says. "We'll be able to protect our patients as well as our profession" (Park 2001).

Many nurses have traditionally been opposed to unions because they thought unionism conflicted with their professional identity. But unions have increasingly focused on helping to improve the quality of patient care, and many nurses have seen unions help advance their professional mission.

When Teresa Barnett, a nurse at Menorah Medical Center in Kansas City, Mo., began to organize a union at her hospital, she said, "We didn't even want to use the word 'union' because many of us thought it had a bad connotation." But, Barnett, continued, "we really believed we could make a difference by having a legal voice in the workplace, and unionizing was the way to do that" (Heaster 2001).

With collective bargaining agreements with individual hospitals and chains of health care facilities, nurses are improving patient care as well as their own economic conditions. For instance, an agreement worked out in 2002 between CNA and Kaiser Permanente, covering 10,200 registered nurses and nurse practitioners throughout

California – the largest single contract for nurses in the nation – includes a ban on mandatory overtime, a guaranteed pension three times larger than the previous plan, a retirement health plan, and a no-cancellation program covering regularly assigned shifts, the first of its kind in the industry. The language on mandatory overtime was the strongest in the country, and the union hopes it will set a national standard (*Business Wire 2002*).

Also in California, a coalition of nurses' unions in 1999 successfully lobbied the state legislature to pass a law mandating nurse-to-patient ratios in hospitals. Staffing legislation is now being pushed by unions in at least 13 other states (Clark and Clark 2006).

In contracts negotiated between Nurses United for Improved Patient Care (an affiliate of the AFT) and three Kansas City, Mo. hospitals, 600 RNs received a standardized wage scale and a grievance procedure. In addition, the contracts reduced the practice of floating and established nurse practice committees to address staffing levels and patient care. The nurse practice committees are especially important for improving the nurses' voice in the workplace. According to Donna Skouse, a registered nurse at Menorah Medical Center and a Nurses United negotiator, "We were educated to be advocates for our patients, and this will provide an arena to bring up those concerns" (Karash 2003).

#### Kaiser Permanente: a partnership to improve patient care

Nurses and their unions have improved patient care through a partnership with the nation's largest managed care organization, Kaiser Permanente, which serves 8.7 million health plan members in nine states and Washington, D.C. Over two-thirds of its members (6.1 million) live in California, where the organization was founded.

One of the first health maintenance organizations, Kaiser Permanente was created to serve construction and shipyard employees who worked for the progressive industrialist Henry J. Kaiser. Kaiser's workforces were unionized, and, as Kaiser Permanente grew, it marketed itself to union members and their families. The health plan's own employees formed and joined unions

By the 1990s, Kaiser Permanente, facing competitive pressures within the health care industry that were forcing it to cut back on patient care, imposed limits on hospital stays, and began tying some doctors' bonuses to rationing care. With tensions on the rise, management and labor came close to what could have been a mutually destructive conflict but then turned back from the brink.

Looking back on that period, a Kaiser vice president, Anthony Gately, said, "We came close to closing our doors." But, in the words of Kathy Schmidt, the longtime president of the Oregon Federation of Nurses and Health Professionals, an affiliate of the AFT, "We both looked in the mirror and had no stomach to fight to the death." Similarly, Kathy Sackman, the president of the United Nurses Association of California, an affiliate of AFSCME, told researchers who were preparing a study for the U.S.

Department of Labor that successful strikes "would only hurt Kaiser, the most highly unionized health provider in the country."

In 1997, Kaiser Permanente founded a partnership with a coalition of 26 local unions that now represent more than 90,000 nurses and other health care workers. The national unions involved include AFSCME, AFT, SEIU, the United Food and Commercial Workers union (UFCW), the International Brotherhood of Electrical Workers (IBEW), the Teamsters, the United Steelworkers, the Office and Professional Employees International Union (OPEIU), the International Federation of Professional and Technical Engineers (IFPTE), and the International Longshore and Warehouse Union (ILWU). The partnership sought to transform labor relations, improve patient care, and market Kaiser Permanente to health care consumers, especially unionized employers and union families.<sup>1</sup>

In one of their first joint efforts as partners, Kaiser and the unions worked together promoting "safe needle" legislation. Nurses and other employees were concerned about "needle-stick" accidents in which health care workers had been injured and even infected with blood-borne illnesses such as AIDS and hepatitis B. In order to reduce this risk, the unions supported the introduction of safe needles, syringes that contain a mechanism that causes the needle to retract into a container immediately following an injection in order to avoid inadvertent sticks.

As the partnership got underway, Kaiser became the only major health care employer to join the unions in supporting safe needle legislation. Working with the AFL-CIO and the coalition unions, Kaiser helped convince California Governor Pete Wilson, a Republican not usually allied with labor, to sign safe needle legislation into law. This victory helped to persuade other states and eventually the U.S. House and Senate to enact safe needle laws.

Next, the partnership turned its attention to the problem of short-staffing, which was resulting in deteriorating care for patients and increasing turnover among nurses. In 1999, Kaiser Permanente and the unions were instrumental in persuading the California legislature to pass a law directing the state's Department of Health Services to set a legal minimum patient-to-nurse ratio for specific types of hospital units. This was the first time anywhere in the nation that a major health care provider had taken a stand in favor of increasing nurse-to-patient ratios.

In 2001, after reviewing the input of union-represented nurses, Kaiser Permanente voluntarily announced a ratio of one nurse for every four patients – a ratio much higher than the rest of the health care industry was proposing. In 2002 and 2003, in selected units at Kaiser facilities, the entire staff met with management and reviewed the staffing patterns in their areas.

Meanwhile, nurses and other health care workers at Kaiser Permanente are continuing to improve their pay and benefits, even in the face of a declining economy. In bargaining in 2008, the union coalition negotiated across-the-board increases of 4% effective October 1, 2008; 4% effective October 1, 2009; and 1% or 2%, depending on the region, effective April 1, 2010.

Since 1997, another important element of the partnership has been a neutrality agreement, under which Kaiser Permanente's management has agreed not to interfere with workers' efforts to organize unions and to recognize unions when a majority of the employees in a unit decide to be represented by a union. At least 10,000 nurses at Kaiser Permanente have joined unions since the partnership began.

#### **CHAPTER 3**

## **The Grocery Industry**

## Islands of high wages in the retail sales sector

Steve Burd, CEO of Safeway, declared that a recently negotiated union contract was good for the employees and for the company: "This new agreement provides employees with the best wages, benefits, and working conditions in the Southern California retail market, while making certain Vons [a division of Safeway] has the tools to thrive in a highly competitive environment" (Veiga 2007).

The retail sales sector is generally characterized by low wages and dead-end jobs. The major exception is the grocery industry, which became heavily unionized in the 1930s and 1940s.

For decades after the industry became highly unionized, grocery work was a middleclass career, and the industry offered stable, high-wage jobs. This was as true for higherskilled workers like meat cutters as it was for cashiers, deli workers, and shelf stockers.

But the grocery industry has undergone dramatic changes over the last two decades, changes that could make the industry more like the rest of the low-wage, deadend retail sector.

#### The rise of the non-union sector and the decline of job quality

Since the early 1980s, the grocery industry has witnessed the rise of fiercely competitive non-union firms introducing technological innovations – mainly information technology to manage inventory (Hughes 1999) – but competing primarily through a relentless focus on cutting labor costs.

The industry is immersed in a competitive battle similar to that experienced in meatpacking, construction, and certain segments of the trucking industry from the 1950s through the 1970s. In those industries, the outcome was de-unionization – and deterioration in job quality.

Following a strategy pioneered in the meatpacking industry by IBP (formerly Iowa Beef Processors and, before that, Iowa Beef Packers), discussed in more detail below,

non-union competitors in the grocery industry, primarily Food Lion and Wal-Mart, began opening stores in rural areas where there was little threat of unionization. After getting a foothold in rural areas, these firms began to enter urban markets. Since then, the pressure on unionized groceries – and the good wages and working conditions in these stores – has been relentless.

Food Lion, the fastest-growing supermarket in the 1990s, expanded from 182 stores in the early 1980s to more than 1,000 stores within a decade. It entered East Coast markets first, competing on low wages, no-frills stores, and a work system it calls "effective scheduling," which places strict time limits on how long it can take to perform a task. For instance, clerks are expected to handle 11 cases of fruit per hour and 35 cases of potatoes. Stockers have to shelve 50 cases of packaged items per hour (Swoboda 1993).

Food Lion's effective scheduling program has introduced some efficiencies into its work process, but, without unions to protect workers against abuse, such managerial strategies can deteriorate into a competitive race to the bottom regarding wages and working conditions, as happened in the meatpacking industry. Indeed, a complaint against Food Lion, backed by the UFCW and eventually including 334 workers, was filed with the U.S. Department of Labor in 1991. The complaint alleged that Food Lion forced employees to work overtime without pay or to work off the clock (*Greensboro News & Record* 1993). Although Food Lion never admitted that it had violated the law, the company agreed in August 1993 to pay \$13.2 million to employees for back wages and an additional \$3 million in civil penalties (Southerland and Hamilton 1993).

An even larger non-union retail outlet, Wal-Mart, opened its first supercenter in 1988 and subsequently became the nation's largest retail grocer. A report released by the consulting firm Retail Forward estimated that Wal-Mart had 19% of the national grocery market in 2004 and could have up to 35% of the market by 2010 (Warner 2005).

In 2003 Wall-Mart grocery workers were estimated to average \$10 less per hour than their counterparts in large supermarkets nationwide – \$9 an hour in wages and benefits at Wal-Mart compared to \$19 an hour elsewhere in the industry (Cleeland and Goldman 2003). In 2008, Wall-Mart claimed that its employees earned an average of \$10.83 per hour, but this figure is disputed by the company's critics (Gogoi 2008). The company admits that a Wall-Mart paycheck may not be enough for a full-time worker to support a family (Goldman and Cleeland 2003).

Wal-Mart bends and breaks the law to avoid paying overtime. A jury in Oregon found the company guilty of coercing hundreds of employees to work without overtime pay. The company has settled similar suits in California, Colorado, Minnesota, New Mexico, and Pennsylvania. In the Minnesota case, in 2008, the judge ruled that Wal-Mart violated state laws on rest breaks and other wage issues more than two million times. At \$1,000 for each infraction, a penalty threatened by the judge, Wal-Mart would be liable for \$2 billion in fines. In the same ruling, the judge found that Wal-Mart owed \$6.5 million to 56,000 current and former employees for failing to give them promised breaks. In the Pennsylvania case, the company was fined \$188 million in a lawsuit over off-the-clock work and rest breaks. In total, more than 70 suits

regarding off-the-clock work and/or rest breaks have been filed against Wal-Mart, and most of them are still open (Greenhouse 2008).

As Food Lion, Wal-Mart, and other non-union chains moved into urban areas, their competitive pressures first began to be felt in major cities, including Baltimore, Chicago, Denver, Los Angeles, Minneapolis, and Washington D.C. Now, their impact is nationwide, in urban and suburban areas, as well as in rural America, threatening the survival of unionized employers and the wages and working conditions of union members in the grocery industry.

#### The beleaguered unionized sector

In 2002, unionized grocery workers made 31% more than non-unionized grocery workers and were much more likely to have employer-based health insurance (68% vs. 35%) and pension plans (78% vs. 46%) (Lowell, Song, and Shaw 2002).

In contrast to their union counterparts, tens of thousands of non-union grocery workers across the country hold part-time jobs while they would prefer full-time work, are paid poverty wages, and receive no benefits. This competition is threatening union members' wages and working conditions.

The best-known example of this pressure is the longest strike in the history of the industry. In 2004, some 70,000 grocery workers struck at Albertsons, Kroger's, Ralphs, and Safeway's Vons and Pavilions in Southern California. Both sides admitted that the concessions demanded by the supermarkets were a direct response to competitive pressure from Wal-Mart's new supercenter strategy – selling groceries next to general merchandise in megastores, which was how Wal-Mart entered the grocery industry. For example, Raley's, a unionized supermarket based in California, closed all of its 18 stores in the Los Angeles area and laid off 1,400 workers in response to competition from Wal-Mart supercenters. Kelly Gray, a 36-year-old mother of five, was one of those who lost her job. "I was scared. I cried. I shook," she said (Goldman and Cleeland 2003).

One of the most contentious concessions the unions had to make after the 2004 California strike was to allow a two-tier wage system, under which the wages of new hires were capped. The system created a number of problems, including lowered morale, friction in the workplace between employees on different wage scales, and soaring turnover. In their most recent contracts, the Southern California supermarkets eliminated the two-tier wage system.

Other union grocers also turned to two-tier wage scales in order to compete with non-union grocers. Giant Foods, a supermarket chain based in Landover, Md., recently instituted a two-tier wage scale but found that it generated too many problems. Giant eventually raised the pay of the lower tier by 70 cents and changed the system so that the two tiers will merge within seven years (Salpukas 1987).

The wage concessions and reduced benefits demanded by the Southern California supermarkets in response to competition from Wal-Mart were devastating to their employees. In the words of Diane Johnson, a union cashier at a Pavilions in Los Angeles:

"I've put 29 years of my life into this job, and now they're trying to pull the rug out from under me" (Cleeland and Goldman 2003).

#### Low wages produce a labor shortage

Twenty years ago, many employees would begin working at grocery stores in high school and then stay on full time and long term, turning the job into a career. Today, problems with recruitment have been identified as one of the industry's top concerns (Hughes 1999). A major part of the problem for recruitment and retention is the increasingly low wages offered in much of the industry.

Clariece Unnerstall began working at Albertsons in Lancaster, Calif. in 2002. She dropped out of high school at 17 and found a full-time, union job at Albertsons that she liked and which offered good pay. With health benefits and good wages, she was able to contribute to the household budget for her parents and younger sister. However, she quit in early 2003 in anticipation of the strike (Mathews 2006).

After working odd jobs, Unnerstall decided to return to the grocery business after the strike was over, this time choosing an identical position at a unionized Vons store. However, because of intense competition from non-union stores, she came back to a different environment. She was given part-time work, and had to wait 18 months to be eligible for health benefits. Like most of her fellow part-timers, Unnerstall is now lucky to get 16 hours per week. "I like to work, and I've always loved working in a grocery store. It's exhilarating," she says. "I could see myself having a career there, but it's hard to do that."

# Expanding the union sector, improving wages and working conditions

So far, Wal-Mart and Food Lion have been effective in staving off unionization. Antiunion training for Wal-Mart employees begins on the first day of work. Workers are told to avoid unions and report any organizing activities to supervisors. Union talk is prohibited in work areas, and managers call a hotline if they suspect union activity; the call generally leads to a visit from an anti-union team from the company's headquarters in Bentonville, Ark. The company has been found guilty of lying to workers about unions, and it commonly uses illegal tactics such as confiscating union literature and firing union supporters (Goldman and Cleeland 2003).

In cases in which employers have remained neutral, however, grocery workers have voted to unionize. For example, when Shaw's Supermarkets agreed to neutrality, 2,000 workers in 11 Massachusetts cities quickly joined the union in 1997 (Lewis 1999).

Meanwhile, many union workers' wages, benefits, and working conditions are improving. The 2007 contract for the Southern California grocers, in addition to eliminating the two-tier wage system, reduced the waiting period for health insurance for new hires from 30 to six months, offered good raises, and included a plan for health

care reimbursement accounts and measures to help workers focus on preventative health care. Unfortunately, the future of good jobs in the grocery industry remains uncertain. It seems that the only way to take wages out of competition and guarantee the continued ability of the industry to produce middle-class jobs would be for the unions to successfully organize the majority of the industry.

#### **CHAPTER 4**

## Meatpacking

#### The human costs of deunionization

Patty Stander partially lost the use of her hands from trimming thousands of beef livers per day. The meatpacking plant where she worked eventually fired her. Guadalupe Valdez slipped and fell in the blood and grease, injuring her leg. After she was refused medical care and sent home, her leg turned blue and she went to the hospital. But the company denied her workers' compensation, claiming she hurt her leg after she went home. Another worker said: "If you're bleeding quite a bit, they reluctantly go ahead and take you off the table. But if they think you can put a Band-Aid on and wait until break time, they'll tell you to put a Band-Aid on and get it checked after work" (Andreas 1994).

These stories from the Monfort beef packing plant in Greeley, Colo. describe the human costs of deunionizing a major industry, meatpacking. As Americans have understood since the publication of Upton Sinclair's *The Jungle* in 1906, meatpacking is a dirty, tough job. But, as most of the industry became unionized by the end of World War II, working conditions steadily improved. Indeed, although the job remained demanding and filthy, unionization ensured that workers were well paid for the onerous conditions in which they worked.

But as a union shakeout occurred during the late 1970s and early 1980s, wages and working conditions began a steady slide downward. The despicable conditions in which meatpackers work today – not just grimy and tough but also unnecessarily intense, dangerous, and degrading – are a direct result of the deunionization of the industry.

#### The advantages of unionization

After more than four decades of attempts, meatpacking was finally unionized by the United Packinghouse Workers of America (UPWA – now part of the UFCW) in the 1940s. That decade saw the establishment of national contracts and significant wage gains. By the 1950s, national union agreements covered nearly 70,000 workers and succeeded in improving and standardizing working conditions throughout the industry

(Horowitz 2002). Unionization turned meatpacking into a stable job providing a middleclass income.

#### The costs of deunionization

In the 1960s, however, new meatpacking companies, led by Iowa Beef Packers (IBP), gained market share at the expense of unionized companies, eroded and eventually eliminated the nationwide union contracts, and encouraged existing companies to break the unions at their plants. This trend towards deunionization resulted in a long-term decline in wages and working conditions, as well as extreme safety problems peculiar to the industry.

For its part, IBP closed or sold unionized plants and opened a number of non-union plants so it could undercut union sources. By 1978 IBP was paying half of the wage level specified in the master agreement (Horowitz 2002). Meanwhile, the number of meatpacking workers covered by master agreements dropped by more than half from 1976 to 1983, from 70,000 to 30,000 (Gabriel 2006). With new firms engaging in cutthroat competition based on wages, the inevitable result was a wave of concessions in the remaining union plants. The master agreements disintegrated and core firms continued to deunionize during the early 1980s. Wages in the meatpacking industry took a nose dive, dropping from 15% above the manufacturing average in the 1960s to 20% below the manufacturing average in 1990 (Horowitz 2002). At the Monfort beef-packing plant, the average pay, \$9.25 an hour, is just one-third of what it was, after adjusting for inflation, when the plant opened 40 years ago.

What came to be called the "IBP revolution" thoroughly transformed the entire meatpacking industry in three ways that reached beyond wages and benefits.

First, IBP restructured the labor process by eliminating skilled workers and reorganizing the factory into a one-story disassembly line in which each worker stands in the same place and makes the same simple cuts thousands of times per day (Schlosser 2001, 153).

Second, IBP opened its new slaughterhouses in rural locations, where the factories could be close to feedlots and far from heavily unionized urban areas (Schlosser 2001, 153). This set off a wave in which dozens of urban slaughterhouses were closed and replaced with rural factories (Horowitz 2002).

Third, much of the industry developed an indifference to employees' health and safety, recreating the conditions exposed in *The Jungle* a century earlier.

While deunionization directly contributed to the decline in working conditions and workplace safety, part of the blame also lies in lax regulation. The Reagan administration cut back on Occupational Safety and Health Administration (OSHA) inspectors, and the highly concentrated and powerful industry successfully put pressure on the Department of Agriculture to allow self-policing (Andreas 1994, 155). In any case, unionization and effective regulation go hand-in-hand: the first legislation for federal inspection of poultry was the result of a campaign organized by the Amalgamated Meat Cutters union (also now part of the UFCW) (Stull and Broadway 2004, 72).

Once again, meatpacking is known as the most dangerous job in America. The injury rate in the industry in 2001 was a disquieting 20 injuries per 100 workers, more than three times the rate (5.7%) for all of private industry (Greenhouse 2005a). For cumulative trauma disorders such as tendinitis and carpal tunnel syndrome, the incidence rate in meatpacking is nearly 35 times higher than the national average in private industry (Schlosser 2001, 173). The actual incidence of injury is far higher than the reported rate. Amputated limbs, missing fingers, broken bones, and deep lacerations are the types of injuries generally reported. Far more common are less visible injuries such as pinched nerves, slipped discs, and torn muscles (Schlosser 2001, 175).

Underreporting of injuries is systematically encouraged throughout the industry and, with the decline of unions, it is rarely challenged. It is common for low injury rates to be part of the basis of bonuses for foremen and supervisors (Schlosser 2001, 175). Workers face immense pressure to not report injuries – whether or not a worker reports an injury is often a central factor in whether he or she is treated by management with respect or indignity.

A recent report by Human Rights Watch – the first ever focusing on a single industry in the U.S. – states that the working conditions in American slaughterhouses have deteriorated so much that they now violate basic human rights (Greenhouse 2005a). Working conditions in the industry have become so dangerous, the report notes, they are in breach of international agreements on workplace safety.

At a poultry plant in Kentucky, two women who worked as a team complained of severe nausea, cramping, and diarrhea. The company nurse would give them nothing more than anti-nausea pills, despite being told by one of the women: "I'm not throwing up. I got blood in my stools." Later the woman began to bleed down her leg onto the floor and was sent home. The company refused to pay any medical bills. Both women eventually had their gall bladders removed due to complications from the illness (Stull and Broadway 2004, 76).

At the Monfort beef packing plant in Colorado, the union was broken in 1980 when the plant temporarily shut down and then reopened as a non-union shop.<sup>2</sup> Working conditions deteriorated rapidly after the plant reopened. In 1990 the company gave workers a new "safety incentive plan," offering a week of paid vacation for satisfying a number of criteria, including going a whole year without making any workers' compensation claims.

Carol Andreas, a sociologist, interviewed a number of workers from the Monfort plant during the early 1990s, after it was deunionized. These stories provide a detailed look at the daily experiences of workers subject to intense line speeds – which have now become the industry standard – and of the company responses (Andreas 1994, chapter 5).

One worker who had repeatedly complained about falling carcasses due to loose railings was eventually hit by one. The Momfort plant typically paid off employees when they became too hurt to work, in return for agreeing not to hold the company liable. Another woman, pregnant and bleeding, was refused permission to leave work and had a miscarriage on the plant floor. One worker said, "You're working as fast as you can and they tell you, 'If you can't keep up with the beef, get off the...table.""

These stories, unfortunately, are not unique to this plant but – according to all accounts of industry observers, other than those of management insiders – they are the industry norm. Companies have speeded up the lines to the limits of human endurance. The number of cattle slaughtered has grown from around 50 per hour during the heyday of the Chicago stockyards, to around 175 two decades ago, to as many as 400 per hour today (Schlosser 2001, 173). Similarly, trimmers in poultry factories have to process 35 birds per minute (Stull and Broadway 2004, 78). In beef packing, workers make up to 10,000 knife cuts in an eight-hour shift (Schlosser 2001, 173).

Speeding up the lines increases the risk of injuries. Cuts, punctures, and strains can be reduced if knives are properly sharpened but, because of the intense line speed, workers don't have time to sharpen their knives while on the line. Many take the knives home, spending 40 or more minutes per day – off the clock – sharpening, smoothing, and sanding them (Schlosser 2001, 173).

Work speedup and dangerous conditions are not the only problems in meatpacking today. After the union was broken at the Monfort plant in Colorado, break time was reduced from 15 minutes every two-and-a-half hours and a 30-minute lunch to one 15-minute break and one 30-minute lunch in the entire eight-hour day (Andreas 1994, 119).

Workers are also routinely forced to perform unpaid work. At Monfort, time on the clock begins when the line starts and ends when the last carcass is processed. Time spent sharpening knives, putting on safety gear – mesh gloves, aprons, boots, hats, hairnets – arranging work stations, and making other preparations for work is performed off the clock (Andreas 1994, 119).

As a result of deunionization, meatpacking no longer supports middle-class communities. During the unionized era of the 1960s and 1970s, meatpackers could afford to own their own homes. Now, they are likely to live in trailer parks. Many of the workers at the Monfort plant – which helped to set the new low-road standards for the industry – are forced to share rooms in motels.

#### **CHAPTER 5**

#### AT&T

## High tech, high skills, and high wages

According to Mark Royse, AT&T executive vice president of labor relations: "AT&T and its customers benefit from the skills and professionalism of union-represented employees in our business units. Our company has long taken pride in our cooperative and respectful relationship with the unions that represent our employees" (American Rights at Work 2007).

If you think unions have no place in the so-called new economy, consider AT&T, the nation's largest provider of Internet access and wireless service as well as local and long-distance telephone service. With annual revenues of more than \$110 billion – and 71.4 million wireless, 65 million wireline, and 13 million broadband customers – AT&T is overwhelmingly unionized. It has almost 180,000 union members among its 300,000 employees, and it partners with the Communications Workers of America (CWA) on education, training, and counseling.

The "new" AT&T emerged in 2006 when SBC, a former regional phone company, purchased AT&T and then merged with Cingular Wireless. It expands upon its predecessors' partnerships with CWA, which represents workers in its wireless, wireline, broadband, video, advertising, and publishing divisions.

With CWA and AT&T frequently working together to promote the success of the company and the security of the employees, many union jobs are being created, restored, or preserved, even in this worsening economy. For instance, shortly after the merger, AT&T and CWA worked together to return previously outsourced "help desk support" positions to in-house AT&T positions for CWA members. Because of this agreement, new AT&T call centers, with more than 5,000 new jobs, are opening in seven cities, including New Orleans, Indianapolis, and Las Vegas (American Rights at Work 2007, 4-5).

The generally cooperative relationship began in the 1980s, when the court-ordered breakup of the old AT&T and the introduction of new technologies wiped out many existing jobs but created new opportunities. Understanding that workers could no longer count on keeping their old jobs, AT&T and CWA worked together to prepare

workers for new and better jobs. In 1986, CWA and AT&T created the Alliance for Employee Growth. Over the years, its programs shifted their focus from assisting laid-off employees to helping workers qualify and compete for new opportunities inside or outside AT&T. For most of the past decade, services have included pre-paid tuition for higher education and skills training; career assessment and planning; basic skills training; training in new and emerging technologies; and courses in topics from stress management to financial planning.

In addition to understanding the importance of skills development, the generally cooperative relationship between AT&T and CWA is based on respecting workers' rights to join and organize unions. Cingular Wireless – which now is part of AT&T Mobility, the merged company's wireless division – reached a card check–neutrality agreement with CWA under which the company and the union both refrain from attacking each other or coercing workers during organizing campaigns. The agreement also allows workers to form unions by majority sign-up: the company recognizes a union as representing the employees in a unit after a majority of the workers sign authorization cards demonstrating their decision to belong to the union. With this opportunity to make an informed choice without intimidation, 85% of the non-management wireless workforce has chosen union representation. Since the merger, AT&T has reached similar neutrality agreements in other divisions.

Before the merger, Cingular Wireless was the largest cellular service provider in the nation. Its unionized workforce included 22,000 technicians, customer support personnel, and retail sales employees. Displaying CWA's union logo in its stores, Cingular Wireless proclaimed that it was "Proud to Be a Union Company." In 2002, Cingular Wireless CEO Stephen Carter told the CWA national convention that Cingular's partnership with CWA had developed a dedicated workforce, thereby helping the company to take and keep its leading position in the intensely competitive wireless communications sector (American Rights at Work 2005).

Since CWA's first contract negotiations with Cingular in 2000 and continuing through its bargaining with AT&T Mobility, the union has set the standard for workers' wages, rights, benefits, and career opportunities in wireless communications.

In 2000, CWA began working first with Cingular and then with AT&T to consolidate job titles and create pay schedules that increase based on an employee's time on the job, so that years of service are rewarded with rising wages. In addition to these wage progression steps, with automatic increases every six months on top of annual increases, CWA contracts provide for grievance procedures and enhanced job security. Under CWA representation, wages for a Customer Service Representative 2 at the top of the step progression increased from \$585 per week on January 1, 2001 to \$726 per week on February 3, 2008. Wages for a Wireless Technician 2 at the top of the step progression increased from \$1,050 per week to \$1,304.50 per week over the same period

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## **Janitorial Services**

## Up from poverty

Ercilia Sandoval, who had been cleaning the same office tower since 1997, explains that "Everything has gone up except our wages." If the workers asked for a raise, their employer would reply "there's the door." Unable to get the full-time work she desired, and earning near the minimum wage, Sandoval was taking in only \$91.50 per week. This weekly paycheck didn't go very far in helping her pay the \$750 bill necessary to get fillings for her 7-year-old daughter's six cavities. It was not until SEIU organized a union of janitors in Houston and bargained its first contract in 2006 that Sandoval received her first raise. (Greenhouse 2005b)

Ercilia Sandoval's story is taking a happier turn. Under their union contract, janitors in Houston are receiving substantial pay increases, guarantees of paid working hours, and employer-paid health insurance. But for non-union janitors, the work still pays subsistence wages. Indeed, the janitorial services industry is a textbook case of how union representation can make the difference between poverty and opportunity.

#### Before the union

Just like Sandoval, hundreds of thousands of other janitors in cities across the country put in a full night's work, night after night, cleaning American office buildings for poverty wages. Because there are so many desperate people willing to take this work, the cleaning companies, which work under subcontracts for the building owners, argue that this is the fair market wage. According to one company spokesperson, "This is a free-market system....You can leave your job if you are dissatisfied." But these employers benefit from having an experienced and dependable workforce. And whatever the businesses say about the workers having the opportunity to leave if they don't like the wages and conditions, the fact remains that – for most of the workers who fill the jobs – these positions are *de facto* long term.

#### With the union

The contract between SEIU and Houston's major cleaning companies covers 5,300 janitors in the city. Wages are increasing from an average of \$5.25 per hour to \$7.75 in January 2009. Combined with an increase in the daily shift from four to six hours, the Houston janitors expect to see their weekly income double, and they now have health coverage (Greenhouse 2006).

The gains in Houston are the latest in a series in major cities through the SEIU's national "Justice for Janitors" campaign, which seeks to raise the living standards for janitors in roughly 4,000 commercial real estate properties in 30 markets in the U.S. (Wright 2001). By the end of 2006, the union had successfully organized workers in 29 cities (Russakoff 2006), and SEIU now boasts 225,000 janitors as members nationwide.<sup>3</sup>

Justice for Janitors began in Denver in 1985, but the momentum picked up with a series of stunning victories in Los Angeles.

Janitorial jobs in Los Angeles used to be high-wage union jobs with paid holidays and full medical benefits. In 1982, total compensation in the union sector was \$12 per hour versus just \$4 for non-union janitors (Waldinger et al. 1998). However, as the number of small, non-union cleaners continued to grow, they quickly undercut the union competitors. Union membership dropped precipitously, falling below 1,800 by 1985. Predictably, job quality deteriorated.

According to janitor Adolfo Tipaz, "Before, one person cleaned one floor. Now it's a floor and a half – 45,000 square feet. We don't get any breaks, [not] even for lunch." Other janitors in Los Angeles say they often have to work 12 hours per day to earn their pay for eight hours. According to a union lawsuit, workers are commonly asked to work for an unpaid four-week-long training period. What is more, workers complained of not being supplied with gloves or face masks to guard from exposure to noxious chemicals. One worker had festering sores on his hands from the daily use of cleaning chemicals without gloves (Nazario 1993).

In just five years, from the beginning of its renewed drive in 1988 to 1993, SEIU was able to increase its membership of janitors from 30% to 90% of the workforce cleaning high rises (Nazario 1993). The local now has 4,700 janitors in Los Angeles and 2,000 in Orange County covered under a single master contract. Under the latest contract, in 2008, the Orange County workers will see their wage increase to \$10.25 per hour, they have employer-paid family health care, and they received three more paid sick days and two more paid holidays (bringing the total to four and eight, respectively). Workers in Los Angeles get a total raise of \$3.61 per hour in wages, pensions, and benefits. Further, the cleaning companies will contribute 3 cents per hour per worker to the Building Skills Partnership, a service to provide skills and opportunities for janitorial workers (SEIU 2008a).

After SEIU unionized janitors in New Jersey, the wages of 4,500 of them more than doubled, from \$5.85 to \$11.90 over three years. Many part-time workers were also converted to full time, a move that allowed them to receive health benefits (Greenhouse 2005b). In Cleveland, new contracts with wage increases and conversions

to full-time work are expected to boost individual incomes by \$7,000 to \$9,000 per year (Wright 2001).

In the latest contract covering 2,350 janitors in Philadelphia, full-time workers will no longer have to pay premiums on family health insurance. This is a major benefit for workers like Tamika Collins, whose 14-year-old son was on a federally subsidized plan because she could not afford the weekly premium on her salary. Collins now says, "You don't mind going to work when you have a fair contract" (Von Bergen 2007).

In Cincinnati, SEIU negotiated a contract in 2007 covering 1,200 janitors. According to janitor Craig Jones, "For me, the union has meant a lot more than doubling my salary in five years, vacation time, or access to health care for the first time in my life. I learned to respect myself for the work I do. I learned how to get other people to respect me for the contributions I make as a service worker in America" (SEIU 2008b).

# **Trucking**

# Deregulation and deunionization drive down job quality

Guillermo Perez is a trucker working out of the Port of Miami. Like the 1,700 other port truckers there, he often spends several hours each morning at the port doing prep work and waiting for his first load. All of this time is unpaid.

Perez normally starts his work day at 5:00 am, when he is dispatched to pick up his first container. Nearly every day, he must wait for more than an hour, behind a line of truckers waiting to get their papers cleared, just to enter the terminal. If he is unable to find a chassis without defects from the chassis yard, he must take it to the maintenance and repair yard and wait for it to be fixed.

Perez then proceeds to another line to pick up his container. Only now does he begin to get paid, \$50 per container. If he is lucky he gets to haul three per day. Out of his \$150 daily gross come truck payments, fuel, insurance, tolls, tags, and maintenance. This barely leaves enough to support his wife and daughter. And despite working over 80 hours per week, Perez has no health insurance, pension, or paid vacation.

One of Perez's worries is that his tires will blow because he often has to haul overweight containers. When he has to haul a refrigerated container or a loaded generator that exceeds the 100,000 pound legal limit for highways, his company manager tells him to take side roads to avoid road scales and authorities (Oren 2005).

# National union agreements improved wages and working conditions

Wages and working conditions were not always this precarious for truckers. Before the industry was deregulated, between 1977 and 1980, it was highly unionized – covered mostly by the Teamsters – and drivers could earn middle-class salaries and had health

insurance, pensions, paid vacations, and the ability to negotiate the terms of employment. By the 1960s, when a national master contract was established, wages had been taken out of competition in the industry.

The foundation of trucking industry regulation was the Motor Carrier Act of 1935, which was formulated in response to destructive competition in the industry that had resulted in inadequate service, low profits, and low wages. At that time regulation was supported by business, labor, and state regulatory agencies. Administration of trucking regulation was the responsibility of the Interstate Commerce Commission (ICC), which closed the industry to most new entrants (Belzer 1994).

Deregulation began as an incremental process in 1977 and was legislatively established in the Motor Carrier Act of 1980. Two forms of deregulation were key. First, the ICC began opening up the industry to new entrants, with its approval rates for operating authority rising to 98% in 1979. Second, the ICC reduced the power of the rate bureaus, so that trucking companies became free to charge whatever they chose, thus beginning a price war (Belzer 1994).

The Fair Labor Standards Act of 1938, which covers minimum wage, maximum hours, and overtime pay, does not apply to employees of motor carriers covered under the Motor Carrier Acts of 1935 and 1980. A review of this exemption by the Minimum Wage Study Commission deemed it acceptable because 80% of over-the-road drivers were covered by union contracts – according to pre-deregulation data (Belzer 1994).

Deregulation precipitated partial deunionization. By 1985, after dramatic industry consolidation and entry into the industry of a rash of small, non-union companies, only half as many employees were covered by the National Master Freight Agreement as before 1980. Between 1978 and 1990, average annual earnings in the industry declined by 26.8%. Real wages fell back to their early 1960s value (Belzer 1994).

For truckers paid by the mile – the most common form of pay – union drivers make 40% more than non-union drivers. Regarding waiting time, 69% of union drivers are paid while waiting for loading and unloading versus 30% of non-union drivers. Forty-eight percent of union drivers receive some form of safety bonus, as opposed to 25% of non-union drivers. One hundred percent of union drivers receive health benefits and 77% pensions, versus 87% and 21%, respectively, of non-union drivers (Belman, Monaco, and Brooks 2005).

As effective hourly wage rates have declined, with real mileage rates dropping 44% between 1977 and 1987, truckers have had to work more hours and drive faster in an attempt to maintain their living standards. According to a 2000 study, for unionized drivers in the less-than-truckload (small freight) segment of the industry, working an average of 65.7 hours per week, average income in 1997 was \$43,165 per year. For non-union drivers, working an average 70-hour week, average income in 1996 was \$35,551 (Belzer 2000). Drivers in other sectors, including the truckload segment and the port truckers, are paid far less on average that the less-than-truckload sector, which is the only one that retains a strong union presence.

#### The costs of deregulation and non-union competition

After deregulation, as the industry was flooded with small, non-union competitors, union density declined from 60% of the national industry in 1980 to just 25% in 2000. Real average annual wages fell 30% from 1977 to 1995 (Belzer 2000, 21).

In the ports, union trucking companies quickly disappeared. Immediately following deunionization of port trucking, compensation switched from an hourly rate – which covered waiting times – to payment by the load. As one former union truck driver explains, before deregulation "we got paid for dead time, we got an hourly rate. [After 1980,] we just couldn't compete. We were getting chewed up. I mean, why am I going to pay a union carrier x amount of money when I could get a guy for half the amount?" (Milkman 2003).

One of the key effects of the switch from hourly pay to payment by the load has been to shift risks to the drivers. If there is a mechanical or system breakdown, the drivers must fix the problem, or wait until it is fixed, without pay. Further, drivers generally assume responsibility for traffic and weather delays (Belzer 2000).

Conditions are just as bad for port truckers on the West Coast as on the East. Seventeen-year industry veteran Demetrio Beltran, a trucker at the Ports of Los Angeles and Long Beach, Calif., said he must wait in line from one to three hours per day before he can get his first load. "There are a lot of bad things about this work," he said. "Every time we go to the harbor, we are treated like trash. They treat dogs better" (Greenhouse 2000).

Port truckers, who make the short trips from the ports to the warehouses or rail-heads, have it particularly bad, because most of them have been classified as independent contractors or owner-operators. This means they have bought their own trucks and are fully responsible for their maintenance, but they have little real control over their working lives, being dependent on trucking companies and shippers.

Beltran, who worked 60 hours per week and earned just above \$20,000 after expenses in 2000, said his pay had remained the same for 10 years. "And there's no way I have enough money to save for retirement," he said. "Some weeks it gets so bad I have to choose between fixing my truck and buying clothes for my kids, but of course I have to fix my truck. That's the only way to support my family." His \$20,000 income was the net after paying \$7,500 on insurance, \$12,500 on gasoline, \$6,000 on truck payments, and \$5,000 for maintenance. That translates to about \$50 per day on fuel and \$30 on insurance (Greenhouse 2000).

After deregulation, in the entire trucking industry, especially the crucial overthe-road sector, wages were put back into competition. The non-union sector led the industry in dragging wages down while increasing the amount of hours that drivers must put in. Wages in the union sector felt the pressure of non-union competition, although a significant union advantage remains. For over-the-road-truckers paid by the mile, the average rate for union truckers is 48 cents, roughly 40% higher than the 28 cents per mile that non-union truckers receive (Belman, Monaco, and Brooks 2005). Meanwhile, the union has been able to maintain health benefits, pensions, paid vacations, and, for most drivers, payment for non-driving work.

The jobs and lives of non-union drivers are more difficult than those of union drivers. Union drivers can spend 24 hours at home, on average, every 3.6 days, compared to every 8.3 days for non-union drivers. Some drivers spend months on the road without visiting home. In the words of trucker Jim Barkely, "It's a gypsy life" (Salpukas 1988). Forty-five percent of union drivers have been with the same employer for more than four years, versus just 21% of non-union drivers (Belman, Monaco, and Brooks 2005).

High turnover and labor shortages have become major problems for non-union trucking companies. According to Larry A. Myers of Jones Motor Group, who sees turnover and labor shortage as one of his company's primary problems, the trucker "used to be the good guy who helped someone in trouble on the road. Now he can't afford a half hour to change someone's tire" (Salpukas 1988).

Thus, while turnover remains low in union companies, it generally runs around 100% in non-union long-haul companies. Indeed, most union carriers indicate they have no complaints with workers, while finding and retaining skilled workers is a chronic problem for non-union companies. However, the competitive struggle has generated a perverse cycle: companies are forced to continue to drive wages down, thus exacerbating the shortage of skilled drivers (Belzer 2000).

Deregulation and partial deunionization have had mixed results, at best, for overall economic efficiency. Certainly shippers – major retailers and manufacturers – have gained, as have the major trucking companies, which have achieved oligopoly status in key segments of the industry. However, the investment rate in the industry continues to decline. There is intense debate about whether productivity has improved or declined since deregulation, a debate hindered by flawed and unreliable data. By at least one measure, however, productivity has clearly declined: average load per dispatch has dropped since 1980. Between 1978 and 1985, failures among intercity carriers increased by approximately 1,280%. To be sure, prices have dropped dramatically in the industry. But Belzer estimates that fully 80% of these savings came from reduced wages and the elimination of benefits, not from increased efficiency in operations (Belzer 1994).

# **Brightside Academy**

# Teaching a lesson in how to reduce worker turnover and improve child care

Millions of parents entrust child care workers with their children every day. In child care centers, pre-kindergarten classrooms, before- and after-school services, and Head Start programs, these workers teach and care for America's next generation.

Indispensable as these employees are, they usually receive low wages and few benefits. Thus, the child care sector suffers from high turnover among its employees, and the quality of care and education in these facilities suffers from a shortage of experienced employees.

By treating its employees better, one chain of child care facilities is teaching its children better. The Brightside Academy, headquartered in Pittsburgh, is one of the largest providers of early child care education services for low-income families in Pennsylvania (it also operates child care centers in Ohio and New York). At Brightside, a labor-management partnership has boosted workers' pay and benefits, built up their skills, reduced staff turnover, and improved the quality of care and education.

Brightside's employees chose to be represented by AFSCME in 1999. Today, of its 700-plus employees, more than 500 are represented by the union (American Rights at Work 2005). The first contract included guaranteed pay raises as well as a worker training program. During the first year after the contract went into effect, turnover at Brightside declined by 20% – a remarkable achievement in the child care sector.

Building on this achievement, Brightside and AFSCME began to work together to address the challenges of recruiting, retaining, and training staff. Under a new program created by the union-management partnership, employees can study for, qualify for, and earn Child Development Association credentials that will allow them to advance in their careers in early childhood education. With support from AFSCME and Brightside, employees can continue their professional development, which supports Brightside's participation in Keystone Stars – Pennsylvania's program to accredit child care centers for offering high-quality services.

Meeting monthly, a labor-management committee seeks to solve problems as they emerge. AFSCME and Brightside also co-sponsor training for site directors and union activists, so that they can improve their skills at communications, problem solving, and team building. The result – as parents, administrators, and employees attest – is better early care and education for the children.

# **Building Security**

## A union raises standards for skills and wages

Juanita Burroughs has worked as a security guard in the commercial high rises of downtown Los Angeles since the mid-1980s. Although she is experienced and dependable, having made it to work early in the morning, five days a week for 20 years, she earned just \$8.50 per hour in 2006. When adjusted for inflation, she made less in 2006 than when she began working as a security guard (Bloom 2008).

Burroughs has to pay about a quarter of her net income, \$260 per month, for out-of-pocket health insurance. This does not even include the co-pays of the plan (Bloom 2008). Her wage as a security guard is barely enough for her to scrape by in Los Angeles. She can afford only a \$315-a-month apartment in a seedy part of downtown. According to a reporter from the Los Angeles Times who visited Burroughs' apartment, "I've been in bigger walk-in closets and nicer prison cells, and that's no exaggeration." Burroughs humbly states that "I do what I can with it" (Lopez 2006).

#### Without the union: an underpaid, untrained workforce

Like most of the 10,000 security officers working in Southern California, Juanita Burroughs is paid near minimum wage, has no health benefits or job security, and does not receive training. The average income for security officers in Southern California is between \$16,000 and \$20,000 per year. Most have to work two or more jobs to get by (Guzmán 2008). Before their first union contract, many qualified for public welfare.

Most private security guards throughout California and across the nation are thrown into their jobs with little or no training. For example, guards are generally not given training in how to respond to bomb threats or natural disasters, nor how to use high-end, closed-circuit digital TV recorders, which are increasingly used in the buildings. According to Jose Rodrigo Martinez, head of security at an office building in San Francisco, "A lot of officers are just put in buildings right off the street. They're

in charge of \$100 million buildings and getting paid \$9 an hour to do that. I think we should raise the standards and professionalize the industry" (Said 2002).

SEIU, which is sponsoring legislation mandating 40 hours of training for security guards in California, recently co-sponsored a study (with private security consulting firm Kroll Inc.) of 400 randomly selected guards in the state. The study found that 46% of guards received no training before work, and 21% had received no training at all. SEIU is pushing for training in areas such as cardiopulmonary resuscitation (CPR) and first aid, fire and life safety, and customer service (Said 2002).

With such meager wages and lack of training, it has been hard for employers to recruit and retain qualified workers. The national turnover rate in the industry runs between 100% and 300% annually (Said 2002).

#### With the union: Improving skills, raising standards, increasing wages

SEIU is working to raise skills, standards, and wages with its "Stand up for Security" campaign to organize private security officers. Building on the success of Justice for Janitors, the union sought to bring similarly good wages and working conditions to security officers as it did for janitors, who often occupy the same buildings. Private security is one of the 10 fastest-growing industries in the country (SEIU 2007).

The union negotiated a landmark agreement in Los Angeles at the beginning of 2008. Thousands of private security guards – working for major property management companies providing security to 80% of the commercial real estate in Los Angeles County – are now covered by a single contract. The nearly 4,000 guards will see a 40% increase in overall salary and benefits (Khalil 2008). Like the Justice for Janitors campaign, Stand up for Security is an industry-wide strategy that aims to take wages out of competition by targeting an entire city (Bloom 2008).

As with union gains in Las Vegas and other cities, the security officers' contract in Los Angeles is helping to lift an entire community. Nearly 70% of private security jobs in the area are filled by blacks, many of whom come from poor South Los Angeles neighborhoods. According to SEIU, the new contract will bring more than \$50 million per year in wages and benefits, most of which will go to the black community (Bloom 2008). The contract also includes a \$1 million fund for job training and placement, which will be instituted over two years (Muhammad 2008).

Although many commercial property owners have staunchly resisted unionization, some owners see the benefits. According to Robert F. Maguire, who owns eight high rises in downtown Los Angeles, "It has a real impact long term. These jobs are very important downtown in terms of having good security. There's a lot at stake, especially downtown." Indeed, Maguire said, "It'll also give people hope. They can get paid decently, have good benefits. It's positive for the entire community" (Guzmán 2008).

Now, the campaign is continuing to organize security officers throughout California and elsewhere. Currently, SEIU represents 4,000 private security guards in San Francisco and Alameda and Contra Costa counties. In 2002 the union pushed to get a

master contract, covering all 2,000 guards in San Francisco, that equalizes pay and standardizes working conditions (Lynem 2002).

Exemplifying how unions contribute to workforce development, the San Francisco contract creates career ladders in the industry through which guards at smaller locations can move into higher posts to receive more benefits (SEIU 2007).

SEIU is also organizing security guards in other cities. In 2007, 1,500 guards in Washington, D.C. joined the union. Some of the guards were making as little as \$8.24 per hour, without health or other benefits. According to Charla Fletcher, "Higher wages mean I could get what I need to support my family without a struggle. The union will help us get more respect and better training" (Ramstack 2007). Under the contract signed in 2008, the guards will earn at least \$12.40 per hour or receive a raise of 50 cents per hour, whichever is more. All full-time employees will receive health insurance (Lazo 2008).

Contract negotiations for 750 security guards in Seattle began in late 2007 (SEIU 2007). A first contract for security officers in Minneapolis, negotiated in the first months of 2008, gives the officers health insurance, higher wages, better training, and sick leave. According to member Howard Worley, "I have four kids without health insurance, so this contract will make all the difference for my family" (Zaffrann 2008).

### Construction

## Unions build high skills and high wages

An executive at an Arizona construction company that was recently organized by the Roofers Union says that unionization is attracting a more skilled workforce that does better work. "Having a union has cost us money, primarily in the health insurance area," said Joe Moroney, vice president of Diversified. "But I'll tell you – our quality has improved" (Pallack 2003).

The construction industry used to be highly unionized. In the late 1940s, more than 80% of construction workers were represented by unions (Lewis and Mirand 1998). Union density in construction fell to 42% by 1970 and, along with the rest of the private sector, union membership in construction steadily declined over the 1970s and 1980s, falling from 1.6 million to 906,000 between 1977 and 1992. The coverage rate fell to 22% (Allen 1992; Belman and Smith 2008).

Unlike most other sectors, however, unionization in construction has recently shown improvements. Following the construction booms in the last decade (and before the current financial crisis), membership rose to 1.232 million members. During the years of declining union density, real construction wages fell from \$22 per hour in 1973 to \$17 in 1994. But wages rose in the 1990s and, after falling slightly in the early 2000s to around \$18 per hour, have risen by about 4% since then (Belman and Smith 2008).

The construction industry illustrates the economic reality that union jobs tend to be highly skilled, well paying, family supporting, and community building, while non-union jobs usually fall short of these standards.

#### The union advantage in construction

Becoming a union construction worker used to be a ticket to the middle class. An inexperienced, unskilled worker could join the local craft union and become an apprentice. After three to five years as an apprentice, the worker would become a skilled journeyman, capable of providing high-quality, high-productivity labor in a fair exchange for

the high wages he could command (over 90% of construction workers are male, a percentage that has remained remarkably consistent over time).

The union–non-union wage gap grew through the 1960s and 1970s, peaking in 1977, with union construction workers making 55% more than their non-union counterparts. Union construction workers, however, also had a productivity advantage – due to better training, better management, and economies provided in recruiting and screening by the union hiring hall – that was large enough in many cases to offset the wage gap. Thus, the unit cost of union contractors was competitive with non-union contractors (Allen 1988). Even now, union construction workers enjoy a 20% wage premium compared with non-union construction workers (Budd and Na 2000).

#### The disadvantages of the non-union sector

By the 1970s, non-union contractors increasingly outbid union shops. Further, as the recessions of the early 1970s, 1979, and 1982 resulted in slack labor markets, more and more union members began working in non-union jobs.

This era saw the rise of the non-union "open shop," a workplace in which a worker can opt not to join or support a union even if a union is already in place bargaining for the workers. Until the 1970s, the prevailing legal environment, and the basic acceptance of owners of the existing industrial relations system, made it difficult for open shops to gain a foothold in construction. Outside of residential construction, open shops were limited to the South, and open shops could not gain experience or a foothold in the other construction sectors (Belman and Smith 2008).

However, a series of U.S. Supreme Court rulings – in particular, *Peter Kiewit & Sons* and *DeKlewa & Sons* – fundamentally altered the legal environment, allowing employers to establish open shop subsidiaries and making mixed sites possible (Belman and Smith 2008). Employers took the opportunity to open up non-union subsidiaries, a practice called "doublebreasting," and open shop firms eventually developed their own capacity and began to acquire market share.

As open shops eroded the density and power of unions in construction, wages in the entire industry declined, especially in residential construction. Historically, unionism in construction has been heavily concentrated in the commercial, industrial, and heavy and highway sectors. The residential sector is largely non-union and characterized by low wages and often poor working conditions. Union density in the residential construction sector was estimated to be nearly 50% during the 1950s but declined to less than 20% by 1972 (Rabourn 2008).

When non-union homebuilders began to grow in the 1950s and 1960s, these firms typically paid piece rates without overtime or benefits. The practice ushered in a new generation of low-skilled construction workers with no connection to the union (Rabourn 2008).

Within residential construction, union work rules, benefits, and standardized wages were quickly eliminated. Training essentially vanished, craft lines blurred, and construction work was de-skilled. The extreme deterioration in wages and working

conditions resulted in a demographic shift, with residential construction jobs increasingly being staffed by immigrants, particularly Latinos. This shift, in turn, has been accompanied by an increase in exploitative practices.

Jose Antonio Corona, a roofer in Tucson, Ariz., was paid for scheduled work rather than for the work actually completed. Like other non-union workers on piece rates, he is paid by the square foot instead of by the hour. His employer would give a work schedule with a specified number of square feet. But after all the tiles were laid, "we would see that the roof was short [of] tile" – they would then have to get more tile and finish the underestimated roof without pay. This, Corona says, "has been happening daily, in every house" (Pallack 2003).

Other abuses of non-union workers are also common. They routinely get no overtime or sick pay, and safety rules are routinely violated by non-union contactors. Construction workers in Arizona are often denied drinking water while working on roofs when temperatures are 110 degrees and above (Roca-Servant 2004).

Working conditions for residential construction workers are bad throughout the United States. According to Alberto Nava, a roofer in Indianapolis, Ind., "The only safety equipment they gave us was our hardhats, a pair of bad safety glasses, and a harness. They wouldn't give us gloves or filters for what we were breathing. We had to cut pieces of our own shirts to wrap around our mouths so that we wouldn't breathe in the dust of what we were working on. They would only give us one safety talk a month and that would only last half an hour." In some cases residential construction workers are not even provided hardhats.

#### **Recent gains in construction**

As the century turned, unions were making new efforts to organize residential construction. In 2000, the United Union of Roofers, Waterproofers, and Allied Workers began a collaborative effort with the AFL-CIO to organize roofers in Phoenix, Ariz. Within its first two years, the Roofers Union had organized 700 roofers in the residential industry (Roca-Servant 2008). Their contract provides free family health insurance and sick pay, establishes payment by the hour instead of by the square foot, and dramatically improves overall working conditions – including things as basic as providing drinking water for the roofers during the blistering summer months (Roca-Servant 2004).

The Carpenters Union in Seattle, Wash. has also begun to organize low-wage immigrant workers. While union carpenters on a residential job earn \$20 per hour plus benefits in Seattle, non-union workers typically work for as low as \$8 an hour and sometimes even below minimum wage. These workers are also often paid in cash, and thus ineligible for workers' compensation, health coverage, pensions, or Social Security (Sunde 1999). Within the first year the Carpenters Union signed up over 500 workers, bringing them improved compensation and working conditions. Many of these workers used to wear tennis shoes and baseball caps to work framing new buildings. With the union, employers will be forced to abide by the law and ensure that workers wear safety boots and hardhats (Sunde 1999).

Even without organizing new workers, the unions have helped improve the working conditions for residential construction workers. In Houston, Texas, the AFL-CIO has forced contractors to pay an estimated \$150,000 in back wages to non-union, mostly Hispanic workers (Hegstrom 2000). In Seattle, the Pacific Northwest Regional Council of the Carpenters Union forced contractors to pay \$400,000 to Latino drywall tapers for back wages and overtime (Bhatt 2008).

## **Industrial laundries**

## Unions clean up dangerous conditions

In a tragic incident in 2007 at a Cintas Corp. laundry plant in Tulsa, Okla., Eleazar Torres-Gomez fell into an industrial dryer after trying to unclog a clothes jam. He was 46 years, had worked for Cintas for 10 years, and died of his injuries.

An OSHA investigation found employees at the plant had not been trained in how to shut off the equipment properly. According to Richard E. Fairfax, director of enforcement for OSHA, a surveillance video at the plant showed that employees regularly "climbed on and walked up the moving shuttle conveyer, and kicked at, jumped on, and tried to knee the jammed clothing into the dryer opening." Over the previous two weeks, a similar method had been used by employees 34 times (Bandler and Maher 2008).

According to OSHA investigators, workers said they were "under a lot of pressure to keep everything going." Sources close to the Tulsa incident said managers were aware of the practice of workers standing on the moving conveyor shuttle to unclog the jams (Bandler and Maher 2008). In the largest fine ever levied against a service industry employer, Cintas was fined \$2.78 million after the incident. Indeed, the company received 42 "willful" safety violations from OSHA, including inadequate training. According to Edwin Foulke Jr., assistant secretary of labor for OSHA, "Plant management at the Cintas Tulsa laundry facility ignored safety and health rules that could have prevented the death of this employee" (Monies 2007).

Cintas is the largest private laundry service in the uniforms segment of the industry. The linens segment, which serves the hospitality and health care industries, poses severe risks for employees as well.

Laundry workers in the linens segment frequently have to deal with syringes, scalpels, blood, broken glass, knives, and adult diapers. The risks include blood-borne pathogens, such as hepatitis C. A worker from a laundry in Phoenix, Ariz. recalled that, "When I first started working in the laundry, I was stuck with a needle that was about

two inches long. It went deep into my palm. I pulled the needle out and showed it to my supervisor who wrote a report and gave me some ice to put on my hand so I could keep working. After work, they sent me to the doctor where I was given six different shots. They checked my blood every month for six months" (Thielen 2003).

Unsafe working conditions such as these are standard in the laundry cleaning industry. The state of Washington levied fines for safety violations at a Cintas plant in Yakima, while OSHA proposed fines for safety violations at a Cintas plant in Columbus, Ohio and has opened cases against the company at plants in Arkansas and Alabama (Monies 2007). OSHA has also cited another major national laundry firm, Angelica, for violations ranging from unsafe platforms to failure to provide eye protection (Feldstein 2004). Angelica facilities in California, Illinois, and New York have been fined.

Smaller, local companies are also routinely in violation of health and safety standards. Among many examples, Milum Textile Services in Phoenix was found in 2007 to have five "serious" violations of health and safety rules (Pallack 2007). New England Linen in New Haven, Conn. was fined in 2007 by OSHA for health and safety violations regarding noise levels, exit routes, and flammable and combustible liquids (Bailey 2008).

Laundry workers also face a number of other health and safety concerns, including burns, allergic reactions to residual wash chemicals, injuries from poorly maintained equipment, and cumulative trauma disorders (Thielen 2003). When companies skimp on training and safety measures – as has been and remains common in the industry – workers suffer.

In addition to unsafe conditions, non-union laundry workers are underpaid and overworked. According to Cintas worker Maria Diaz, "When I started to work in production the quota was 1,200 to 1,300. Now it is 1,860 pants and shirts." Maria Espinoza, of the Wash Alley plant in San Jose, Calif., explains that, "To avoid the shame of missing our quota is why people rush and get hurt. There's a lot of pressure on all of us. There are four injured workers in my department....They all say that they are in pain for the same reason – the pressure that we are under. We've got to work fast and then we get hurt."

Even where workers have adequate training and are protected by sufficient safety measures, working at a laundry is hard work. UNITE found that the heat index at one Arizona plant was 130 degrees (Thielen 2003).

Despite these arduous working conditions, the non-union sector of the industry pays poverty wages, typically without any health or other benefits.

When Maria Garcia began working at New England Linen in New Haven 10 years ago, she made \$5.15 per hour; today she makes \$7.95 (about \$16,000 annually for full-time, full-year work). "I've given a lot of my life to this facility," she says. "It seems like the clock hasn't caught up with the cost of living for me" (Bailey 2008). It is common in the industry for workers to start at or around minimum wage and to see few or no raises, even after a decade of service to the same employer.

#### Improving jobs through unions

Workers are organizing unions to improve wages, safety, and working conditions In 1998, UNITE launched a major campaign to organize laundry workers. Back then, only about 10,000 workers in the industry out of approximately 100,000 nationwide were union members. Within five years, the union, now UNITE HERE, had organized a total of 40,000 workers. Today, the number is closer to 50,000 (Unger 2008).

A central element of the UNITE HERE campaign is improving workplace health and safety through action plans and worker participation. As one worker in a UNITE plant explained, "Our first request is for safety training that applies to laundry work. It is hard to understand how the videos they show us about factory safety apply to the work we do. After that, we are asking to have everyone trained about the chemicals they use here." The employees believe, the worker added, that the rashes workers commonly get are from chemicals that have not been properly rinsed from the sheets (Thielen 2003).

Part of the reason why there have been so many OSHA violations found over the last decade is because UNITE HERE has been teaching workers how to file OSHA complaints. But the union has also taken proactive steps, using contact negotiations to establish labor-management health and safety committees and using train-the-trainer programs to encourage group problem solving on the shop floor (Thielen 2003).

The union also empowers workers to win more dignity in the workplace. José Melendez, who works at Unitex Textile in Hartford, Conn., says the work is "rough, it's hot, but through our union and through our contract, they have to respect us." The union contract guarantees Melendez a yearly pay raise and free health care (Tuhus 2006).

One of the biggest success stories of the UNITE HERE campaign took place in Arizona, which didn't have any unionized laundry workers before the campaign began in 1998. By 2006, 60% of laundry workers in Arizona were represented by UNITE HERE. Laundry workers in the state have often seen only slight increases in their wages, but they now have health and pension coverage and safety measures enforced by a union contract (Simonson and Long 2006).

UNITE HERE estimates that roughly 50% of the industry is now unionized, with 40% being members of UNITE HERE and the rest with other unions. (Unger 2008). Despite substantial success in the industry, UNITE HERE has yet to organize a single worker at Cintas, which employs approximately 34,000 workers in more than 400 plants (Greenhouse 2007). But Cintas is vehemently anti-union and has so far successfully fought the union drive. In 1999, for instance, the company acquired Unitog, a heavily unionized competitor, and Cintas quickly closed all but one of the Unitog plants (PR Newswire 2003). Cintas has also purchased other union plants and sought to decertify the unions.

### **Home Care**

## Bringing fairness and stability

Clara Cooper has been a home care worker for four years, cleaning, cooking and bathing elderly women. Her typical day begins at 8:30 a.m. She drives to each of her three patients' homes to care for each, usually getting home between 6 and 7 p.m. Luckily for Cooper, she began two years after home care workers in California won the right to bargain collectively with the state. In 2005, she made \$9.60 per hour, enough to help her begin to climb out of debt (Osterman 2005).

In California, more than 225,000 home care aides take care of more than 300,000 clients. Their work is said to save the state millions of dollars per year by keeping the infirm and disabled out of more costly long-term care facilities (Alvarez 2004). Nationwide, as the country ages, the number of people needing care, either at home or in a facility, is projected to grow to 72 million by 2050 (it was 41 million in 1995) (Barnett 2002).

The duties of home care workers range from the physically demanding, such as having to regularly lift patients, to the painfully intimate. In addition, because they work alone and without supervision, the work can be stressful and isolating. Home care worker Dolores Bazua, for example, didn't know any other home care workers before she joined the union, which helps give her "a sense of belonging, of community" (Osterman 2005).

#### Before the union

Most home care workers earn near minimum wage, with no health benefits, paid vacation, or even workers' compensation. Many are on public assistance because their wages are so low. One result of these working conditions is high turnover.

Forty-nine percent of home care workers are relatives of the infirm and disabled for whom they care (Delp and Quan 2002). Sally Easterwood-Wilbon of Seattle, Wash. had to quit her job to care for her 83-year-old father. "If we're not there to take care of

these people in their homes," she said, "it's going to cost the state an awful lot to have them go to assisted-living and nursing homes" (Thomas 2003).

Erica Zanella of Portland, Ore. had to give up her receptionist's job, with its \$10 per hour wage, health insurance, a 401(k) plan, and paid vacation, in 1999 when her fiancé fell ill and needed care. A fit, nonsmoker, her fiancé had a heart attack while sleeping. Lack of oxygen gave him brain damage, and he needs 24-hour supervision. Zanella was paid by Medicare just \$3.73 per hour in 2002, capped at 240 hours of care per month – eight hours per day – despite the fact she often put in many more hours (Barnett 2002).

#### Improvements with the unions

Only since home care workers began to be unionized in the 1990s, first in California and then Oregon, Washington, and elsewhere, have they begun to enjoy wages above the poverty level, with benefits and job security.

SEIU began to organize home care workers in Los Angeles in 1987. The workers were paid through federal, state, and county funds, but none served as the employer of record. The union had to engage in a decade-long struggle to get the state to establish an employer of record and to get the California legislature to pass a law allowing these workers to unionize.

SEIU first formed a coalition with senior and disability consumer groups, notably the California Foundation of Independent Living Centers and the California Senior Legislature, to push for the creation of a public authority with which the union could bargain. The legislature passed the Public Authorities Act in 1992 (Mareschal 2006). In 1999, SEIU won an election to represent the county's 74,000 home care workers, the biggest union victory since 1937, when 112,000 General Motors workers joined the United Auto Workers (Greenhouse 1999). The pro-union vote was overwhelming – 16,200 to 1,925 (Takahashi 2003-04).

Home care workers in more than two-thirds of California's 58 counties are now covered by union contracts. By 2002, SEIU contracts covered more than 100,000 home care workers, all organized over the previous decade (Delp and Quan 2002). Some earn more than \$10 per hour, and many have been given benefits including health coverage, pensions, paid sick leave, and even mileage reimbursement (Alvarez 2004).

After the home care workers at In-Home Supportive Services in Northern California – the employer of Clara Cooper – were unionized and saw their wages and benefits improve, turnover dropped dramatically. The turnover rate for home care workers in San Francisco County dropped from 61% in 1997, when wages were \$5 per hour, to just 26% in 2001, when wages had risen to \$10 per hour (Osterman 2005).

As unions do in many industries and occupations, SEIU is working to improve training for home care workers, who generally receive no training. In Los Angeles in 2000, the union established a pilot program, the Homecare Training Center, to train workers in CPR, first aid, food preparation, and nutrition (Takahashi 2003-04).

Maria Alvarez, a home care worker in Los Angeles, was making just \$5.75 in 1999, after 14 years of service. In addition to an improved wage, she was happy that the union would provide training to help her handle heavy clients with Alzheimer's disease. One of her clients expressed relief that Alvarez would not have to leave her to take a higher-paying job (Greenhouse 1999).

Through actions working to develop a public authority and a bargaining structure for home care workers, SEIU helped to add clarity and security to the employment relationship. Before this, workers were classified as independent contractors, with many "employers" – the state, the county, the client – and little understanding of how the system worked.

Through a similar process, the union successfully won the right to represent workers in Oregon in 2002 and, later the same year, in Washington State. Unions in California bargain at the county level, while those in Oregon and Washington have statewide contracts. The first contract for home care workers in Washington, now covering 26,000 workers, raised wages to \$8.93 per hour, up from \$7.18, and provided, for the first time ever, health benefits and workers' compensation (Thomas 2004).

The biggest problem for these workers and their unions (AFSCME also organizes and represents thousands of home care workers) is the precarious nature of state funding. Beyond this issue, however, there is widespread support for these workers and their unions. According to the Senate Majority Leader in Washington, Jim West, "I've seen how hard these people work; I know how difficult their job is" (Thomas 2004). In response to the poverty wages provided to home care workers in Los Angeles before unionization, Los Angeles County Board Supervisor Zev Yaroslavsky said, "This is an injustice that all of us as a society allowed to go on" (Martin 2000). And as Richard Daggett, president of the Polio Survivors Association, noted, it is "very difficult to find someone at the wages they allow" (Weinstein 1988).

## **Afterword**

In different ways, each of these stories tells how unions make a difference for employees and employers, industries and occupations, local communities and the nation.

For millions of workers, unionism continues to offer a pathway out of poverty. By organizing unions and bargaining with their employers, hospitality workers in Las Vegas and janitors and home care workers in many major metropolitan areas have substantially improved their wages, benefits, and working conditions.

For millions more workers, unionism has anchored them in the middle class – and the decline of unions in their industries and occupations has shaken millions of others loose from their moorings of economic security. In construction, trucking, meatpacking, and grocery stores, the lessons are inescapable: unionization improves job quality; deunionization reduces job quality.

Quality jobs not only offer economic security; they also protect workers' health and safety. In meatpacking and laundries, among other industries, non-union jobs are increasingly unsafe, and unions are working to improve health and safety conditions.

In addition to promoting quality jobs, unions promote quality products and services. Working Americans want to do their best work, and, by joining together with their colleagues and building better relationships with their employers, union members are improving the quality, productivity, and profitability of their companies.

Quality work requires a quality workforce. As this review of events illustrates, in very different industries and occupations – from child care and nursing to construction, telecommunications, and building security – unions are raising standards, partnering with management to offer education and training, and providing the credentials that workers need to find jobs and grow within them.

By offering education and training and opening up opportunities for upward mobility, as well as improving pay, benefits, and working conditions, unions help to reduce employee turnover. With reduced turnover, employers have lower costs for recruiting, retaining, and training new employees. Companies also benefit from the ideas, experiences, and advanced skills of their veteran employees. At the Brightside Academy child care centers in Pennsylvania and in the hospitality industry, building services, and building security, unions have reduced turnover and helped employers reap the benefits of an experienced workforce.

Partnerships between unions and employers can extend well beyond offering education, training, and portable health insurance and retirement benefits. Through regular labor-management meetings such as those at Brightside Academy and formal partnerships such as the Alliance at AT&T, union members can offer ideas for improving the institutions where they work.

Unions not only improve companies – they also improve communities. By winning better wages and benefits, hospitality workers in Las Vegas and building security workers in Los Angeles have strengthened the economies in their communities by increasing consumer demand and thereby boosting local businesses.

These reasons explain why so many business leaders quoted in this review praise the contributions that unions make to employers as well as employees.

At a time when the nation is grappling with economic problems ranging from structural unemployment to skills shortages, stagnant wages, declining health care coverage, dwindling pension plans, and the competitiveness of U.S. companies in the global economy, one lesson emerges from this paper: unions can be part of the solution.

# **Endnotes**

- 1. See the partnership's Web site, http://www.lmpartnership.org/about/index.html.
- Monfort merged with ConAgra in 1987. ConAgra is now the largest meatpacking conglomerate in the United States, followed closely by IBP and Excel (a subsidiary of Cargill).
   These three companies account for 75-80% of beef sales in the United States (Stull and Broadway 2004, 6).
- 3. See SEIU's Web site, http://www.seiu.org/2008/09/about-us-1.php.
- See the Justice for Janitors Web site, http://www.justiceforroofers.com/indianapolis/ stories.html.
- 5. See http://makecintassafe.info/stories.php.

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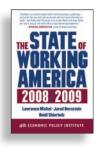
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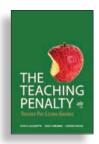


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