

Living Wage Coalition of Sonoma County

www.livingwagesonoma.org

Fall 2002
Newsletter



LWCSC is a grassroots organization made up of community, labor and religious groups, and concerned individuals

“The dignity of all work demands just wages to meet today’s living costs”

mml@ap.net

PO Box 427, Santa Rosa, CA 95402 (707) 545-7349 x220

Town Hall Meeting on Living Wages and Economic Justice - Coalition to Present New Santa Rosa Ordinance and Findings on Local Fiscal Impact Study

SANTA ROSA - The concept of paying a living wage to employees and contract workers of the City of Santa Rosa gets renewed energy and interest. The Coalition will present a revised living wage ordinance along with the release of a University of California Berkeley (UCB) report that discusses how implementing a living wage ordinance would not be a drain to the City’s budget.

The Living Wage Coalition of Sonoma County will host a Town Hall gathering where the details of a newly drafted Living Wage Ordinance for the City of Santa Rosa and the complimentary UCB report will be the subject of a community discussion. The revised ordinance reflects nearly a years worth of outreach and study, since the City Council’s decision late last year not to study a proposed ordinance. The new ordinance, largely modeled after an ordinance recently passed in the City of Richmond, would mandate that the City, municipal contractors, and firms receiving public subsidies pay their employees \$12.25 an hour plus benefits or \$14.00 without.

The Institute for Labor and Employment, at UCB, funded the study. The principle author is Samantha Teplitzky, a graduate student at UCB. The report concludes that implementing a living wage law will result in the City and its sub-contractors incurring a manageable cost increase. Additionally, based on the experience of other cities that have passed ordinances, at least half of the anticipated costs would be offset by a decrease in employee turnover, and increases in training and productivity. “It’s definitely in the public’s interest to see this through, workers receive a living wage and the public benefits from improved quality of services” Michael Allen, General Manager SEIU 707. The event will be held Saturday, September 21st from 9:30 - 12 noon at Santa Rosa Junior College Newman Auditorium (Emeritus Hall - Eliot and Mendocino across from Plover Library). Coffee at 9 am in the Emeritus Hall Courtyard. For information call 545-7349 ext. 220.

Busting the Union Busters - Sonoma sends anti-union consultants packing

by Tara Treasurefield

On May 24, healthcare workers at Sonoma Healthcare Center voted to join Service Employees International Union (SEIU) 250. Francisco Guerrero, a certified nursing assistant at the nursing home, instigated the organizing effort. “We had to do something,” he says. “I called the union, Local 250, and asked questions of them, and started asking my co-workers some questions. We presented our requests to management, and they rejected them. I called the union again. Management started a campaign against us right away.”

After purchasing Sonoma Healthcare last November, Ensign Group made changes that sparked Guerrero’s interest in unionizing. Within a few months, the company increased the cost of health insurance and reduced staff hours and benefits. On all shifts, there are now fewer employees on hand to meet the needs of the 97 residents, 30 of whom can’t eat without assistance. “When they’re going to eat dinner, there are only two CNAs to feed all 30 people,” says Guerrero. “The last patient gets very, very cold food. I’ve been complaining about this issue for a long time. It wasn’t good before [Ensign Group took over], but it’s worse now. Residents who are alert have better treatment, because the administrators know they talk.”

Management waged a fierce battle against unionization, and six local clergymen, with parishioners that either work at Sonoma Healthcare or have family members who live there, rallied in support of the workers. The first to assist was Fr. Carolin, pastor of St. Leo’s Parish, which has a Living Wage Committee. Fr. Carolin accompanied thirty employees on April 23 as they alerted management of their intention to unionize. All six clergymen took turns show-

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ing up at the nursing home every day for a week, to encourage employees by their presence. The president of Ensign Group called the police one evening when David McCracken, Minister of First Congregational Church, refused to leave the building.

Other community members also got into the act. "The key to doing a successful organizing drive against these big corporations is to bring pressure from outside the workplace," says Marty Bennett, co-chair of the Living Wage Coalition. Bennett talked directly to several city council members and others. In response, councilman Joe Costello came to Sonoma Healthcare, acting as an individual, to defend the right of workers to unionize.

The average hourly rate for CNAs at Sonoma Healthcare is \$9.75. Though both Francisco Guerrero and his wife work there, they can't afford the company's health care package, which is now \$440 a month for a family of four. Another problem is that CNAs are assigned to residents at different ends of the building, says Guerrero, which prevents them from spending as much time with each resident as they would like.

Addressing the issue of inadequate staffing, Doug Easton, Vice President of Operations at Sonoma Healthcare, says he'd love to add staff. But, there are challenges. "The healthcare industry is in a staffing crisis, and qualified staff is in extremely short supply. Second, low Medi-Cal reimbursement levels prohibit adding any significant staffing." This doesn't explain why Sonoma Healthcare reduced the hours of existing qualified personnel, and Easton did not respond to a request for that information.

Sonoma Healthcare hired Labor Relations Services, Inc. in Newport Beach to discourage workers from unionizing. The company paid two "persuaders" \$200/per hour each for their time, and attendance at the 1-1/2 to 2 hour meetings was mandatory. Easton says that though they recognize the right of employees to organize, management feels strongly that a union isn't needed. "Current management has only been in place a few short months, and Sonoma Healthcare's on-site leadership has only been in place for thirty days," he says. "Many of the existing grievances date back years and include multiple prior operators. The new management has not yet had an adequate opportunity to hear or respond to the issues that Sonoma Healthcare's employees want resolved. Interposing a union between front-line employees and leadership detracts from our ability to quickly and directly resolve problems together."

In addition, says Easton, Sonoma Healthcare

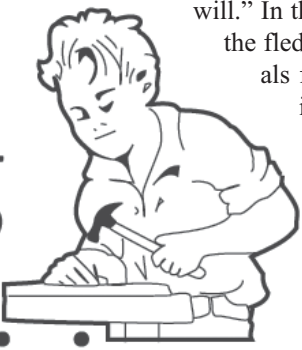
wanted to be sure that employees heard both sides of the union debate. "We [did] our best to provide educational resources to employees and to encourage them to participate in a free, fair and open election process." Among other things, the consultants told workers that the union would take their money and give them nothing in return, and would strictly control them, even during breaks.

Between May 9 and May 23, anti-union meetings were held three times a day, each time taking 10 nursing assistants away from residents. The clergymen requested permission to attend the meetings, but Ensign Group refused. After being led to believe that he WOULD be allowed to attend a meeting, Norman Cram, a retired minister, circulated a letter to employees supporting unionization. "My gut feeling is that Ensign Group will not deliver on their promises to workers any more than [it] delivered on [its] indication that I might be allowed to sit on a meeting," he wrote. "Accordingly, I offer an unqualified recommendation that workers vote for unionization."

Audra Makuch, organizer with SEIU 250, spent two months organizing the employees. She says, "[Union busting] is amoral and slimy and manipulative. Most importantly, it costs a lot of money. In 2000 Sonoma Healthcare Center received \$2.63 million from the State to run the nursing home. Almost 70% of the money comes from Medi-Cal. You take all those people off the floor for that time [to attend mandatory meetings], pay the fees of registered persuaders, and somewhere along the way, taxpayers are paying the bill. And that money is not going into patient care." Makuch says for the amount of money it spent on anti-union consultants - she estimates \$70,000 - Sonoma Healthcare could have hired three nursing assistants. California law prohibits using tax money to promote or deter unionization.

Though Easton insists that no state funds were used to provide the anti-union "educational opportunity," there may be a lawsuit in Ensign Group's future. Says Makuch, "We've talked to the attorney general [of California] and he may file suit. If not, there are numerous groups that will." In the meantime, the next step for the fledgling union is to draft proposals for improvements at the nursing home, and negotiate a contract with management. Guerrero is part of the bargaining team.

Delighted with the success that he and other workers at Sonoma Healthcare have had so far, Guerrero is confident that they will get a good contract. "I feel very happy. Very, very relaxed now," he says.



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Busting the Union Busters Update

At the end of June all parties involved in this labor dispute had a hearing to determine whether the company had valid reasons for requesting that the election be overturned. On the same day community supporters and caregivers turned out for a picket in front of the nursing home. On August 8th the National Labor Relations board issued a decision that the employer had no valid argument and ruled that the “employers objections be overturned in their entirety.” He also recommended that the union be certified, however the employer has appealed this decision to Washington DC. This can halt the process and the employer will use this time to frustrate and pressure workers. The workers are having an Unfair Labor Practice strike on August 29th. They are doing this to force the employer to bargaining and to stop the harassment of pro-union workers in the nursing home. The company has begun threatening the workers that they will be replaced if they have this legally protected strike.

Audra Makuch, Organizer, SEIU Local 250

Interfaith Forum Supports Living Wage

On May 9th over 50 committed local social justice workers met at the First United Methodist Church in Santa Rosa in an Interfaith Forum on the living wage and economic justice. The meeting was addressed by Tom Kimball, senior pastor at First United Methodist; Rev. Roger Powers, Associate Pastor at Montclair Presbyterian Church in Oakland; John Norris, deacon at St. Vincent DePaul Church, who also read a statement from Rabbi Michael Robinson, Rabbi Emeritus, Shomrei Torah Congregation; and Noreen Evans, member of the Santa Rosa City Council. The purpose of this forum, moderated by Marty Bennett, Instructor in History at SRJC, was to engage people of faith in the work to promote social justice through a just wage in a sustainable economy. The core conviction of the participants in the forum is that the living wage movement embodies a moral imperative central to the faith traditions.

As a practicing Catholic and a member of the St. Leo's parish, I see a natural affinity between the living wage movement and the enlightened tenets of the Catholic social justice teachings. These teachings place the welfare of the whole community and the preservation of human dignity through fair economic standards above the Darwinian dynamic of a market system. Mature Christians and discerning people of faith are being called by the Holy Spirit to evolve in our understanding of social justice. Individual acts of charity are commendable, but what our broken world needs is a transformation of the spiritual foundations of the social order, including the underlying economic structures. The living wage movement is a concrete step towards creating a higher civilization grounded in love, founded on justice. The Sonoma County Interfaith Committee for a Living Wage invites the faith community to join us in the good work ahead.

Ben Boyce

Update on homecare providers union contract

The union contract covering homecare providers is into it's seventh month and there is still much work to do. We are waiting out the California State budget process because there is a pay raise that was legislated two years ago. If the State budget included the funds, homecare providers wages will be \$9.50 per hour. The wage as of February 1, 2002, is \$8.50 per hour. Considering that just last January wages were \$6.75, these is a welcome improvements. The providers now also have health benefits, Kaiser, and a dental plan, Delta Dental.

The contract covering providers calls for a training program and a Registry. The new training program is being implemented by the Public Authority, PA. The PA was created by the Board of Supervisors to administer the In Home Supportive Services programs and is the management side of the labor relations equation for homecare providers. There have been three training session to date. The subjects included CPR, first aid, and safety precautions. The Registry that is maintained by the PA is growing, but the demand for providers continues to exceed available workers.

Homecare providers do the domestic and personal care tasks that a low-income disabled or elderly individual cannot. The domestic tasks include, taking the client to appointments, shopping, house cleaning, and laundry. Personal care tasks include bathing, dressing, grooming, changing bandages, bowel and bladder care. Homecare providers are proud of their contributions to their clients' quality of life. Our struggle to maintain a standard of living, and do compassionate work, is at the heart of homecare providers organizing efforts.

Peter Tiernan, Organizer/Field Representative

EVENT CALENDAR:

Town Hall Meeting on Living Wages and Economic Justice

Saturday, September 21st
9:30 a.m. to 12:00 Noon

at Santa Rosa Junior College,
Newman Auditorium
(Emeritus Hall off Elliott Street;
across from Plover Library)
Coffee served at 9:00 a.m.
in the Emeritus Hall Courtyard

Living Wage Coalition of Sonoma County

- I want to serve as a volunteer
- Please keep me informed
- Please send a speaker to my civic or religious organization
- I want to contribute \$ _____
- Please use my name as an endorser:

Name: _____

Organization: _____

Telephone (day): _____

Telephone (eves): _____

E-mail: _____

Mail to:

Living Wage Coalition of Sonoma County
PO Box 427
Santa Rosa, CA 95402

UPCOMING MEETINGS:

- The Living Wage Coalition of Sonoma County meets on the third Tuesday of each month at 6:30 p.m. Meeting dates for 2002 are: September 17, October 15, and November 12.
- The Interfaith Committee for living wages meets on the first Friday of the month at 10 a.m.

All meetings are held at SEIU (Service Employees International Union) Local 707, 613 Fourth St., Suite 206, Santa Rosa.

The research and organizing committees do not yet have regularly scheduled meetings and anyone interested should contact the committee chairs listed below:

Gene Hottel - outreach

(707) 525-8203 x220 - hottel@sonic.net

Marty Bennett - research and legal

(707) 527-4873 - mbennett@vom.com

Tim Wiese - organizing affected workers

(707) 235-8330 - wieset@mcn.org

Terese Voge - fundraising/media contact

(707) 586-3032 - fasc@fasc.org

John Norris - Interfaith Committee on Living Wages

(707) 769-9251 - johnnorris@aol.com

Lynne Hollander - volunteer coordinator

(707) 823-7293



PO Box 427, Santa Rosa, CA 95402

Living Wage Coalition of Sonoma County Releases UC Berkeley Fiscal Impact Report

August 2002 - The Living Wage Coalition of Sonoma County will soon release a report by the University of California Berkeley, Institute for Labor and Employment which analyzes the fiscal impact of the proposed Santa Rosa living wage ordinance. Samantha Teplitzky, a UCB graduate student in the Department of Geography, is the principle author. Professor Chris Benner, affiliated with the UCB Center for Labor Research and Education, and now the Department of Geography at Pennsylvania State University, served as a consultant.

The report examines poverty and the cost of living in Sonoma County, basic family budgets, what is a living wage for the region, the number of workers impacted by the ordinance, the direct costs for the city and city contractors, and the effects of the ordinance on the community and working families. In addition, the report analyzes the potential fiscal impact for the City of Petaluma if a similar ordinance were to be introduced there.

The report is based upon the original ordinance which the Living Wage Coalition of Sonoma County proposed to the Santa Rosa City Council nearly a year ago. The council on a 4-3 split vote refused to form a taskforce to study the proposed ordinance last December. Since that time the coalition has developed a revised ordinance to present to the council.

The new ordinance is modeled on an ordinance passed by the City of Richmond in September 2001. The revised ordinance would mandate that the city, municipal contractors, and firms receiving public subsidies pay their employees \$12.25 an hour plus benefits or \$14.00 without. The data and conclusions of the UCB report are applicable to the revised ordinance.

The main conclusions of the report are as follows:

- Poverty, income inequality, and the cost of living in Sonoma County have risen dramatically in Sonoma County. 57% of the wage earners receive less than \$12.50 an hour and 36% of wage earners receive less than \$10.00 an hour. 20.6% of families in the county are the working poor and cannot make ends meet.
- Sonoma County is the fourth least affordable housing mar-

ket in the nation and rents have increased 23% since 1999. To pay no more than 30% of their gross monthly income in rent and afford the average monthly rent of \$1,145 in 2001 (for a two bedroom apartment), a worker must earn \$22 an hour.

- An 'hourglass' economy has emerged in the county; between 1995-2002, 44% of the new jobs created paid less than \$10.00 an hour and were in the low-wage service and retail sectors. Well paying jobs in the high-tech sector accounted for only 9.3% of the new jobs during this period.
- The majority of new jobs created in the next decade will pay salaries of less than \$30,000 annually.
- For a two-parent, two-child family in Sonoma County two full-time wage earners must earn \$15.00 an hour to become economically self-sufficient and to pay for housing, child care, food, transportation, and medical expenses.
- Approximately 400 full and part-time workers are employed by the City of Santa Rosa and city contractors who would be covered by the proposed ordinance. These include parking lot attendants, crossing guards, janitors, landscapers security guards and others.
- To raise wages to \$12.50 an hour for these covered workers will mean an average increase in costs of approximately 7%, as a percent of total revenue, for firms contracting with the city.
- Firms impacted by the ordinance will absorb half of these costs due to decreased turnover, increased training, and increased productivity; half of the costs will be passed on to the city.
- A comprehensive review of staff reports and academic research about other municipalities which have passed living wage laws such as Berkeley, Los Angeles, San Jose, and Pasadena indicates the following: no city has been adversely impacted financially, there has not been a decline in the number of firms bidding for city contracts, and the quality of services provided by city workers and city contractors has improved. Implementing an ordinance in Santa Rosa should yield the same results.

The revised ordinance and UC fiscal impact report will be posted at: www.livingwagesonoma.org

Interfaith Debate on Living Wages sponsored by Congregation Shomrei Torah and Christ Church Methodist

Thursday, October 3 at 7 p.m.
1717 Yulupa, Santa Rosa

for information call: 707-537-9535

The City of Fairfax Town Council in Marin County passes living wage ordinance

August 8, 2002 - The City of Fairfax Town Council in Marin County passed a living wage ordinance that mandates all employees of the city, city contractors, and firms receiving public subsidies pay \$13.00 an hour with benefits and \$14.75 without. The ordinance applies to approximately 12 firms who have contracts over \$10,000. This is the highest living wage ordinance passed in the nation. The City of San Anselmo is now considering a similar ordinance.

TOWN HALL MEETING

On Living Wages & Economic Justice

Date: Saturday, September 21st, 2002

Time: 9:30 AM to 12:00 Noon

Place: Santa Rosa Junior College, Newman Auditorium
(Emeritus Hall off Elliot Street: across from Plover Library)

* Wheel Chair Accessible * Free Parking *

COFFEE SERVED AT 9 AM IN THE EMERITUS HALL COURTYARD

SPEAKERS:

- **MICHAEL ALLEN**, General Manager of SEIU Local 707, and President of North Bay Labor Council.
- **PETER HALL**, UC Berkeley, Center for Labor Research and Education.
- **REV. THOMAS KIMBALL**, First United Methodist Church.
- **MARSHA VAS DUPRE**, Santa Rosa City Council.
- **PAT WIGGINS**, Assemblywoman, 7th District.
- **REV. PHIL LAWSON**, Richmond Vision 2000.

PROGRAM:

- Review of the revised living wage ordinance proposed for Santa Rosa.
- Presentation and summary of the UC Berkeley fiscal impact report for the proposed ordinance.
- Dialogue about the campaign and new ordinance. Discussion about the fall city council elections.

Live Entertainment! Living Wage culture!

For more information call the Living Wage Coalition @ 545-7349 ext. 220.

Revised ordinance to be posted at:

OFFICIAL ORGANIZATIONAL ENDORSERS OF THE LIVING WAGE COALITION