

15.677J/11.427J, Urban Labor Markets and Employment Policy
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Unions and Living Wage Campaigns

This class will focus on two topics: union attempts to improve jobs for workers and community-driven attempts to improve the job market.

I. Workplace Efforts to Improve Workers

A. First of all, if unions represent the best attempt to improve worker jobs, what prevents unions from making more progress? We will look at three union-based strategies in this context: traditional collective bargaining; campaigns like Justice for Janitors; and joint training activities.

- a. Why isn't there more collective bargaining attempts to address low wage workers? Decline of unions in terms of percentage of the work force is significant: now around 9.5% of private workforce. Rollback on legal protections for unions has hindered efforts. Union protections are enshrined in the 1932 Wagner Act but this exempts many workers from coverage, i.e., faculty in private universities, and many other hindrances.

Yet, as Freeman/Rogers summarized in 1994, unions remain more popular than their membership rolls would suggest: 44% of workers would vote for a union but yet only 12% of all workers are union members. This is known as the representation gap.

Why is there a difference between union members and those who would vote for a union? Some perceive that unions are not effective; others cite management resistance to unions; others cite reversals in legal protections and enforcement against employer abuses; and finally, only when majority of workers desire union can collective bargaining proceed. Still, significant that more people want unions than have unions.

- b. Turning to the Justice for Janitors campaign, what were the significant innovations? First of all, the campaign was framed as a civil rights movement/social movement when many unions have had times forming coalitions. Unions have lost their moral claim in society and more often perceived as "bunch of guys" trying to get more for themselves (sports players, pilots, etc.). SEIU which led the Justice for Janitors campaign reversed that. Justice for Janitors campaign compares favorably with the UFCW grocery strike against Safeway in southern California last year; UFCW was perceived as rigid, closed, top down which failed to generate broad community support.

Secondly, the Justice for Janitors campaign re-defined who is the employer? The actual contractor held little power and, if pressured to pay hire wages, could easily be replaced by the building owner for another cheaper labor contractor. The target thus became the building owners, not the cleaning companies. Similar strategies used by SEIU in health care worker campaigns in southern California; actual employers are

individuals for independent health care workers , but SEIU pushed legislation through state assembly which created a state agency for health care workers which could be bargained with in collective fashion. In the broader economy trend is for more and more employers to use labor contractors and sub contractors to cut down costs and avoid employee obligations.

The third innovation by Justice for Janitors was disruption or threat of disruption. A strike would hurt not primarily the cleaning company but the tenants of buildings and the building owners.

Important to note that the campaign largely supported immigrant workers. Recently as of five years ago, AFL-CIO was anti-immigrant holding that immigrants depressed wages and competed for jobs with union members. Support for immigrants comes as recognition that immigrants who are unionized are not a threat but an asset.

In evaluating the Justice for Janitors campaign, one needs to question how much this approach can be generalized. Is this dependent on a positive political environment in California?

- B. Joint Training programs pose as other strategies. Here a percentage of the employee payroll is designated as training funds that are administered either in part or in whole by unions. This could be a win-win model benefiting both sides. Union members get training and career ladders within the firm---if not better wages, i.e., in the laundry or food service industry. Particularly in medical industry and banking sector which are more heavily regulated and in some ways could be considered semipublic (particularly given government Medicare and Medicaid program in health sector) where companies are vulnerable to government pressure, training opportunities are stronger.
- C. Other non union strategies have born results as well. A student described the Taco Bell boycott, a secondary boycott launched by non-unionized farmworkers in Florida. Innovations here involved changing the target from the employers (the growers) to the brand name company at the head of the food supply chain; and the creative civil rights organizing strategy mobilizing students, churches and human rights community. Questions here if the outcomes, even if successful, create permanent power or result in one time victory which may erode over time. Can these events help create a permanent workers union since workers can't call a boycott every year over every demand? How can workers maintain the power that they earn?

Other non union strategies include organizing temporary or contingent workers into cooperatives or employment associations. The Workplace Project is an employee association which evolved from a legal assistance and advocacy center co-founded by Jennifer Gordon, a lawyer. The Center passed state legislation to regulate health and safety protection, and wage enforcement for day laborers. Workers are members and the heart of the Workplace Project. Their strategy is to organize day laborers to create networks of information and informal collective bargaining. They are developing power by searching for power in an informal system.

Other approaches include affinity groups among employees within firms. For example, some firms may have a gay employees caucus, or a Black Caucus (for example at Xerox) which can negotiate with firms to create a diversity-friendly environment or to have a greater voice. Often is found at more upscale firms and does not involve itself in traditional union issues (collective bargaining over wages and benefits).

II. Community Efforts to Help Workers

- A. The living wage movement as described in the Adams/Neumark and Freeman articles is widespread and growing (now more than 100 cities). Unfortunately, the evidence is not compelling that large numbers of low wage workers are affected in significant ways, although secondary impacts might be understated. For example, the living wage campaign at Harvard affected hundreds or maybe more than a thousand workers---but MIT also changed its approach with labor contractors which affected many other low wage workers. Adams/Neumark find that living wages causes unemployment though they are the only researchers to have found any significant evidence in that regard.
- B. Is the living wage campaign an attempt to raise wages for low income workers? Or is an organizing device for educating the public on the issue and putting wage levels on the political agenda (even if only locally). If the goal is only the first, the criticism that only a relatively few workers in the country have benefited is a legitimate criticism. If the second goal of public education is the real goal, one needs to question what has the impact of living wage campaigns to address larger issues for low wage workers. What would those issues be? Increasing the federal minimum wage? Increasing the earned income tax credit? How successful has the living wage campaign been in building a broader political base for change?