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Labor Line is designed to help funders stay current with new developments in the labor movement, and new partnerships between unions and community organizations. It is prepared monthly by the American Rights at Work Education Fund, a grantee of several members of NFG's Working Group on Community and Labor Partnerships.

WORKERS SHORT-CIRCUITED AT CIRCUIT CITY

The ongoing downsizing of the American economy became a stark reality for 3,400 workers at Circuit City when the company announced earlier this month that it was laying off workers because they earned too much, after receiving wages based on high performance. *USA Today* weighed in with an editorial:

“Clearly, the company doesn't value them as "great assets." If it did, it would realize that firing employees because they've performed well enough to earn raises demoralizes everyone else. What kind of inducement is it for employees to work hard and excel if their reward might be a pink slip? And why would people want to shop at a store where the low premium on service is so loudly trumpeted?

“Regrettably, this race-to-the-bottom approach is hardly limited to Circuit City. Retailers in a wide variety of specialties have looked at the leveling effects of the Internet and concluded that sales associates are not really that valuable. If they were, prices for goods bought with the assistance of salespeople would be higher than for goods bought with a few clicks of the mouse...” http://blogs.usatoday.com/oped/2007/04/post_3.html

HOTEL WORKERS DEMAND DECENT CONDITIONS

~STARWOOD WORKERS IN 4 BOSTON HOTELS TAKE STRIKE VOTE~

With contract negotiations stalled, workers from UNITE HERE at four Boston hotels – all part of the Starwood chain – took action by authorizing a strike if necessary. The labor impasse is being termed the “Battle of the Beds.” The workers want the company to recognize their concerns over workload and treatment. For a local reaction, read this article in *The Boston Herald*:

<http://business.bostonherald.com/businessNews/view.bg?articleid=191501>

or check in to the UNITE HERE website at <http://www.unitehere.org>

UNIONS RESPOND TO PRIVATE EQUITY'S PURCHASING SPREE

With private equity firms buying up America—and Europe—at a fast pace, unions are fighting back. Congressional committees are looking at the issue. Europeans are up in arms, as Brendan Barber, the head of the Trade Union Congress, the U.K.'s labor union federation, declared that he would warn pension fund trustees to “think hard” before

investing in private equity schemes. Meanwhile, SEIU is taking the lead in fighting this trend in the U.S. *Washington Post* columnist Steve Pearlstein recently wrote that: “Andy Stern, president of the Service Employees International Union, has opened another front in his campaign to get American business to share more of its newly created wealth with American workers. Stern has begun to approach leading private-equity firms with an intriguing proposal: If you agree to a set of principles of how workers should be treated at the companies you buy, we’ll give you a measure of political cover against your critics at home and abroad.”

SEIU has launched a blog focused on the leading private-equity firm, Blackstone Group, after the firm announced its plans to go public. SEIU plans to scrutinize major private equity deals; stay tuned in on the new blogsite: <http://blackstonerevealed.blogspot.com/>

TUC chief attacks private equity industry

By Christopher Adams and Peter Smith, FT.com site

Published: Feb 20, 2007

<http://search.ft.com/ftArticle?queryText=BLACKSTONE+private+equity+tuc&y=0&aje=true&x=0&id=070220010478>

Private Equity's Bottom Line for Workers

By Steven Pearlstein

Washington Post

April 4, 2007

<http://www.washingtonpost.com/wp-dyn/content/article/2007/04/03/AR2007040301863.html>

HOW IMMIGRANTS ARE RENEWING THE FIGHT FOR WORKERS' RIGHTS

The labor movement is gaining new strength in towns like Worthington, Minnesota, where immigrants are organizing to defend their jobs, their families and their communities. With help from interfaith organizations and community groups, new workers are organizing for worker safety and a piece of the American dream. Read this inside story about meatpacking workers who struggle to keep their jobs, in the face of the U.S. Immigration and Customs Enforcement (ICE), beating the odds and providing for their children.

Viva la Union

By Hannah Lobel

Utne Reader

April 2007 Issue

http://www.utne.com/issues/2007_140/cover_story/12459-1.html

ORGANIZING: HOME-BASED CHILD CARE PROVIDERS

Learn how home-based child care providers are working to create safe and plentiful child care opportunities for children while ensuring a good standard of living for the workers.

A new report from The National Women’s Law Center, “**Getting Organized:**

Unionizing Home-Based Child Care Providers,” details information about a growing trend to unionize home-based child care providers, with updates from 11 state campaigns. According to Nancy Campbell, co-president of the National Women’s Law Center, “unionization is a strategy that can increase resources not only for these [child care] providers, but also for child care centers and for families needing child care assistance.” The full report is available here: www.nwlc.org/pdf/GettingOrganized2007.pdf

Home-based child care providers unionizing
Portsmouth Herald
March 14, 2007

<http://www.seacoastonline.com/news/03142007/business-b-pr-child.care.unions.html>

WORK-FAMILY ISSUES

A recent issue of *The American Prospect* magazine included a special supplement devoted to work-family issues. The entire section is archived and available for download at: <http://www.prospect.org>

Additionally, a weeklong debate on the blogsite **tpmcafe** on this same topic is available at: <http://www.tpmcafe.com>

WAL-MART CAMPAIGN UPDATE

The campaign to expose Wal-Mart’s harmful business practices continues to exact a toll on the company’s public image – and its bottom line. For the first time, a Wall Street analyst has issued a report stating that activist campaigns have had an impact on Wal-Mart’s business practices, causing them to shift focus in response to concerns raised by labor groups and consumers.

Meanwhile, *The New Yorker* magazine offers an inside look at Wal-Mart’s spin machine, headed up by the corporate pr firm, Edelman Worldwide, which specializes in helping industries with image problems.

http://www.newyorker.com/reporting/2007/04/02/070402fa_fact_goldberg

EMPLOYEE FREE CHOICE ACT UPDATE

As the debate over EFCA heats up in the Senate, the *New York Times* (March 6) published a strong editorial endorsement:

The Right to Organize

There are many reasons for the long decline in the membership rolls for private sector unions, including powerful changes in the economy and the unions' past corruption scandals. And there is little doubt that federal rules and regulations for union organizing have also become increasingly hostile to labor, helping to drive unions' share of the work force down from a peak of 35 percent in the 1950s to a mere 7.4 percent today.

The House of Representatives passed a bill last week that would strengthen the rights of employees to form unions, and it drew an immediate veto threat from President Bush. But

if Mr. Bush were, as he claims, truly concerned about rising income inequality and truly committed to improving the lives of America's middle class, he would support the legislation and urge the Senate to approve it.

The most significant change in the bill is known as a majority sign-up, which would allow employees at a company to unionize if a majority signed cards expressing their desire to do so. Under current law, an employer can reject the majority's signatures and insist on a secret ballot. But in a disturbingly high number of cases, the employer uses the time before the vote to pressure employees to rethink their decision to unionize.

The bill would also increase the penalty for employers who fired or otherwise discriminated illegally against pro-union employees. An employer currently found guilty of an illegal firing must pay back pay, minus whatever the fired employee might have earned at a new job -- a fine so low as to be meaningless. And the bill would require binding arbitration if a newly formed union and company management were unable to agree on a first contract after 120 days. The refusal to bargain is among the most common allegations against employers in filings to the National Labor Relations Board.

Some employers, like Cingular Wireless and the health care provider Kaiser Permanente, have voluntarily embraced the practice of the majority sign-up. But many others, represented by interest groups like the United States Chamber of Commerce and the National Association of Manufacturers, remain rigidly opposed.

The bill's opponents charge that replacing secret ballots with the majority sign-up would be undemocratic. But the current system is by no means fair. The law prohibits union advocacy by employees during work hours and allows employers to ban organizers from the work place. But employers can require workers to attend anti-union presentations, and can discipline or fire those who refuse to attend.

In 2005, according to the most recent annual report of the National Labor Relations Board, 31,358 employees were receiving back pay after being discriminated against for their union-related activities. In research for a bipartisan Congressional commission in 2000, Kate Bronfenbrenner, a labor relations professor at Cornell University, reported that 25 percent of employers illegally fired at least one employee during organizing campaigns.

Labor unions have a role to play in helping to fix today's economic ills -- most notably, worsening income inequality, a problem that's caused in part by unions' decline and the workers' resulting lack of bargaining power. What's needed is a Congressional drive to help Mr. Bush see this obvious connection. The Senate should take up the House bill promptly and send it to the president for his signature.

<http://www.nytimes.com>

For updates on this issue, check the American Rights at Work website:

<http://www.americanrightsatwork.org>

GRANTEE SPOTLIGHT

In a recent editorial supporting “The Right to Organize,” the *New York Times* cited the research of Dr. Kate Bronfenbrenner, a labor relations professor at Cornell University. A union organizer turned academic, Dr. Bronfenbrenner teaches courses on global capitalism and contemporary labor issues; and coordinates ongoing mentoring for students interested in labor careers and placement services in summer and semester internships with unions and social justice organizations. Her research showed that in NLRB certification elections, more than 50% of employers made threats to close all or part of the plant during the organizing drive.

The Panta Rhea Foundation, based in Sausalito, California, recently made a grant of \$25,000 to the Office of Labor Education Research at Cornell to support Bronfenbrenner’s mentoring for students interested in labor careers, and three research assistant positions for the Organizing Research Project. Janet Shenk, program officer for Panta Rhea, explains: "This project is a great example of efforts to mentor a new generation of activists – providing them with specific skills in strategic corporate research, exposing them to careers in the labor and social justice movement, and connecting them to prospective employers."

<http://www.ilr.cornell.edu>

WEBSITES TO WATCH

The Economic Policy Institute has the most comprehensive website on issues relating to income equality in the U.S. They've launched a new project called the Agenda for Shared Prosperity to advance an equitable economic program for America. Information about this project and useful economic resources are available on-line and for download at:

<http://www.sharedprosperity.org/>