

Trends

New Census Data

The new census data is revealing what most activists already knew: the boom of the 1990s passed many by. Median incomes for men fell 2.3% over the decade. However, women's incomes rose by 7%. While more women than ever entered the economy, women still make only 73% of what men make. Family income jumped 9.5% over the decade - probably from increased hours of work. The poverty rate as measured by the generally discredited government index dipped ever so slightly from 10% to 9.2%. None of these figures included the post 2000 downturn.

The census also revealed the scope of recent immigration. The increase in immigrants surpassed the 20th century's previous greatest decade of immigration 1900-1910. 52% of the newcomers came from Latin America. In total, about 31 million of the 281 million US residents came from abroad, an increase of more than 57% since 1990. (Source: New York Times 6/5/02)

Canadian Part-time Jobs Up

Statistics Canada reports that the Canadian economy added 88,000 jobs in March. 48,000 of those were part-time positions. (Source: Canadian HR Reporter 4/22/02)

US Unemployment Rate Drops; Most of Gain from Temps

The Unemployment Rate dropped below 6% in May to 5.8%. Few analysts saw the decrease as a sign for celebration. The economy added only 41,000 new jobs and long term unemployment continued to rise. As is often the case during a recovery, temp work accounts for the lion's share of the job growth. After losing 806,000 jobs between September 2000 and February 2002, the temp industry has added 126,000 jobs since February. Some analysts think that the current recovery is a "dead cat bounce" -- a short up-tick followed by renewed recession. Time will tell, but few are predicting any boom in employment in the near future.

NEWS

and *comment* #2

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UPS - The Sequel

The 1997 UPS strike was a milestone in recent US labor history. The Teamsters Union succeeded in turning what could have been a conventional contract fight into a social cause. The issue was the wholesale conversion of full-time jobs to part-time jobs which paid less and offered fewer benefits. The union waged a hugely successful campaign for public support and they got it. The strike tapped into the insecurity felt by millions in today's economy. It helped put the issue of contingent work into mainstream public discourse.

This summer that contract expires. UPS workers recently voted overwhelmingly to authorize a strike should it be necessary. But observers think that a strike is unlikely this time around. Nevertheless, the issues are remarkably similar. UPS continues to be a leader in developing contingent staffing strategies featuring a shrinking full-time workforce with decent jobs and a growing contingent workforce with inferior jobs. Despite

solid gains won in 1997, UPS continues to create thousands of substandard part-time jobs. Today 60% of the UPS workforce of 230,000 is part-time. Part-timers are paid significantly lower wages, have inferior health insurance, and no pension coverage. And, like many firms, UPS is outsourcing more and more work to non-union subsidiaries.

The Teamsters are demanding better health insurance and access to the pensions for part-timers, as well as the conversion of 3,000 part-time jobs to full-time jobs during each year of the contract. In addition, the union is seeking across the board wage increases and the unionization of UPS' non-union subsidiaries.

This time around the union is pursuing a conventional approach to bargaining. The union's new leadership is less inclined to the mobilization strategies favored by the previous leadership. Nevertheless, the high profile negotiations may once again put the spotlight on contingent work issues.

KIWA defeats SLAPP suit

In an important legal decision affirming organizers' rights to free speech, the California Court of Appeals struck down a lawsuit targeting the **Korean Immigrant Workers Advocates (KIWA)**, in Los Angeles. KIWA and the **Restaurant Workers Association of Koreatown (RWAK)** had won judgments for two workers against a restaurant, Pho LA, for back wages and unpaid overtime. KIWA organized pickets outside the restaurant to encourage the owners to obey the law and pay the judgment. Pho LA however changed ownership and the "new" owner, a former Pho LA employee, sued KIWA, declaring that the latter's pickets and actions outside Pho LA defamed her. The Court of Appeals ruled that KIWA's statements were "made in a public place...in connection with an issue of public interest" and therefore were protected by California's anti-SLAPP suit provisions. A Strategic Lawsuit Against Public Participation (SLAPP) targets citizens and organizations exercising their rights with the goal of tying them up in lengthy and expensive legal proceedings. (Source: BNA Wage Hour & Leave Report 5/24/02; www.kiwa.org).

Campus Organizing

- › **New York University's** adjunct faculty voted decisively for union representation. However, two unions are vying to represent the faculty. The **UAW** received 743 votes compared with the **AFT's** 552. While NYU would have preferred that the 2,700 eligible voters reject both unions, that position received only 294 votes. This left the UAW just one hundred votes shy of a simple majority. A run-off election remains to be scheduled. (Source: Daily Labor Reports 6/7/02)
- › Nearly 100 temp workers providing janitorial and catering services at many of **UCLA's** restaurants (formally owned by ASUCLA or the Associated Students of UCLA) are forming a union organized by **AFSCME**. As of May 31, 2002 the UC-system president was still refusing to negotiate with the workers. The workers had been promised full time employment by ASUCLA, but more than five years later they are still working for the temp agency without sick leave, vacation time, and pension benefits. The workers have the support of the student body, but not its professional administration. The union also received support from Antonio Villaraigosa, former Los Angeles mayoral candidate and speaker of the state assembly, who visited the campus to express his solidarity. (Source: UCLA Daily Bruin 5/31/02)
- › Workers and students at **Stanford University** are organizing to equalize wages between university-employed workers and subcontractor-employed workers. Students from the Coalition for Labor Justice camped out on the university's main quad in support of worker demands that subcontractor **Bon Appetit** increase wages to the campus minimum wage of \$10.10/hr with benefits (up from \$8.50/hr). (Sources: San Jose Mercury News 5/29/02; University Wire/Stanford Daily 5/29/02).
- › Just two months after the Washington state legislature extended collective bargaining rights to faculty at the state universities, the **University of Washington**, Seattle announced a two-year wage freeze. The *Seattle Post-Intelligencer* (5/29/02) reports that this has "ignited" union support amongst the faculty. A representative of the **American Association of University Professors** (AAUP) declared that it is likely to mount an organizing drive in the "near future."
- › The New Hampshire Supreme Court ruled unanimously that **Keene State College** adjunct professors are not temporary employees and therefore have a right to form a union. A majority of adjuncts had voted to form a union in April 2000 after filing with the state's Public Employee Relations Board.

International News

Japan's Ministry of Health, Labor and Welfare approved the formation of a health insurance society for temporary staffers. 132 staffing agencies banded together to form the insurance society that has more than 100,000 members and that provides continuous health coverage between and during employment. (Asia Pulse 5/2/02)

FNV, the **Netherlands** largest trade union confederation, representing more than 1.2 million workers, has slammed temp agencies. An FNV spokesperson said that 80% of temp workers pay slips do not add up as a result of "non-transparent tricks involving pay slips." The resulting pay shortfalls add up to hundreds of millions of euros, according to the confederation. (Sources: Het Financieele Dagblad 6/1/02; www.fnv.nl)

120 Manpower Inc. temporary workers will go up against each other in **lottery** to determine who among them will get the 70 full-time positions at **Land Rover's** Solihull Plant in the **United Kingdom**. (Source: Birmingham Evening Mail 6/1/02)

Also in the UK, the **Employment Bill 2002** under consideration in parliament will grant legal status to a "request/consider" procedure for parents requesting part-time work. Under the Bill, an employer will have to give "clear business reasons" for denying a request to a parent of a child under six years old who requests part time work. Failure to meet this standard opens the employer to a labor tribunal claim. (Source: Business and Management Practices, Monday Business Briefing 5/17/02)

The **UK** plans to expand its **temporary visa programs** to allow in thousands more temporary workers. Currently, young people (from 17 and 27 years old), mainly from Australia, New Zealand, South Africa and Canada qualify as "working holidaymakers" or seasonal agricultural workers. The government plans to increase the age limit to 30 and expand both the number of countries involved and the kinds of industries involved (to include the building and hospitality sectors). (Source: Daily Mail 5/30/02)

The **Philippine** government is considering revisions to the country's labor code that will result in **equal treatment** for regular and non-regular employees. If adopted, the new proposal will allow contract, temporary and casual workers to join trade unions. The proposal, however, will decriminalize some unfair labor practices. Union-busting activities will remain a criminal liability. (Source: BusinessWorld 6/5/02)

EU Report Shows Shortcomings of Temp Work

In a new report, a think tank affiliated with the European Union found that even in Europe's highly regulated labor markets, temp work is significantly inferior to other kinds of employment. Although European temp workers possess many rights and protections not possessed by US temp workers such as vacations, holiday pay, and health insurance - all of which are mandated by law - temp work still means economic insecurity and increased health and safety risks. The report argues that temp work is regularly used by employers to evade regulations governing pay and working conditions. "Compared to all other forms of employment (meaning other types of contract including limited duration contracts), temporary agency work had the worst record as regards a number of indicators...." The report lays the blame

on two features of temp work: the frequent change of worksite and the dual nature of the employer. To remedy some of the abuses, the EU is working on a Directive which will place primary employer responsibility with the user firm but will require the agency to inform workers of any health and safety risks. The Directive would also require equal treatment - including pay for temps and permanent workers doing the same work. The Directive which was approved by the European Commission in March, is working its way through the EU's governing structure. For US activists the report should be sobering: just winning benefits such as vacations and health insurance does not mean that temp jobs will necessarily become good jobs. (Irish Times 5/31/02; European Information Service 6/1/02)

Chicago day labor activists held an accountability session with officials from the state and federal departments of labor on May 23. The meeting came on the heels of passage of the landmark municipal day labor ordinance. The session was attended by 100 people from 10-15 organizations which included NAFFE members such as National People's Action and the Chicago Day Labor Organizing Committee. The goal of the meeting was to get officials to act on complaints by day laborers that they are routinely cheated out of pay. Workers presented specific cases to the state and federal officials for action. They were promised a full investigation of each case. A follow-up meeting is planned for July with more senior agency staff.

Meanwhile, in cities large and small across the country day labor issues are moving front and center. Here's a partial round-up of what's happening.

- In Los Altos, California, the city council passed a city ordinance in May limiting the number of streets where day laborers could solicit work. The

law quickly came under fire by day laborers and their allies. A federal suit was filed challenging the law on First Amendment grounds. A hearing was scheduled for the first week in June. To strengthen its legal position, the council proposed changing the law to clearly indicate that it was passed for public safety reasons, not to ban workers from soliciting work. This prompted a march to the city council

Day Labor Roundup

by dozens of day laborers and their allies. The activists demanded that the council repeal the ordinance or that the city make a reasonable accommodation to allow them space to solicit work. Meanwhile, a worker center, recently opened in nearby Mountain View, but day laborers say it is not located in an accessible location for workers or contractors. (San Jose Mercury News 5/29/02)

- In McKinney, Texas, where large numbers of day laborers solicit jobs on

the street, city officials are seeking to open a day labor center. Three years ago the council rejected a similar proposal. (DallasNews.com 5/17/02)

- In Dallas, a day labor center opened by the city and state in November has registered about 10,000 workers. The center operates 5 days a week. About 126 workers a day sign in. More than 900 contractors have used the center, averaging about 44/day. (DallasNews.com 6/6/02)

- In an all too common occurrence, an ugly confrontation has split the community of Spring Branch, Texas. Religious, union, and immigrant leaders have worked for over a year to get a city funded day labor center opened. The center would be used by mostly undocumented immigrants. But an anti-immigrant, anti-day labor backlash has developed among some residents who are putting up fierce resistance to the center's opening. (Houston Chronicle 6/8/02)

Work Loyalty Up?

"Contrary to popular belief, employee loyalty is not dead," declares Manpower Inc. CEO Jeffrey Joerres, and HR managers, he adds, "are very optimistic about it increasing over the next three years." Manpower Inc. reached this conclusion by primarily surveying the very people whose jobs depends on increasing employee loyalty: HR managers! The loyalty survey categorized employees into four groups: "mutual loyalists, blind loyalists, mercenaries, and saboteurs." While three of the categories seem fairly self descriptive, the fourth, "saboteurs," includes more than a fifth of workers and is a surprising label: it refers to those people who feel that "the company does not deserve their loyalty, nor do they feel any loyalty to it." Still, the survey does suggest that "employee loyalty" is rational and based on employee perceptions of their company's behavior. David Newby, president of the Wisconsin State AFL-CIO, observes that, "Workers want to be loyal," he said. "But there really has to be growing skepticism." A Canadian journal explains the context: "Today's

generation of workers watched their parents be downsized, laid-off and rightsized, and they're not about to let organizations treat them the same way." (Sources: Canadian HR Reporter 4/22/02; Milwaukee Journal Sentinel 5/28/02; Wall Street Journal 5/28/02)

"We take care of your people" = Cover-up?

The \$3.7 billion Texas-based professional employer organization (PEO) Administaff--that goes by the slogan "We take care of your people, so you can take care of business" - is a defendant in a Colorado sexual harassment lawsuit. Andrea Blackburn alleges that she was fired from her job at Broadband Solutions Inc. after complaining to management that she had been sexually harassed by that company's founder, Clay Storer. Blackburn's complaint states that Administaff knew about Storer's alleged history of "predatory sexual misconduct." Storer, who is no longer with Broadband, told the *Rocky Mountain News* (5/18/02) that he was surprised by the suit and had "assumed Administaff lawyers and his former company's insurers had resolved the dispute and that a settlement was

pending." Five other women have been identified as having previous lodged sexual misconduct complaints against Storer. Blackburn's suit is illustrative of the difficulties in determining responsibilities in the triangular relationship between employers, client firms and employees. Visit the Center for a Changing Workforce, www.cfcw.org for more information on PEOs.

Temp Worker=Scab?

Have we spotted a trend? In our first issue, we reported on scab.org, a website run by a temp agency to recruit strike breaking nurses. Less forthright, and more insidiously, the term "temporary workers" is now being used to refer to strike replacement workers or scabs in at least two other articles. In one on the strike by 100,000 **Mexico City** local **government workers**, the *Chicago Tribune* (5/29/02) reported that the city's mayor hired 35,000 "temporary workers." In the case of the **Hershey** chocolate workers strike (settled when workers approved a contract on 6/9/02), the *Associated Press* (6/5/02) reported on the company's plans to "hire temporary workers" once negotiations broke down.

Know Your Rights

A Guide to Employment Rights

This brochure describes the legal rights of contingent workers as well as those practices that, while unfair to workers, are currently legal. These brochures will be useful to NAFFE member organizations in organizing temps and other contingent workers. It is provided free of charge to our members.

Members who wish to download and modify the brochure for their own purposes and/or issue it under their own names, may do so by downloading either the editable Pagemaker or Adobe Acrobat versions from the NAFFE website: www.fairjobs.org.

Worker Center Report

NAFFE's report on worker centers is now available from the office. The report, "Worker Center Strategies" surveys a dozen existing centers and argues that worker centers offer an important venue for organizing that can be adapted to meet the needs of workers in difficult-to-unionize contingent jobs.

Secrets of Silicon Valley

The documentary by Alan Snitnow and Deborah Kaufman that critically examines the temp industry in Silicon Valley, along with a study guide is available from the NAFFE office. Events with the producers can be arranged in your community.

Contact Erica at the NAFFE office (617-482-6300) for more information, or to receive copies of the brochures, report and/or video.

Local 254 Opens Major Contract Campaign for Janitors

NAFFE member SEIU Local 254 has launched an aggressive contract campaign for the 10,000 janitors covered by its master contract in Boston. The current agreement expires in August. The local is planning actions which may include public rallies, civil disobedience, and a possible strike. At issue are pay, expansion of health insurance and the conversion of part-time jobs to full-time jobs. About 75% of the janitors are now part-time, many lack health insurance. Pay for janitors in Boston lags behind janitor's pay in other large cities. According to union sources while many of the janitors are immigrant workers who fear reprisals from employers for union activity, they are mobilizing anyway. (Source: Daily Labor Report 6/6/02)

Client Company Escapes Liability and Jury Award in Wrongful Death of Contract Worker

In a split decision, the Arkansas Supreme Court overturned a jury verdict and \$1.5 million damage award against D.B. Griffin, a warehousing company. Charles Sanders, a contract employee of Delta Hardware and Lumber Company fell to his death while painting a damaged roof of D.B. Griffin Warehouse Inc. The court held that Delta Hardware was the employer and that Delta Employees were aware of the dangers. They also held that Griffin "had no duty to warn of [the] dangers because they were obvious and part of the work. (AP 5/31/02)

Minimum Wage Hike Sought

The Senate is expected to take up a bill this summer to raise the minimum wage from the current \$5.15 to \$6.65 in three steps, with the final increase on January 1, 2004. The last time the minimum wage was increased was six years ago. By next year inflation will have wiped out any gain. While virtually all Democrats favor the increase, Republicans are expected to filibuster the measure. Under Senate rules 60 votes will be needed to stop the filibuster and bring the bill to a vote. A compromise may be reached by including some business tax cuts, but passage will be difficult. (Labor Relations Week 5/30/02)

For more information on the minimum wage check out the report issued by the Economic Policy Institute (5/22/02). It's on EPI's web site at www.epinet.org.

AFL-CIO Campaigns for Labor Law Reform

The AFL-CIO is expanding its annual Voice@Work program from a week to the entire month of June. The program draws attention to the difficulties workers face when they seek to organize a union. Rallies, forums, and other events are taking place around the country to build community support for much needed labor law reforms. "[L]arge-scale change and the true freedom to join together in union will come only when we reform America's inadequate labor laws," according to AFL-CIO President John Sweeney. Senator Edward Kennedy will hold hearings on workers' right to organize in June. While this is the first time since 1988 that the AFL-CIO has looked to Congress for new laws to aid organizing, there is little hope that this Congress will act. But according to Bill Samuel the federation's legislative director, the hearings are an import first step in a campaign for reform. (Daily Labor Report 6/4/02)

IT - A Giant Sucking Sound

Computerworld reports that IT budgets are shrinking and that many companies are filling only mission-critical positions. Outsourcing work abroad is also a growing trend. The Gartner Group projects that 30% of all Global 2000 enterprises will move to an offshore/nearshore outsourcing model by 2005. Electronic Data Systems (founded by Ross Perot) hired 6,000 offshore workers at a time when the US IT sector workforce shrank by 5% due to layoffs. Remember Perot's "giant sucking sound?" Well, the establishment response was to talk about increasing the skill sets/human capital of US workers, and point to the booming IT sector. The offshore outsourcing of IT jobs subverts that doctrine.

The trend has not gone unnoticed by the mainstream IT magazines: *eWeek*, a Ziff Davis Media Inc. outlet, recently ran an article entitled "Fair Trade on Jobs?" It noted that US companies can cut project costs 25-40% by moving to an offshore model. Companies are now employing some of their IT personnel to train workers offshore and/or to manage offshore projects. Radio Shack is currently retraining 60 of its 512-member IT staff in project management and analysis skills. It has not yet laid-off any workers. (Sources: Computerworld 6/3/02; *eWeek* 5/13/02)