

News Archive

For many NAFFE members, the daily updates posted by the DataCenter's Leon Sompolinsky are an indispensable source of news about contingent work. Together with other postings to the NAFFE listserve, the news clips are archived at <http://www.igc.topica.com>. To access the archive, you have to register with Topica and use the same e-mail address that is subscribed to the NAFFE listserve as your username. After completing registration, you will enter "my.topica.com" and find the NAFFE listserve archived listed under "Lists You Joined." Click on "NAFFE" and, from the resulting page, choose "Read Current Messages." Next you will be presented with the list's messages in reverse chronological order.

Secrets of Silicon Valley

Several NAFFE members are planning to screen the documentary *Secrets of Silicon Valley* over the next few weeks. NAFFE also has a limited amount of funds available to members to offset the screening costs. For assistance with your screenings or for resource materials, including a study guide, contact the NAFFE office.

Legislation

Building on previous work, NAFFE is now routinely monitoring legislation that impacts on employment law and particularly, contingent work. We are also able to retrieve the language of bills and legislation proposed in state legislatures across the United States. Please contact the office for more information.

NDLON Holds Regional Meeting

The National Day Laborer Organizing Network [NDLON] held an Eastern Regional meeting in New York in mid-August. The meeting, hosted by the Brooklyn based Latin American Workers' Project, marks an important step in organizing day laborers. Scores of delegates from the New York area as well as from other parts of the country attended the 3 day event. Workshops, discussions, and plenary sessions focused on ways to organize workers, create hiring halls, and lobby government officials. The three day event featured visits to day labor organizations in Mt.Kisco, Yonkers, and Staten Island. Delegates also participated in a demonstration in Farmingdale, to support a newly opened center, sponsored by a coalition of community groups with a grant from Catholic Health Services. (Sources: Journal News 8/19/02; Newsday 8/18/02)

Day Labor in Europe

Day Labor is, of course, not just a US phenomenon. In the European Union, estimates are that as many as three million undocumented workers from Eastern Europe, Africa, the Middle East, and Asia are at work in a vast underground economy. In cities like Paris, many *sans papiers* are employed as day laborers in construction. Others find work in sweatshops or in other low quality jobs that native workers shun. They provide an exploited low wage sector in the midst of Europe's highly regulated labor markets. The existence of this shadow economy is evidence good labor laws in themselves are not enough to protect workers.

Even though Portugal is one of the poorest countries in Europe, Ukrainian, and other eastern European workers flock there to work, often as day labor construction workers. They receive low pay, are sometimes cheated out of their wages, and often must pay fees to local mafias to get and keep their jobs. Ironically, Portuguese workers continue to emigrate to Germany and other more prosperous EU countries in search of higher wages.

In Spain a group of one thousand day laborers marched from Toledo to Madrid to protest new laws which would undercut the social safety net of agricultural jornaleros. The workers, from Andalusia, are members of the Sindicato de Obreros del Campo, the rural workers union. They are threatening to strike the olive harvest if parliament does not restore cuts in unemployment and farm subsidies. (Sources: El Pais 7/14/02; Financial Times Information Limited 7/14/02; International Herald Tribune 8/5/02; Le Monde Diplomatique 8/02)

Women Day Laborers Forced to Move

One of the few hiring corners for women in the country has operated for a number of years in the largely traditional Jewish neighborhood of Williamsburg in New York City. (See N&C, issue, 3). The women, mostly Latinas and Poles, are employed as domestic workers. In August, about 10 rabbis from the area's Central Rabbinical Congress met, according to Newsday, and decided that the women should move seven blocks away. A spokesperson for the rabbis said that the area was "pious" and that the women were "not dressed modestly". Activists from the Williamsburg community successfully moved the women to the new site, which the women consider less desirable. The Latin American Workers Project is questioning the right of the Rabbinical Congress to pressure the women to move and is urging them to return to the original corner. (Source: Newsday 8/19 & 8/29/02)

New Poll Shows Increasingly Pro-union Attitudes

A new poll released just before Labor Day shows that for the first time in nearly 20 years most non-union workers would like to be in a union. About 75% also want the federal government to increase its oversight of businesses. 79% said that they favored new laws to prevent corporate crime. Interestingly 73% of respondents said that there should be mandatory rank and file representatives on corporate boards. But the current economic climate has undermined trust in the ability of most institutions to attack corporate abuse. 53% have little faith in corporate executives while 35% say they have little faith in the legal system to solve the problem. While the poll highlights the mistrust people feel for institutions, unions and the government still fared better than business.

A potent combination of growing economic insecurity, a

widespread perception that many corporate executives are corrupt or incompetent, and disgust at the rampant corporate greed that pervaded the culture during the 1990's has led to a crisis of legitimacy that may open the way for significant gains by workers and their organizations. But while a majority of workers may want a union, as organizers know, corporations are adept at thwarting the will of the majority through aggressive, often illegal, anti-union campaigns. Unions will have to find ways to mobilize workers in ways that blunt the corporate attacks. For NAFFE members with contingent worker constituencies the problems are even more difficult. Legal, practical, and structural obstacles to organizing are greater for contingent workers than for workers in standard jobs. Still, the poll is encouraging and should serve as a call to action. (Washington Post 9/3/02)

PART-TIME WORK

Part-time work issues are at the core of the recent UPS contract, the Boston janitors negotiations, and many smaller disputes around the country. The use of part-time workers has for the past few decades been one of the ways that companies seek to cut labor costs. Here is a brief run down of some statistics on part-time work.

Part-time work represents the largest category of "non-standard" work in the economy. The Bureau of Labor Statistics counts as "part-time" any worker employed for up to 34 hours. In 2001, 19.7% of women workers and 6.8% of male workers held part-time jobs. For many working class families with children, particularly young children, getting by means one spouse working full-time and one working part-time. Few full-time working class jobs pay enough to support a family on one income. Much of the growth in family income in the past few decades has actually been because of increased hours of work by the part-time spouse, usually the woman, not an increase in wages.

The BLS divides part-time work into two categories-voluntary and involuntary. Involuntary part-time work is a gauge for the measuring the under-employment of workers. In July, in a sign of continued economic turmoil, the number of involuntary part-time jobs jumped by 191,000 to about 3.2% of the workforce. There are some problems with how the BLS divides the part-time workforce. For instance, many workers are "voluntarily" part-time because they are unable to find adequate child care or for similar reasons. In addition, many part-time workers would like more part-time hours than they actually receive.

Chris Tilly, a leading authority on part-time work, offers another distinction: retention and secondary part-time work. Retention part-time jobs are those that firms use to attract and hold workers who, for any number of reasons, only want part-time jobs. They provide many of the same benefits, wages, and job security (such as it is these days) as standard, full-time jobs. These are, obviously the kind of part-time jobs that NAFFE seeks to encourage. Some surveys indicate that if more of these types of part-time jobs with benefits were available more people would want them. Secondary

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Contingent Work

NEWS and comment #6

NAFFE

SEPTEMBER 25, 2002

Boston Janitors Push for Fulltime Jobs

More than ten thousand janitors, members of SEIU Local 254, are preparing to strike buildings in Boston and surrounding cities. The workers perform janitorial services in about 90% of the buildings in downtown Boston. The key issues are the conversion of part-time jobs to full-time jobs and the extension of health insurance to cover families and part-timers.

The largely immigrant workforce has launched a spirited, justice-for-janitors-style campaign that has received the backing of most people in Boston including many prominent political and cultural figures, and the media. The broad public support has isolated the cleaning contractors. Nevertheless they are resisting making significant concessions.

Despite extremely high union density, the janitors have a great deal of ground to make up, in part because of a history of poor representation by the previous union leadership. But two years ago,

the 20,000 member Local, representing workers in the public sector and the building services industry, was placed under trusteeship by SEIU. Since then new leadership has brought purpose and energy



that is having a ripple affect throughout the Boston labor movement among both public sector and building service workers. (They also joined NAFFE.) In a few months Local 254 will be divided into two locals, one representing public sector workers and the other building service workers. The janitors will become Local 615.

Of the 10,700 unionized janitors only 1,900 have full-time jobs. Part-time workers earn less than full-time workers, averaging \$9.95 an hour compared to \$10.20 an hour for full-timers. Part-timers receive no health care coverage. Full-timers receive only individual coverage.

Wages and full-time work opportunities for janitors are significantly worse in Boston than in comparable cities. For instance, in New York janitors earn \$17.50 an hour and most are full-time and in San Francisco, janitors earn \$15.25. In addition, in other cities full-timers receive family health care coverage.

On Wednesday, 9/4/02, the union agreed to hold off strike action to allow talks to continue. No agreement had been reached and the SEIU has announced that it will be targeting UNICCO, the largest cleaning contractor with a strike beginning on 9/30/02. An extensive community support campaign is underway.



Campus Update

United Academics @ UVM

AFT-affiliated United Academics declared an impasse in their contract talks with the University of Vermont's administration. UVM's faculty are amongst the lowest paid state university faculty in the country. UVM also relies heavily on non-tenure track faculty who are treated as temporary employees, despite working, on average, for nearly ten years for the university. United Academics also represents this group of educators. At this point, the university and United Academics are in their third week of mediation. At the request of the mediator, United Academics is not making any statements on the progress of the talks. (Sources: Burlington Free Press 9/7/02; Untied Academics' website: www.unitedacademics.org).

Cal Clerical Workers, Lecturers Strike

In late August, lecturers and clerical workers at the University of California's flagship campus, Berkeley, went on strike for two days. The clerical workers went out to support their demands for a 15% pay increase over two years as opposed to the 2.5% offered by management. Lecturers are protesting their temporary worker status. The university currently limits lecturer appointments to six years: "It's a use-them-and-lose them approach that is totally unworthy of an esteemed institution of higher education..." observed one union member. (Source: www.cueunion.org; Contra Costa Times 8/27/02)

UK Lecturers to Strike

Lecturers affiliated with the 67,000 member National Association of Teachers in Further and Higher Education (NATFHE) union in the United Kingdom are organizing a strike planned for November 5, 2002. This will follow a 2 day strike held in May, earlier this year. The central union demand centers around wages. If the strike goes ahead, the NATFHE will join with five other unions representing other college workers in the first-ever coordinated, joint strike action in the sector. (Source: www.natfhe.org.uk; Grimsby Evening Telegraph 9/17/02)

New NAFFE Member

AFT Local 2121, representing San Francisco-area Community College faculty and lecturers, has joined NAFFE. Among the main issues confronting the local are budget cuts that have hit California community colleges.

International News

Thai Unions Demand Cap on Contract Work

Auto workers are demanding that contract labor be limited to 30% of the permanent staff at a workplace. A union spokesperson described contract labor as "a form of slavery. Workers put in that kind of a job have no job security and no welfare." The union is planning work stoppages if the employers refuse to come to the table. (Source: Bangkok Post 9/23/02)

Korean Work Week

Next year Korean workers will officially enjoy a 40 hour work week, down from the current official 44 hour work week. *The New York Times* (9/12/02) reports that the shorter work week will be phased in, and only apply to workplaces with less than 30 employees in 2006. Representatives of big business have denounced the 40 hour work week as "premature" while the Korean Confederation of Trade Unions is promising a campaign to strengthen the legislation.

Germany's Election and Restructuring

While charges of anti-Americanism and the debate over Iraq have colored coverage of the German election, the German economy was a central campaign issue. Pundits of the right, center and even some on the left, have all been calling for increased "flexibility" and "reform" of the German labor market. These notorious code words for union busting and economic austerity have been widely brandished in an attempt to get voters to reject the Red-Green alliance led by Chancellor Gerhard Schroeder. That was not to be, just as Swedish voters to the north kept their Social Democrats in office last week, German voters returned Schroeder and his alliance of Social Democrats and Greens to power. German workers, however, still confront a media and political establishment committed to one form or other of labor market deregulation. This remains so despite the fact that the party most explicitly campaigning on a platform of labor market liberalization, the Free Democrats) floundered in the polls, ending up fourth, behind the Greens, with less than 8% of the vote. (Source: New York Times 9/23/02)

Nigerian Workers Demand Full-Time Jobs

The Nigeria Labor Congress launched an anti-casualization and anti-contract labor campaign in April 2002. Since that time, it has found that some 6,000 jobs in 60 companies across 3 states have been regularized. Non-governmental organizations, the Nigerian Bar Association and other high profile legal organizations have backed the campaign and offered workers legal assistance. (Source: Africa News 8/17/02)

Hong Kong "Flexible Work" Numbers Up

In the face of growing unemployment and an economic downturn, part-time work and contract work has grown by nearly a third, up to 11.9% of the workforce over the last year. The Hong Kong Institute of Human Resource Management finds that this is part of a trend toward outsourcing. One third of companies surveyed indicated that they planned to shrink middle management and also reduce the number of full-time employees. (Source: Deutsche Presse-Agentur 9/17/02)

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Part-Time Work

part-time jobs make up the bulk of part-time jobs. According to Tilly, they offer lower wages and few if any benefits. By employer design, they feature high turnover. These jobs are truly contingent. They include many service sector jobs in fast food, retail, and other low wage industries. The 2002 UPS contract once again highlighted that company's sophisticated use of a high turnover, secondary, part-time workforce. (See News and Comment #.) While churning the workforce imposes some costs on employers, it also means savings on benefits and wages.

Part-time jobs are generally inferior to full-time jobs. Pay for women part-time workers in 1999 was 14.8% lower than for regular full-time workers and 24.9% lower for men. In 2001, only 19.4% of women part-timers and 13.6% of male part-timers received health insurance from their employers, compared with 66.8% and 70.8 for full-time women and men respectively.

The trend to part-time work and its problems is a global trend. In Japan a recent relaxation in labor laws has led to a spurt in new part-time jobs. Similarly, in Europe part-time work is on the increase. (In Europe the term part-time work is also used for work of limited duration.) Last year a new directive was passed by the European Union that requires part-time workers to be treated substantially the same as full-time workers in wages and other conditions of employment. The directive marks a major step forward in worker rights and coupled with a similar directive for temporary workers expected to pass this October can serve as a benchmark for efforts in the US and Canada. (Check out the rights of part-time workers on NAFFE's web site link to the Trade Union Congress web site in the UK.) (Dean Baker, Center for Economic and Policy Research, 8/2/02); EPI Website; *State of Working America 2002-2003*; Chris Tilly, *Half A Job is Not Enough*, 1996)

Data You Can Use: State of Working America

We now know what happened in the 90s economy and can examine the effects of the present downturn

The economic boom of the 1990s is now over. With the release of the latest *State of Working America* on Labor Day, researchers at the Economic Policy Institute have provided us a detailed accounting of the gains and losses during that boom. They have also ventured some projections with respect to the current recession and outlines of a future recovery. Their findings are plainly stated: "The historically long period of economic growth that began in 1991 ended in 2001, and it is likely that the broad-based income gains of the latter part of that recovery have slowed, stalled and even reversed during the recession."

So what were the gains?

The low unemployment of the 1990s brought about broad, rapid wage and income growth across the income distribution. Middle and lower income families saw real income gains, as did African American and Latino families. Inequality grew more

"It is likely that the broad-based income gains of the latter part of [the 90s] recovery have slowed, stalled and even reversed during the [current] recession."

slowly, but did not stop growing. Moreover, middle income African American and Latino families generally worked more hours than did white families to reach the same income levels. By 2000, middle income African American families worked the equivalent of 3 full-time months more than white families.

Only in 1998, however, did the median hourly wage reach 1979 levels, and by 2000 it had fallen back below 1979 levels. This was so despite a nearly 45% increase in productivity over the two decades from 1979.

Americans are now deeper in debt. By 2001, total household debt exceeded total household disposable income by 10%. 14% of middle income households' debt service obligations exceed 40% of their income. Thus, by the end of the boom, personal bankruptcy rates reached all-time highs.

And what about contingent work?

If the boom proved one thing, it is that contingent work is here to stay. It experienced only modest declines while low wages and lack of fringe benefits remain characteristic of contingent work. Toward the end of the boom, the absolute numbers of temporary workers and especially, involuntary temps went down slightly in response to decreased unemployment.

RESOURCES

- *The State of Working America, 2002-2004* by Lawrence Mishel, Jared Bernstein and Heather Boushey, of the Economic Policy Institute, can be ordered online at <http://www.epinet.org>.
- For links to more data sources and the latest scholarly research, visit NAFFE's "Web Directory" and "Research" pages at <http://www.fairjobs.org>.

Across the country?

During the 1990s the Midwest and the South saw faster income growth and bigger poverty declines. With the onset of recession in 2001 however, these regions experienced greater increases in unemployment and job losses.

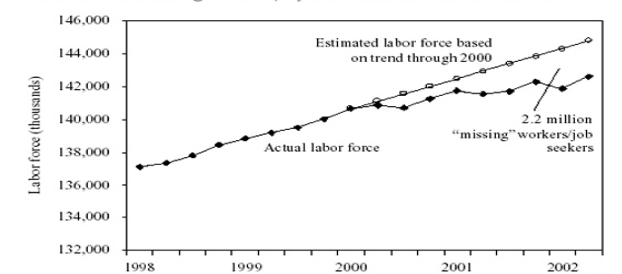
What happened to poverty?

In the final five years of the boom, poverty rates defined by absurdly low income figures declined to reach 1973 levels in 2000. Both welfare reform and the increase in the Earned Income Tax Credit emphasized paid labor as the pathway out of poverty.

And compared to other wealthy countries?

The US grew faster and had more jobs than most of Europe. US growth rates while highest for the 1990s, follow decades of ranking consistently near the bottom or near the middle amongst other high income countries. However, the US experienced higher levels of inequality and poverty was (and remains) deeper and more persistent than in the rest of the economically-wealthy countries (see related note on

FIGURE A Effects of higher unemployment on size of civilian labor force



Source: Authors' analysis of BLS (2002a) data.

Graph showing the impact of the recession on job growth.

Germany in this issue).

What role did unions play?

Although union density continues to shrink in the United States, and particularly in the private sector, workers in unionized jobs clearly did better than other workers. Unionization provided a 11.5% wage advantage; however union workers were more likely to receive pension and health benefits. Further, unions workers had better health plans with lower deductibles and less cost sharing. On average union workers had more paid time off, including 3 days more vacation.

Prognosis

In summary, the boom of the 1990s brought about real economic growth, but it was modest when compared to the post-war economic boom (that helped define "regular jobs") and what gains it brought appear increasingly transient in the face of recession and renewed low growth. Indeed, the authors recall the "jobless recovery" of the early 1990s when trying to conceptualize the still distant recovery.