

LABOR CENTER REPORTER

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MAR 23 1983
UNIVERSITY OF CALIFORNIA BERKELEY

Number 74
November 1982

BERKELEY, CA 94720
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UNIVERSITY OF CALIFORNIA, BERKELEY
CENTER FOR LABOR RESEARCH AND EDUCATION
INSTITUTE OF INDUSTRIAL RELATIONS



TEAMSTER RESPONSE TO EMPLOYER OFFENSIVE

by Bruce Poyers

Many Teamster employers (like others) have adopted the contract "take-away" strategy, seeking to eliminate or reduce benefits and working conditions which have usually required years of collective bargaining to develop. Such employers often follow bargaining approaches devised for them by union-busting attorneys (see LCR #25, 28 and 36). Their pre-packaged, take-away demands may have little or nothing to do with an adverse business situation, but are always designed to reduce the basic economic security of Teamster employees.

Representatives of Teamster unions affiliated with Joint Council 7 in Northern California met recently in a special session called by Joint Council 7 President Chuck Mack, to consider a coordinated bargaining program to combat take-aways and other employer offensive strategies. Joint Council 7 unions negotiate a great many local and area-wide agreements which are not under the umbrella of the National Master Freight Agreement. The Northern California program which they adopted unanimously contains two new approaches.

1. Demanding appropriate economic data: What kind of data should the employer be asked to furnish if he insists on submitting take-away proposals? Here is the list of demands, developed by Joint Council 7 Economist Harry Polland, which the Teamsters have agreed to submit in these negotiating situations:

- a) Documents submitted by the employer to banks for the purpose of obtaining loans, including projected balance sheets and income statements;
- b) List of buildings and land owned or leased by the employer's business, including a statement of their market value, and information on lease terms and conditions;
- c) Financial statements for three years prior, as well as tax returns and current financial statements.
- d) Depreciation schedules for all depreciable assets, as well as current market values for these assets;
- e) Analysis of working capital for the last three years;
- f) Organization chart of all supervisory and executive employees, and a schedule of their total compensation;
- g) Schedule of total compensation to officers, managers, directors and/or owners;
- h) Employment contracts, life insurance policies and loans for officers, managers, directors and/or owners;
- i) Expense reports submitted by officers, managers, directors and/or owners;
- j) Information on pension and/or retirement plans in which union members are excluded;
- k) List of autos owned or leased by the company;
- l) List of leisure items such as club memberships and vacation homes provided by the company to executives.

A basic question will inevitably follow these demands (especially items f-l): Is the employer legally required to furnish the information? As usual with labor law, the answer is not as certain as the question. If the employer is pleading poverty, it is clear that the union has a legal right to any information that will verify his actual economic situation. But if he proposes take-aways by arguing that "I can't afford this any longer, the times are too hard, there is too much

competition, there is not enough demand for my product or service," etc., the only legal guideline is a general one: the union is entitled to whatever information is necessary to deal with the bargaining issues on the table.

Three strategies which the Teamsters will employ should help to broaden their legal right to every item of information in the above list. The first is to demand equality of sacrifice when take-aways are proposed. The second is to relate the demand for additional economic data carefully to the bargaining issues involved. The third is to make available to Joint Council 7 negotiators the services of an expert financial analyst, who will assist both in suggesting appropriate demands for further economic data, and in interpreting the data submitted by Teamster employers.

The Teamsters are also prepared to argue to the NLRB (and the courts, if necessary) that employer bargaining strategies now justify a broadening of the union's right to demand and receive all relevant economic information. Other unions, like the IAM, are taking the same position. However the Board and the courts may decide the legal issues, the important point for the union, and for many business agents seeking re-election, is to become more aggressive in bargaining proposals, and to quit playing the role of the passive agent in take-away situations.

2. Developing new bargaining approaches: Joint Council 7 Teamster representatives also re-evaluated their need in today's bargaining climate to take a new look at some old bargaining concepts--like profit sharing. If the employer can document economic conditions which actually make it impossible to establish a reasonable wage increase, the union should consider a profit-sharing approach, and seek to help determine how it works in practice.

With respect to productivity approaches rejected in the past, it was agreed that more information must be brought into bargaining to show what actually goes on the workplace. For example, what is the role of first-line supervision? It has been eliminated in the Teamster bargaining unit at Western Airlines, where the senior mechanic on each shift now handles the previous responsibilities of the supervisor (which were minimal to begin with). Teamsters have spread the word on this improvement to other units of airline mechanics, where it will be copied quickly, because it works both to improve productivity and to lower costs.

Other sacred-cow concepts of management lead to similar kinds of inefficient organization in the workplace, and usually have more to do with poor productivity than the skills, energy and attitudes of workers. By developing more information on what actually happens in the workplace, the Teamsters will seek to identify mistakes and inefficiencies in both the organization of the work to be done, and the management of the business. Their approach will add to the union's justification in demanding more relevant economic data from the employer.

Representatives at the Teamster Conference were reminded that in past periods of slow growth in our economy, and in periods of wage and price controls, unions made significant gains in job security provisions and in other contract protection not in the line of direct labor cost to the employer (such as basic seniority protection in layoff, recall, and preferential transfer rights; protection against arbitrary discharge; and limitations on subcontracting.) There is a great need now for better protection for the laid-off employee, especially for continuation of health benefits. And the opportunity is available to reduce employer costs by improvements in the grievance machinery--especially including the development of expedited arbitration procedures.

- Bruce Poyer