

LABOR CENTER REPORTER

INDUSTRIAL
FEB 27 1987
UNIVERSITY OF CALIFORNIA
BERKELEY

January 1987
Number 202

BERKELEY, CA 94720
(415) 642-0323

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



CONTRACT VICTORY FOR HOTEL EMPLOYEES

by Allen Cheadle and Pam Tellewa

The 1980s have been a troubled decade for unions, with concessionary bargaining, failed strikes and the undermining of labor law by the Reagan Administration. Locally in San Francisco, traditionally a stronghold for service employee unions, there have been a number of equally severe setbacks. Union department stores have been closed and replaced by non-union chains, and restaurant workers have just been through a long strike in 1984 that won them few gains. This string of setbacks, both locally and nationally, makes the recent victory of Local 2 of the Hotel and Employees Union that much more significant. This article takes a look at the Local 2 strategy to see if lessons learned there can be applied elsewhere.

Background -- Local 2 represents 6,000 hotel workers in the San Francisco, with the main occupational groups being maids, bellhops, food servers, cooks and bartenders. The hotel industry in San Francisco has a history of tough bargaining and bitter strikes. A 28-day strike was waged in 1980 and a strike was narrowly averted at the last contract negotiations in 1983. Prior to 1985, the major hotels in the area belonged to an employer association which represented them in collective bargaining talks. The association split up in October 1985, forcing the union to bargain with 40 hotels individually.

Preparation for Negotiations -- As the union prepared to negotiate to replace the contract expiring in August 1986, they faced a fragmented group of hotels, each with a more aggressively anti-union attitude. Rather than react to employer moves, however, the union went on the offensive. Committees were organized at the workplace level to educate members on issues to be raised in the negotiations, and to prepare them for a strike (should it occur) and other job actions. The membership was surveyed as to their priorities for bargaining, and 4,000 of the 6,000 local members in the bargaining unit responded. The survey helped make members feel more a part of the negotiating process, which in turn made them more willing to get involved in committees and take part in actions. This membership participation was the crucial factor in the ultimate success of the negotiations.

In addition to the workplace committees, the union trained a full-time union staff person as a researcher in order to dig up information on the hotels. The highest priority was to identify the parent companies of the hotels in order to target them for actions. While Sherri Chiesa said this was not a corporate campaign, "It was definitely a new tactic, and we uncovered a lot of interesting information on ownership." The research results were passed on to the membership and formed the basis for many of the actions that followed. Finally, strike committees were set up to plan, organize pickets and do community outreach. The strike weapon was considered a last resort, to be used after other avenues had been tried.

Actions Against Hotel Owners -- Armed with information about ownership, the union targeted hotels that were dragging their feet in negotiations. One of their most effective actions was to picket outside of the French Consulate and send delegations to the French Embassy and State Department. The French government owns Meridian Hotel through the government-owned Air France, and the Socialist French government was somewhat embarrassed to be targeted as an anti-union employer. Other actions were directed against stock brokerage firms, including Sherson-Lehman Brothers, which owns Hyatt on Union Square. Union members picketed the Pacific Stock Exchange handing out "Investor Alert" leaflets warning potential investors in those hotels that a labor dispute could occur.



Other tactics included sit-ins in hotel lobbies, described as being effective against hotels since "they hate to inconvenience customers." The sit-ins also attracted a great deal of local media coverage, which helped focus public attention on the negotiations. Sit-ins were conducted at Holiday Inn, Golden Gateway and the Hyatt-Union Square. According to Chiesa, "There was no single action that did the trick, it was the fact that we just kept it up, one action after another.

Results: "A Great Contract" -- The pressure applied to the hotels through actions, threatened actions and strike preparations have paid off in the contract terms. The new contract contains wage increases of 35 cents per hour, the first pension increase in years, improved health benefits, overtime for the 6th and 7th day of work, a legal plan and accumulated sick leave. The only union concession is the extension of the "learner rate," (equal to 75% of the regular wage and applying only to workers new to the industry) from four months service to eight months. Contracts have been signed at all of the major hotels and all but a few of the independents, where negotiations are still underway.

The most significant part of the new contract, according to Chiesa, is a clause recognizing new workplace committees. The committees will consist of union members at each hotel who will meet with hotel management to discuss job-related questions and problems. The union has been training committee members so that meetings with management do not turn into gripe sessions. Instead meetings will focus on one issue that the membership feels is most important at the time. The 90 member committee at Hilton was scheduled to meet with management during the last week of November. Other meetings are set to go soon.

Lessons for Other Unions -- It must be noted first that some of the conditions contributing to the success of the negotiations were unique to the San Francisco hotel industry. Hotels cannot easily be relocated to other areas, a problem that has hampered the organization of workers at Blue Cross of California and other insurance and finance companies. Also, most of the hotels in San Francisco are profitable, which makes them less willing to take a strike and better able to afford wage and benefit increases.

With these qualifications in mind several points can be made. First, the success of Local 2 shows that it is possible to organize and win good contracts for service workers. Since most of the job growth in the 1990s will take place in services, this offers hope for the future of existing service employee unions as well as established industrial unions that are beginning to organize in the services.

Second, the campaign in San Francisco shows that corporate-style campaigns can be successful under certain conditions if well-researched and aggressively pursued. The companies targeted must be sensitive to their public image and/or in a position to have their business damaged by adverse publicity. This was particularly true for the French Government and applied to a lesser extent to the stock brokerage firms.

Third, and most importantly, the outcome of negotiations in San Francisco underlines the importance of preparation before negotiations begin, with high priority being given to the education and organization of the membership. The Local 2 leadership stressed constantly that "negotiations don't take place at the table, they take place on the street." If the membership is organized and prepared to take a strike, negotiators are in a much stronger bargaining position.

*-- Allen Cheadle
and Pam Tellew*

This article does not necessarily represent the opinion of the Center for Labor Research and Education, the Institute of Industrial Relations, or the University of California. The author is solely responsible for its contents. Labor organizations and their press associates are encouraged to reproduce any LCR articles for further distribution.