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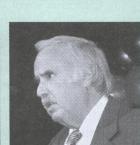
VOL. 44; NO.1

JANUARY - FEBRUARY 2001

Centennial Celebration salutes a proud past and a bright









More than 1,500 union activists and allies celebrated a century of struggle and progress for California workers at the Federation's Centennial Celebration at the San Francisco Moscone Center Jan. 27. At right, four workers from recent organizing campaigns join Art Pulaski to celebrate California unions' continued growth. They are Steve Thang, ironworker; Mary Ann Drinan, teacher; Remedios Bartolo, machinist; and Verdia Daniels, service employee. Above left: Jack Henning and former governor Jerry Brown reminisce with former Federation researchers Pat Mason, Mike Peevey, and Don Vial. Senator Barbara Boxer, event chair Eddie Powell, President Tom Rankin and California Senate President Pro Tem John Burton addressed the celebrants. Photos: Greg Castillo.

Mark your calendar

March 19-20. Joint **Legislative Conference:** Keep California Working, California Labor Federation and State Building & Construction Trades Council. Sacramento (see page 4).

April 21-24. Annual Conference, AFL-CIO Working for America Institute and California Labor Federation. San Jose. (800) 842-4734.

California Labor Federation unveils 2001 legislative agenda

California's technology and service sector industries have created a new economy—one that is leaving too many workers behind. From the current lay-offs at technology companies, to the creation of minimum wage jobs and increasing income inequality, workers are feeling the pinch of this "booming" economy. Workers are also confronting the instability of their employment as companies restructure the ways workers work through the growing use of contingent, temporary, and sub-contracted jobs.

Yet, as California's economy has changed, its worker policies have remained static. The California Labor Federation is sponsoring this legislative and budget agenda to advance workers' interests in a changing economy.

Investing in California s workers

Unemployment Insurance (SB 40 - Alarcon). Our unemployment benefits rank last in the nation. Our maximum weekly benefit of \$230 replaces only 24% of lost earnings. This bill would increase the maximum benefit to \$380 per week over a 3year period, index the benefit level, and create a movable base period to help support

contingent workers. This program must be adjusted to better reflect the needs of new employment patterns.

Workers' Compensation (SB 71 - Burton). Workplace injuries harm 800,000 California workers every year - that's one worker in 20. There are more than 150,000 claims every year for temporary disabilities, and 130,000 for permanent disabilities. For most permanently injured workers, the maximum weekly benefit has been frozen for 18 years. This bill would increase benefit levels for both temporarily and permanently disabled workers.

Misclassification of **Workers.** In 1999-2000, the **Employment Development** Department found that almost 65,000 employees were misclassified as independent contractors. None of these workers would be eligible for unemployment insurance, workers' compensation, or other employment-related benefits. This bill would tighten the standards for employee misclassification in determining eligibility for jobrelated benefits.

Fight Privatization of Social Security (Resolution to be introduced). Anti-worker interests are undermining con-

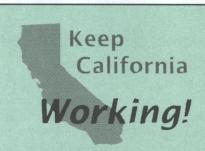
fidence in Social Security in order to replace it with privatized investment accounts. This resolution will declare the Legislature's opposition to the privatization of the Social Security program.

Making labor laws work for workers

Increased State Funding to Enforce Labor Laws (Budget Item). Our hard-won labor laws cannot protect workers' rights and safety unless they are vigorously enforced by state agencies. While the number of workers has tripled since 1960,

funding for labor law enforcement has not kept pace, allowing repeated violations by scofflaw employers. This budget item will increase funding for the Department of Industrial Relations to better enforce labor laws.

Creation of State Labor Agency (SB 25 – Alarcon). California is the only state without a cabinet-level Labor Agency modeled after the fed-



Unemployment Insurance Senate Bill 40 Alarcon

Workers Compensation Senate Bill 71 Burton

Increased State Funding to Enforce Labor Laws Budget Item

For more information on these bills, see page 4, and plan now to attend the Legislative Conference.

> eral agency. Currently, there is little or no policy coordination between the state agencies and departments that deal with labor relations and workplace issues. This bill would create a cabinet-level Labor Agency, consisting of the Departments of Industrial Relations, Fair Employment and Housing, Employment Development, the Agricultural Labor Relations Board, and the Public Employment Relations Board.

continued page two

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From the labor newswire

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No Hospitality at San Diego s **Del Coronado hotel**

Striking to protest management's abusive and illegal behavior, HERE Local 30 members in San Diego walked out of the Hotel Del Coronado, the "Crown Jewel" of southern California hotels, on Dec. 10. The housekeepers, cooks, bussers, stewards, and banquet and convention workers voted to authorize the one-day, unfair labor practice strike by an 81% majority.

Negotiations broke down in August, and the hotel partially implemented its final offer. Workers had overwhelmingly rejected the offer because it did not provide for a fair wage increase, address the housekeepers' workload, nor allow a fair way for non-union employees to join the union.

Management's egregious behavior over Labor Day weekend was the final straw. Without warning, hotel security and managers placed 24 informational picketers under citizen's arrest. The workers were pushed to the ground, handcuffed and taken to jail by Coronado Police, then held for nine hours. The District Attorney has dismissed all charges and the hotel fired its security subcontractor, but the pickets and HERE filed suit. Serving the suit on management were Jerry Butckiewicz, secretary-treasurer of the San

Diego and Imperial Counties Labor Council and former assemblymember Denise Ducheny. A boycott may be called Feb. 1.

Striking HERE members Frances Tijerina,

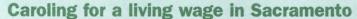
in San Diego. Photo: Molly Rhodes

Manuel Magana, Alexandria Melchior, and ber

son walk the line for fair wages, workloads and

the right to organize at the Del Coronado hotel

On the day of the strike, Nelia Mills, a twenty-year housekeeper at the Del said, "Today managers will learn some respect for all the work we do because they'll have to do it themselves. They expect us to clean at least one room every half-hour, following their 70-item checklist, down to the stamp on toilet paper rolls. But when guests check out, it takes at least 45 minutes to clean properly. And for VIP guests, we need an hour to an hour and a half to clean right. It isn't right that the hotel thinks they can make us do more.'



Organized and conducted by ACORN, a merry group of 80 carolers sang in the streets of downtown Sacramento on Dec. 20 to bring holiday spirit to local Scrooges. The Scrooges, area businesses that do not pay living wages and thwart organizing drives, were serenaded by ACORN, HERE Local 49, SEIU Local 1877, the California Labor Federation, and the Sacramento Central Labor Council. ACORN, a coalition partner with the California Labor Federation on our minimum wage victory, leads the fight for a living wage in communities across the country.

Union organizer appointed to Prison Industry **Board**

Ray Trujillo, Northern Regional Director for the State Building Trades, was named by Governor Gray Davis to the Prison Industry Board on January 11. The Prison Industry Board sets policy for and directs the operations of the Prison Industry Authority. The board also serves as a public hearing body. Board members serve four-year terms without compensation. Prior to his work with the State Building Trades, Brother Trujillo was a business representative for the district council of Ironworkers and a business representative for Ironworkers Local 378.



Federation unveils legislative agenda

continued from page one

Guaranteeing worker voices in government

Clarifying Representation on the CalOSHA Standards and CalOSHA Appeals Boards (AB 123 - Escutia).

These Boards establish and protect workplace health and safety standards. Their seven members, designated to represent management, labor, and the public, are appointed by the Governor, without Senate confirmation. This bill will clarify the qualifications for when a board member represents management, labor, or the public.

Labor Representation on the Unemployment **Appeals Board (Wiggins)** and the Workers' **Compensation Appeals** Board (Steinberg). These two bills would guarantee that one of seven members on the Unemployment Appeals Board and the Workers' Compensation Appeals Board represents workers.

Tax Credits for Individual **Political Contributions** (author and bill number not yet designated). Today's political campaigns are dominated by corporate funding. Average citizens should be encouraged to participate in

political activities that they support. This bill would provide a maximum tax credit of \$100 for individuals and \$200 for couples for their political contributions to a candidate committee, a PAC, or an organized political party.

Labor history

Labor in the Arts (Budget **Item).** One-time funding for the San Francisco State Art Museum and the State Historical Society for their labor in the arts program. **Labor Archives (Budget Item).** One-time funding for the San Francisco State Labor Archives.

> —Angie Wei Public Policy Director

Who should pay for California's energy crisis?

Big business wants working people to pay for California's energy crisis three ways: in our utility bills, our taxes, and now, in our paychecks. In addition to skyrocketing consumer costs for energy and state budget funding of power purchases, the California Manufacturers Association proposed late in January that overtime rules be suspended for corporations hit by rolling blackouts.

Working people from San Diego to Crescent City have already been hit with 100%-plus increases in energy bills. San Diego customers got a preview of the crisis last summer, when their bills doubled overnight. Rising prices last fall threatened utility company profits, but didn't stop management from transferring money from their California energy operations to holding companies. Employers threatened layoffs—and carried out their threats in several Southern California factories.

The crisis caught national attention when rolling blackouts hit Northern California in January, knocking out power to homes, schools, and workplaces. The state, having sustained a dozen Stage 3 emergencies, took action. More than \$400

million from the budget surplus was appropriated for emergency power purchases when utility companies' credit went bad. The funds lasted only a few weeks. California spent \$45 million a day in taxpayer funds to keep the lights on-money that could support public schools, healthcare and transportation.

The root cause of the crisis is a failed deregulation plan. Much of California's power is handled three times: generated by one corporation, transmitted by a second, and sold to the consumer by a third. The deregulation deal never required the generators to sell electricity at a fixed price in long-term contracts.

Prices for California's electricity are set daily, pushed upward by a "deregulated" pricing mechanism that sets prices at the highest amount paid that day. No other state

Prices for California's electricity are set daily, pushed

upward by a deregulated pricing mechanism that sets prices at the highest amount paid that day.

No other state has permitted this.

has permitted this. The result: Californians paid \$10.9 billion more for electricity last summer than the year before. Out-ofstate power generators' earnings statements show net income rising 75% last year.

The interests of working people as employees and consumers must be protected. Utility workers fear the loss of jobs, benefits and pensions. Manufacturing employees face layoffs and dislocation when employers close or re-schedule shifts. Public sector employees have watched state funds burned up faster than dot-com's IPOs. Low-wage workers and middle-income families are hard hit by the sudden spike in energy costs.

In coalition with affected union members, consumer groups, and policy officials, the Federation is developing a pro-worker, pro-consumer, pro-environment platform for resolving the crisis and ensuring an adequate, affordable energy supply that will keep California working

CALIFORNIA LABOR NEWS

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Organizers Report: California grows as nation stalls

While economic forces stalled a national increase, California unions continued strong membership growth in 2000.

California union membership increased 19,000 over the 1999 level, according to figures released by the Bureau of Labor Statistics. Larger gains posted in previous years reflected the decade-long campaign by 74,000 Los Angeles home care workers and expansion in the state's economy. More than 17% of California workers hold a union card, compared to 13% nationally.

"The mixed economic news of 2000 sent a clear signal to workers," said Art Pulaski, executive secretary-treasurer, "Joining a union means better paychecks, benefits, and a voice on the job. Union membership is growing with the growing sectors of our economy, like communications, healthcare, services and construction."

Nationally, losses in the manufacturing sector affected union membership. Employer opposition and anti-union campaigns have increased in recent years, often denying workers the right to join a union. The California Labor Federation sponsored legislation, Assembly Bill 1889 effective January 1, 2001, which will prevent employers from using state funds to interfere with workers' right to organize.

For additional information, comments and statistics: California Labor Federation website, including month-bymonth Organizing Reports statewide:

- http://www.calaborfed.org/organizing.html
- National AFL-CIO website: www.alfcio.org
- Bureau of Labor Statistics website at:

http://stats.bls.gov/news.release/union2.toc.htm

Employer challenge to RTO bill fails

A legal challenge by the Chamber of Commerce against right to organize legislation has failed.

Late in December, employer representatives challenged the legality of Assembly Bill 1889 (Cedillo), the Federation-sponsored bill to prevent misuse of taxpayer funds in organizing campaigns. The court emphatically refused to stop AB 1889 from becoming law. Subsequently, the employer organizations have voluntarily dismissed their case.

UNAC ends year with organizing flurry

150 registered nurses at Tenet's Irvine Medical Center became the newest members of United Nurses Associations of California, AFSCME (UNAC). They join 200 sisters and brothers at Tenet's Lakewood Regional Medical Center, who also voted 2-to-1 for UNAC in November.

Minerva Aller, an RN at Lakewood for 20 years, was a member of the organizing committee. "I have seen many changes at Lakewood over the years. When morale and the relationship with management started to get worse and worse it was time to organize.

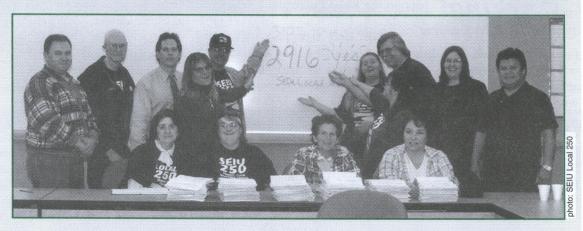
Management was only concerned about saving money. Nurses were too busy to meet and take report. It started to adversely affect patient care. With UNAC we will improve our working conditions and give our patients the quality care they deserve."

During the organizing campaign management held captive audience meetings, distributed flyers, and sent mail to nurses at home. Shortly after the RNs at Lakewood organized, workers who were organizing at another Tenet facility received substantial raises.

Despite heavy-handed actions on the part of healthcare administrators, UNAC is receiving increasing interest from RNs in the community. "We will continue to organize nurses so that nurses have a voice in their working conditions and a voice in the kind of care their patients receive," said Sonia Moseley, RNP, executive vice president and director of organizing for UNAC.

SFO Organizing Project adds 2,000 members

More than 400 ground service mechanics, passenger service agents, aircraft cleaners, ramp attendants, baggage handlers, and allied workers won union recognition from Swissport, a contractor at San Francisco International Airport. The



Nation s largest organizing victory in 2000

In the nation's largest organizing victory of 2000, more than 9,000 homecare workers won a voice on the job with SEIU Local 250. The California Mediation Services certified the results of the mail-in ballot on December 4. In Home Supportive Services (IHSS) workers voted 93.4% yes to be represented by Local 250, closing a seven year campaign.

For years, Sacramento County refused to discuss wage levels and benefits with the homecare workers, classifying them as independent contractors and paying them minimum wage. "Healthcare workers have been working for decades with a minimum wage. The Sacramento victory is a significant step toward achieving a living wage for all homecare workers," said SEIU Local 250 President Sal Rosselli.

The homecare workers began their fight seven years ago in an effort to win living wages and ensure high quality care. "This is something incredible for us and for our clients," said Paulette Bell, a Sacramento homecare worker. "It's a chance for us to make a living doing the work that we love. Right now, it's hard to even put food on the table each day."

Swissport workers chose representation with Local 1414 of the International Association of Machinists and Aerospace Workers (IAM). They join newly organized workers from the

SFO Organizing Project. Previously, 700 airport workers won union recognition through a card check agreement on December 4. Workers at International Total Services, Inc are the largest group of security workers to join a union since the Airport Commission adopted a labor peace/card check rule in February 2000. At ITS, the skycaps and bag handlers joined Teamsters Local 665, while pre-board screeners, guards and wheelchair assistants chose SEIU Local 790.

"This is a great day," said Celedonia Creer, a newly organized Argenbright worker who helped organize the ITS workers. "As pre-board screeners, skycaps, and bag handlers at SFO, we all work to ensure the safety and comfort of the passengers at San Francisco International Airport. With the union, we can add our voice to make changes necessary for improved services."

Unions now represent two out of three SFO workers. The coalition of unions organizing at SFO under the Airport's labor peace/card check rule includes: IAM, IBT, HERE, SEIU, TWU, ALPA, and AFA.

Palomar faculty join CFT

Faculty at Palomar College chose American Federation of Teachers by an overwhelming majority in a PERB election on December 21. The 1,411 full- and part-time instructors at the community college near San Diego work different schedules and classrooms from semester to semester. When the parttime instructors began to organize for health benefits, job security and pay equity with full-timers, the full-time instructors joined them. "Part-time instructors were concerned with fair pay and job security. The full-time faculty feared a loss of benefits and security, and realized only a union contract could stabilize these things. There is a real partnership and solidarity between parttime and full-time faculty at this point," said John Berg, an AFT national representative. Berg also credits the use of e-mail as an effective tool in the campaign. In addition to using email to educate the instructors throughout the drive, it contributed to the high voter turnout as a GOTV tool.

Labor peace agreement wins recognition for HERE 814

In another example of a card-check win, workers at the Pacific Shores Hotel in Santa Monica joined HERE Local 814. Half the workers

attended the vote count where 80% of the cards counted by the FMCS in December favored a voice on the job.

"With Local 814 we will have better job security and benefits. In five years, I have been unable to take a vacation, because with a new owner every year, I always start at the bottom," said Jesus Lopez, who has worked as a server for 5 years.

Pacific Shores has had

four owners in seven years. Employees receive no paid vacation, and many workers cannot pay the high premiums for the poor healthcare plan offered.

Because the hotel sits on city owned land part of its lease must guarantee the city "labor peace." This labor peace agreement was previously negotiated by the city council, the Los Angeles Federation of Labor and local unions.

"There is a world of difference when it comes to organizing a hotel with a neutrality agreement and one like Lowes, which sits across the street. The owners of Pacific Shores chose to do the right thing and allow their workers to choose for themselves."

Bargaining began January

—Margaret Hanlon-Gradie

To add your local union's organizing victories to Organizers Reports, email margareth@calaborfed.org, or fax (415) 392-8505 attn: Communications.

Top legislative, budget priorities for workers



Union activists will gather in Sacramento March 19-20 to learn about key legislative priorities for 2001 and speak directly with legislators on the Keep California Working

Gov. Gray Davis, Senate President Pro Tem John Burton, and Speaker Robert Hertzberg will address participants. Legislative leaders Richard Alarcon and Gloria Romero will share their insight into committee

Workshop topics include:

work this session.

- Legislative Action Committees
- 2001 Priority Legislation & Review of Anti-Worker Legislation
- Labor Law Enforcement
- The New Economy & Job-Related Benefits
- 2001 Building Trades Legislation / Construction Wage Order
- Construction Trades Health & Safety Training and Action
- Implementing 2000 Legislative Victories and Industrial Welfare Commission Update
- Energy Crisis: Impact on Labor

On Monday, March 19, a media roundtable will bring union activists and working journalists together to share ideas about improving coverage of labor issues. On Tuesday, March 20, unionists will rally at the capitol as part of the AFL-CIO's Respect Work, Strengthen Family campaign.

For more information, visit our website at www.calaborfed.org, or call (415) 986-3585 x 239.







2000 Legislative Conference participants spoke with their representatives and packed a committee hearing.

Register now for the Joint Legislative Conference, March 19-20

Call (415) 986-3585 x239

NO MORE INSULT TO INJURY!

Fairness for Injured Workers Senate Bill 71, Burton

Injured workers

Workplace injuries harm 800,000 California workers every year - that's one worker in 20. Illness and injury can cost workers their health and their paychecks. Employers pay a price in productivity and employee turnover.

While we work to prevent workplace injuries, we can reduce the immediate disruption of injured workers' families and communities by setting benefits comparable to other states. We can ensure that injured workers have

an opportunity to heal, retrain, and re-enter the workforce as a productive member of the California economy.

Workers, their families and communities lose in an out-of-date benefits system - where many benefits haven't increased since 1985. California's benefits haven't kept pace with the state's high cost of housing, energy and transportation. Our out-of-date benefits hurt hardworking craftsworkers in construction, high-tech, healthcare and other growing industries which are critical to California's future as the seventh largest economy on earth.

Most states follow a Nixon-era recommendation to index benefits to the cost of living and set the maximum temporary disability benefit even with the average weekly wage. California's benefits have slipped below 75% of the average weekly wage, and are not indexed to inflation. Low benefit levels contribute to California's increasing income inequality. Senate Bill 71, written by Senate President Pro Tem John Burton, increases benefits to temporarily and permanently disabled workers.

STOP PINK SLIP **BLUES!**

Fairness for **Unemployed Workers** Senate Bill 40, Alarcon

Unemployment insurance

California's unemployment system doesn't fit New Economy needs. Its shortcomings hurt workers and our state's economy.

The New Economy is based on short-term and subcontracted employment. But our unemployment system is geared toward long-term employees. In California, just one in three jobless workers actually receives benefits. We need a moveable base period so that more workers can get

the benefits that help them transition between jobs.

California's benefits haven't kept pace with the state's high cost of housing, energy and transportation. On average, an out-of-work Californian will receive \$150 per week. Our maximum benefit, \$230 per week, replaces just 24% of the average weekly wage - the worst replacement rate in the nation. Massachusetts (\$646/week) and Washington (\$441) and 42 other states provide higher benefits, while Mississippi, Alabama, Arizona, Nebraska and South Dakota are the only states with rates lower than California.

Our worst-in-the-nation unemployment benefits contribute to California's sharply increasing income inequality. Unemployment benefits haven't increased since 1992, although the state's minimum wage has increased twice since then.

Our program's shortcomings push workers to find employment quickly, rather than supporting a quality job search that takes advantage of skills and training - and results in a longer-term placement and higher productivity. Our unemployment system is weighted against lower-income employers and employees. Low-wage employers and employees pay more than their share of unemployment system costs. The taxable wage base must be lifted above \$7,000 - as 41 other states have done - so that high-end employers carry their fair

Senate Bill 40, written by Assembly Labor and Employment Chair Richard Alarcon, will raise benefits to \$380 per week by 2005, index benefits to inflation, and create a moveable base period.

LAW & ORDER **DIR Budget**

Labor law enforcement

The Governor's proposed budget includes both a moderate increase in staffing for labor law enforcement and a reduction in CalOSHA inspectors and Division of Workers Compensation staffing. Twenty vacant enforcement jobs at CalOSHA and sixteen vacancies at the Division of Workers Compensation would be eliminated.

California's workforce has boomed, increasing nearly three-fold from 6.3 million in 1960 to 17.1 million in 2000. But staffing for labor law enforcement at the Department of Industrial Relations has not kept pace. Scofflaw employers hurt California workers, lawabiding competitors, and the state's reputation as an economic powerhouse.

"With more than 800,000 workers hurt on the job every year, California can't afford to cuenforcement," said Pulaski. "One in 20 California workers is hurt or made ill by their job every year. Cutting safety inspectors condemns workers to greater exposure to workplace hazards."

The Governor's proposed budget also calls for a 5% increase at DIR, to create 55 new positions in 2001-2002. DIR has more than 2,780 full-time equivalents now. The Governor's proposal includes:

- A \$3.9 million adjustment to make 39 temporary positions permanent, and to redirect eleven positions for clerical support;
- A \$381,000 adjustment to provide employers with administrative hearings under reduced timeframes and expand scope related to Public Works violations;
- \$42,000 for a farm labor contractor office in Fresno.

Funding for apprenticeship and on-the-job training would increase from \$5.4 to \$8.2 million. The Division of Safety and Health would receive an increase from \$73.5 million to \$77.6 million. The Division of Labor Standards Enforcement would see a smaller increase, from \$39.9 million to \$40.2 million during the same time period.

The Federation is working with David Aroner, the designated acting director of DLSR to reinstate ongoing research projects that were dropped under the Deukmejian administration and never reinstated.