

David Swanson Column, 2/21/05

## Thirty-One States and DC Take Action on Minimum Wage

If George W. Bush finishes a second term and avoids adjusting the federal minimum wage, we will have completed an 11-year record stretch without any adjustment. The previous record of nine years was brought to us by Ronald Reagan. The current federal minimum wage of \$5.15 per hour is over 40 percent below the 1968 level adjusted for inflation. A full-time worker taking no vacation or holidays and earning the federal minimum wage earns 55 percent of the federal poverty line for a family of four and a much smaller percentage of what it takes to actually pay the rent and basic living expenses in most parts of the country. Such a worker qualifies for much of what remains of public support and assistance, placing the

burden on taxpayers to pick up where employers fail to pay a living wage.

The states aren't taking this attack on their citizens' living standards lying down. The living wage movement is moving to the state level. After winning living wage laws in 123 cities and counties (laws that mandate higher minimums for certain categories of workers) and city-wide minimum wage hikes covering all workers in four cities (D.C., Santa Fe, San Francisco and Madison), the campaign for decent wage standards has shifted the battleground to the state level.

(Continued on page 2)

## Victory! Board of Supervisors Passes Jobs-Housing Linkage Fee

This Smart Growth with equity measure is part of the overall strategy to improve the lives of working people in Sonoma County. This victory inaugurated the Sonoma County Accountable Development Coalition.

### Coalition Members

- League of Women Voters of Sonoma County
- Living Wage Coalition of Sonoma County
- Sonoma County Conservation Action
- New Economy, Working Solutions
- Sierra Club Redwood Chapter
- Housing Advocacy Group
- North Bay Labor Council
- The Greenbelt Alliance
- Burbank Housing

Sonoma Valley Voice, Will Shonbrun, 4/4/05

## A Fair Share - Workers Create Wealth, But Live In Poverty

New Economy, Working Solutions Forum Debuts New Report on Income Inequality and Working Poverty in the North Bay

The newspaper headlines pretty much tell the story and the by-now familiar numbers confirm what many knew or suspected all along -- the rich are getting richer and the poor are getting poorer. No surprise there, but now a new report by U C Berkeley researchers Nari Rhee and Dan Acland entitled, "The Limits of Prosperity: Growth, Inequality and Poverty in the North Bay," published by New Economy, Working Solutions, a research and

educational organization in the North Bay, has the data to back up the old adage.

"The rising economic tide of the 1990s didn't lift all boats - the yachts and the cruise ships did fine...(but) those families that are hanging on to their rafts continue to face very choppy waters, and they're in danger of being washed away," Congresswoman Lynn Woolsey told an audience of 200 at a recent forum on the SRJC campus.

Getting specific, Woolsey blamed a failed Bush administration economic policy that has increased the ranks of the unemployed by 2 million since 2001, and increased the number living in poverty by 4.3 million -- 1 million are children. "This is not acceptable...not consistent with American values," Woolsey exhorted. Sounding some themes that would be revisited throughout the forum, she emphasized education as a key to

(Continued on Page 3)



Supervisor Mike Kerns and Professor Francisco Vazquez, Limits of Prosperity Forum, SRJC 3/5/05

Woolsey was part of a panel of local political notables including: Assemblywoman Noreen Evans, County Supervisor Mike Kerns, County Superintendent of Schools Carl Wong, SSU Professor Francisco Vazquez, Fr. Ray Decker, formerly Public Policy Director - Oakland Diocese, and Marty Bennett, Board Chair of New Economy, Working Solutions.

### INSIDE ...

<i>Sonoma Healthcare Center Workers Join SEIU 250</i>	..... 2
<i>Petaluma Campaign Underway</i>	..... 4
<i>Coalition Urges Support for Affordable Housing</i>	..... 5
<i>Limits of Prosperity Forum</i>	..... 5
<i>City Saps Seniors</i>	..... 6
<i>Widening Gap</i>	..... 6
<i>SEIU UHW Strategic Retreat</i>	..... 7
<i>Smart Growth/SMART Rail</i>	..... 8
<b>Join the LWC Today!</b>	

# Sonoma Healthcare Center Workers Join SEIU 250

In August 2004, the National Labor Relations Board upheld the May 2002 vote by Sonoma Healthcare Center nursing home workers to join SEIU 250, California's largest health care workers union.

The results of the election had been delayed for more than 2 years by the Ensign Group, the for-profit corporation that operates the Center, and the fifth largest and fastest growing nursing home chain in CA. During that time, the Ensign Group wasted hun-

dreds of thousands in resident care dollars on an expensive campaign to intimidate and silence employees rather than to work with caregivers to bring about positive change in the facility.

The Living Wage Coalition played a central role in the community support base - sponsored a major forum on the crisis at the SHC, turned out supporters for a rally and one-day strike and lobbied the Sonoma City Council to pass a resolution condemning the company's anti-union activities.

The NLRB decision means that the Ensign Group is now legally required to recognize the union. "This has been a long struggle for all of us working at Sonoma Health Care Center," said Rosa Aparicio, a certified nursing assistant. "We are very excited about joining SEIU 250. We hope that now our employers will finally work with us to improve our facility."

**To find out how to help contact  
Travis Sexton at [tsexton@seiu-uhw.org](mailto:tsexton@seiu-uhw.org)  
(415) 740-4515 ■**

## Minimum Wage *(From page 1)*

Thirty-one of the 50 states, plus the District of Columbia, have either set a minimum wage higher than the federal level of \$5.15 per hour, or have had bills introduced in their legislatures this year that would do so.

Fourteen of these, plus D.C., have already created minimum wage levels higher than the federal, or — in the case of Florida — have put the law on the books though it has yet to take effect. Three of these 14 (WA, OR, FL) have indexed their minimum wage levels to automatically increase each year with the cost of living, thus eliminating the need for an annual campaign to prevent the minimum wage from losing value. Five of the fourteen (MA, CA, CT, HI, VT) also have bills in their legislatures that would further increase their minimum wages.

Of the 17 states that do not yet have higher minimum wages but have had bills introduced this year, two (WY, ND) have already seen those bills defeated. Bills in some other states have a good chance of succeeding. Three that are almost certain to fail (AZ, OH, MI) are in states where activist campaigns led by the community group ACORN along with labor and other allies, are fully committed to gathering the signatures needed to force the issue onto a ballot initiative in 2006. The voters in Nevada, like those in Florida, passed a minimum wage increase by ballot initiative last November which included indexing to the cost of living, but initiatives in Nevada must be passed twice. The second vote, which is expected to succeed, will come in 2006.

The movement for a fair wage has moved to the state level in part because no one expects action out of Washington as long as Republicans control the Congress and the White House. Another factor is the success

of living wage efforts at the local level. There aren't very many big cities left to win a living wage ordinance. Only four passed them in 2004, bringing the total to 123. But at least as big a factor as these is the approach that the opposition has taken. Chiefly as a result of lobbying and campaign contributions from hotels and restaurants, and the "think tanks" they fund, eight states have banned city-level minimum wage laws. It's nine if we include Missouri, which is in dispute. The other eight are Arizona, Louisiana, Colorado, and Texas, plus two that also ban local living wage laws (UT, SC) and two that at least have state-level laws, making the ban on local laws less damaging. (OR, FL).

Before focusing so heavily on the state level, the living wage movement took the step three years ago of campaigning for city-wide minimums. After a campaign led by ACORN and SEIU Local 100 passed an initiative to create a minimum wage for New Orleans, the Louisiana Supreme Court threw it out. The living wage coalition there began working on state legislation. But other cities picked up where New Orleans had shown the way. An ACORN-led campaign in San Francisco has just created a minimum wage there, and activists are now pushing for the same in Berkeley, Oakland, and Emeryville. Coalitions in Madison, Wis., and Santa Fe, N.M., have also won city-wide minimums. The opposition in New Mexico is attempting to eliminate the Santa Fe ordinance at the state level by banning all local minimum wage laws. Labor and community groups, including ACORN, are fighting that effort at the state level while simultaneously campaigning for a citywide minimum in Albuquerque.

The new focus on the state level includes an

effort to make state minimum wages as lasting as most living wage ordinances by indexing them to the cost of living. Indexing is a goal of state campaigns in New Jersey, Massachusetts, and Maryland, among other states, according to Jen Kern, Director of Acorn's Living Wage Resource Center.

The state-level fight also allows the expansion of decent wage levels to more "red states." Nevada voters last November chose both the most anti-labor president ever to occupy the White House and an increase in the state minimum wage. The map that accompanies this article (on the LWC web site) is more encouraging than the typical "blue state" map, in that it includes states with strong economic liberalism even if they may be afflicted with cultural conservatism.

There are signs that leaders in the Democratic Party are noticing. Senator Edward Kennedy, who has introduced a bill that would raise the federal minimum to \$7.25 by 2007, will speak at Acorn's upcoming annual legislative conference about the need to win higher minimum wages at the state level. And former Senator John Edwards recently met with ACORN and committed to working to support these state campaigns. If these efforts result in a distinct message for the Democratic Party as the party that can see beyond the selfish interests of robber barons, the living wage movement might just jump to the national level. And so might the Democratic Party. ■

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## A Fair Share (From page 1)

upward mobility and economic growth, combined with an increase in the federal minimum wage - at \$5.50 /hr. since 1997 - and the need to stem the loss of technology jobs to outsourcing.

Multiply the stories of Wilkens and Silva (in box below) by the thousands and a picture of the lives of the working poor starts to emerge.

"What's happening is a phenomenon that really should be an oxymoron, which is working poverty," says report researcher Dan Acland. Although there has been job growth in Sonoma County, "Growth is not enough. There's prosperity, but it is not shared," says Acland. "The federal poverty level (\$18,811 for a family of four), especially in the North Bay, is a pretty ridiculous underestimate of what it takes to live a basic-necessities level of a standard of living." The study shows a self-sufficiency annual wage of \$53,000 is needed to cover basic costs of living in Sonoma County for a family of four.

Recently elected Assemblywoman Evans reminded the audience that the local papers, while ballyhooing the surge in job growth in the county, said nothing about what kind of jobs and what they pay. Her remarks focused on the need for an increase in the state minimum wage and the importance of living wage ordinances at the local level. She pointed out that low wages, while serving the business community, simply transfer economic responsibility to taxpayers in the form of subsidies for affordable housing, health care, welfare, child care, food stamps and other public subsidies. After listening to testimony from some of

## Key Findings - The Limits of Prosperity: Growth, Inequality and Poverty in the North Bay:

- ✓ Despite the economic boom of the 1990s and a current up tick in jobs in the North Bay, the number of working families living in poverty increased.
- ✓ Income inequality grew sharply during the '90s. In Sonoma, the average income of the top one-fifth of wage earners (\$180,000+) increased 24 percent, while the bottom one-fifth (\$23,000) grew a meager 4 percent.
- ✓ Job growth in the North Bay in the '90s saw the greatest increase in low-skill, low-wage jobs, primarily in the service industries and high-wage occupations in the professional sector, while middle income jobs were stagnant — creating an "hourglass" economy.
- ✓ Minorities, Latinos in particular, comprise a large proportion of the economic underclass stuck in low-wage, insecure jobs.

the low-wage workers, Supervisor Mike Kerns asked, "Is there a fundamental fairness with this type of economy? No, it's unjust and we need to do something about it." Kerns emphasized the need for the county to provide more affordable housing through changes in the zoning codes regulating housing in the General Plan. He listed three goals currently under review:

- 1) Revising development standards
- 2) Expanding varieties of affordable housing, i.e., mixed-use, live/work units, mobile homes, and single-room occupancy units, and
- 3) Requiring new development to include affordable housing or pay in-lieu fees or equivalent alternatives.

Kerns reiterated the importance of living wage ordinances, increasing the state minimum wage and organizing low-wage workers, "...if we are to climb our way out of this morass of poverty and economic unfairness."

NEWS Chair and forum organizer Marty Bennett and researcher Nari Rhee outlined the recommendations cited in the study considered most important in bringing about economic justice. They urged the need for a higher state minimum wage

indexed to inflation, economic development subsidies and job training programs that create good jobs with career mobility, living wage ordinances, increased access to affordable housing and health care, and protections and support for workers seeking to form unions.

Looking at the broader picture and implications of working poverty, Fr. Ray Decker spoke of a "fundamental shift in the basic national ethos... that bears upon our local economic situation." Recalling the egalitarian ethos of the great social programs of the 1930s - 1960s in contrast with the last 30 years of corporate autonomy, trickle-down economics, and a screw-you-I've-got-mine philosophy, Decker mourned the shift from a community-oriented democracy to a self-serving conservatism.

It seems impossible not to be moved by the stories of struggle and economic oppression of our fellow citizens caught on a wheel of working poverty, and now there is the requisite data offering proof of the hard reality we know exists in our community. What remains to be seen is what, if anything, is done about it. ■

## North Bay Residents Working Hard But Falling Short

What the forum and the NEWS report provided that the local press coverage did not, were the stories from the workers themselves, the ones living on the edge of poverty. Here were the faces that went with the facts and figures:

Jose Silva is a Sonoma County farm laborer who has worked 15 years for a wine company that pays \$8.18 /hr. with no benefits. He is married, has a family, lives in substandard housing and can afford health insurance only for his children. "Wine companies are [getting] rich. Workers [are] making them rich. It's time they respect us. [We need] medical and pension plans [and] good wages."

Joyce Wilkens is a Head Start teacher in Sonoma County struggling to support her two children and her disabled mother. Despite ten years experience, she earns \$10.46 /hr. She's taking community college classes in hopes of earning a higher salary. "I need to start looking for a second job so I can afford to finish school." One wonders how this will affect her family. ■

**The Limits of Prosperity Report**  
[www.neweconomynorthbay.org](http://www.neweconomynorthbay.org) or  
send \$12 to PO Box 6298, SR, CA 95406

## How Else Can We Help?

*Speakers*  
*Resource Materials*  
*Inter-Denominational*  
*Events/Forums*



**For help planning events or for more info please contact:**

**Ben Boyce, (707) 935-1642**

# Petaluma Living Wage Campaign Underway

By Ben Boyce, Living Wage Coalition Coordinator / Marty Bennett, New Economy, Working Solutions Executive Director

The Living Wage Coalition (LWC) of Sonoma County formed a committee in Petaluma to explore the economic and political feasibility of passing a living wage ordinance in 2000. That core group, which is still largely intact, focused on outreach efforts and public education while the LWC passed living wage legislation in Sebastopol in 2003 and Sonoma in 2004. The LWC sponsored a poll of Petaluma residents conducted by Citizens for a Better Sonoma County in 2002 that demonstrated broad support for a living wage ordinance. The Petaluma Living Wage committee began meeting monthly by mid-year of 2004, and has developed a strategic plan for passage of a citywide living wage ordinance. The first step in this process was the council's approval of a fiscal impact study in December 2004, prepared by the UC Center for Labor Research and Education.

The Petaluma Living Wage campaign is an important step towards our long-term objective to pass Living Wage Ordinances in the main cities and the County of Sonoma and to build public support to raise the statewide poverty-level minimum wage of \$6.75 an hour. Our proposed ordinance will be similar to legislation passed by the City of Sonoma which requires the city, city contractors, and firms receiving economic development assistance to pay \$11.70 an hour with benefits. The ordinance will cover firms with 25 or more employees who locate in the two 3000 acre redevelopment districts and receive public subsidies from the city. City officials estimate that up to 2,500 jobs, mainly in the typically low-wage service sector, could be created in the redevelopment districts. Implementation of living wage legislation could dramatically impact the quality of jobs in central Petaluma and promote more sustainable and equitable economic development.

The LWC believes that when public subsidies are provided to private developers decent jobs with benefits should be created and firms receiving economic development assistance should respect the labor rights of their employees. The LWC played an essential role in negotiations between the Hotel and Restaurant Employees, (HERE) Local 2850, the City of Petaluma, and the

developers of the Petaluma Sheraton to draft a public subsidy agreement in 2001, hitherto unknown in this county. The agreement mandated that in return for \$2.75 million in tax breaks and loans, the owners would pay their employees a living wage of \$10 an hour and pledge to remain neutral if the employees seek union representation. In September 2003, the LWC relied upon its community support base to defend this agreement when new owners, WG Investment Group, founded by Telecom Valley entrepreneurs Don Green and John Webley, demanded that the City scrap the labor provisions. The LWC and HERE 2850 turned out more than 100 supporters to a city council meeting which included a large contingent of Latino workers from St. Vincent's Parish. This outpouring of public support was instrumental in stiffening the resolve of the city council to hold the new ownership to the original terms of the agreement. The federal arbitrator ordered a second union vote, following substantial fines to WG Investment Group for violation of the neutrality agreement, which is scheduled for November 2005. The LWC anticipates that community support for the workers is essential to ensure a fair election. We will organize and educate city residents to pressure the company to respect the basic democratic rights of these hotel workers.

The LWC has been visible across the county in support of efforts by workers in the construction, municipal services, and nursing home industries to gain good wages and benefits by unionization. Recently the LWC has supported Latino waste haulers employed by Empire Waste Management who joined Operating Engineers Local 3 and are attempting, in the face of a concerted anti-union effort, to bargain a first contract. We believe implementation of our proposed ordinance with a 'responsible bidder clause' for all city contractors will encourage firms with excellent records of compliance with labor, health and safety, and environmental law to contract with the city.

The LWC plans to develop a grassroots community-labor organizing campaign targeting workers and neighborhoods most likely to be impacted by the proposed Living Wage Ordinance. Central Petaluma

will be the primary focus for 2005. We will conduct house meetings to generate grassroots support for the Living Wage Ordinance in low-income neighborhoods inside and adjacent to the redevelopment districts. Last fall, members of the LWC did a thorough canvass of these working class and Latino neighborhoods in support of Prop. 72, which would have required large employers to provide healthcare coverage for their employees. We discovered broad support for the core principles of the Living Wage movement and identified numerous supporters. The LWC will partner with Sonoma County Conservation Action to coordinate a citywide canvassing campaign and to develop a team of living wage supporters in each precinct. In consultation with our partners at EBASE (East Bay Alliance for a Sustainable Economy) who have led the fight for living wages in the East Bay, we will initiate a training program for local residents to serve as community leaders and precinct captains in the living wage campaign.

Finally, we plan to develop a media campaign that will include op-ed pieces, letters to the editor, and radio and TV guest spots. We will make presentations to religious congregations, schools, and citizen advocacy groups to seek both individual and organizational endorsements. We will also launch an extended petition gathering effort at the farmers market and other public events to demonstrate community support. It is likely that the living wage campaign will intersect with other citizen action groups seeking to block the introduction of low-wage big-box stores such as Lowes Home Store on the East Side. We will sponsor a major community forum this fall to introduce Living Wage and Accountable Development principles. Join the living wage movement and help us work for economic justice in Sonoma County. Contact Ben Boyce at (707) 935-1642 or [ben.boyce@sbcglobal.net](mailto:ben.boyce@sbcglobal.net).

**"We have the moral duty to co-create economic institutions that serve the common good and ensure shared prosperity."**

▶ ▶ ▶ See letter at right. ▶ ▶ ▶

# Coalition Urges Support for Affordable Housing

By Kelly Brown, Sonoma-Marin Field Representative, Greenbelt Alliance, 707 575-3661

The Sonoma County Accountable Development Coalition, a coalition of business, labor, environmental and housing advocacy groups packed the chambers of the Sonoma County Board of Supervisors on April 5<sup>th</sup> and April 26<sup>th</sup> to address the County's need for more affordable housing. The Supervisors heard public testimony on Inclusionary Housing and Workforce Housing Programs. The programs – which implement commitments made in the County's latest General Plan Housing Element – were recently approved and recommended for adoption by the County's Planning Commission.



**Petaluma City Council Member  
Mike Healy**

The inclusionary program would require new housing developments to include homes affordable to low- and moderate-income households. All of the cities in Sonoma County have adopted inclusionary ordinances. The proposal approved by the Planning Commission would require that one fifth of new units in developments of 5 units or more be affordable to low- or moderate income households. Developers are given some flexibility in how the affordable units are to be provided, including the option to donate land for future development instead of building the units on site. Smaller developments – less than 5 units – are given the option of paying an 'in lieu'

fee instead of building the units on site.

The Workforce Housing program would place a small fee per square foot on new commercial development that would go into the County's affordable housing trust fund. According to Stephen Harper, chair of the Sonoma County Housing Advocacy Group, this fee would help provide housing for the new employees in the commercial development. "A new Walmart store creates about 200 lower wage jobs. These new workers will have to have housing they can afford. This Workforce Housing Program will help provide some housing," said Harper.

"We support the Workforce Housing Pro-

gram because it helps housing creation keep up with job creation, so working people can live in the communities they serve," says Dave King, Chair of the Government Affairs Committee for the Petaluma Area Chamber of Commerce. Petaluma City Council Member Mike Healy, who spoke in favor of the new programs, said a similar fee adopted by Petaluma has helped provide funding to encourage affordable housing in the city. "The money from the fee is modest, but any money the city raises through this and other local programs generates 9 or 10 times more in state, federal and private funding. In addition, companies that are considering Petaluma for new facilities appreciate that we're trying to maintain a healthy balance in the community between jobs and housing," said Healy.

These policies will also benefit the environment. If we don't build housing that working people can afford, we will lose our farmland and open space to sprawl, and clog our roads with traffic. That won't be good for Sonoma County's environment, residents or businesses. The success of the Sonoma County Accountable Development Coalition is a model for how citizen action groups can band together to effect change.

## Letters to the Editor...



**Press Democrat, Ben Boyce, 3/05**

### **Limits of Prosperity Forum Diagnoses Low-Wage Labor Market**

The policy forum at SRJC on Saturday, March 5, sponsored by New Economy Working Solutions and the Living Wage Coalition, marked the release of a significant new study on the growth of income inequality in the North Bay. The report, "The Limits of Prosperity" resonated with many in the North Bay who had a gut-level sense that poverty was deepening and that the middle class is shrinking.

Our fears have been substantiated by the report. The facts are in: since 1980, income growth for the top 20% bracket has

expanded dramatically, while the lower income brackets have been stagnant or have even declined. Significantly, the middle-income brackets are thinning out, as a result of outsourcing, degradation of job quality and declining union density.

The report offers a statistical snapshot that traces the contours of descent in the living standards of workers in the North Bay. The pattern of polarization of wealth described in the study is a consequence of the intersection of two macro-economic trends: internationally, the form of globalization created by the NAFTA and GATT trade regimes, and the corresponding domestic agenda, the low-wage 'WalMart' economic development model.

This model is, in essence, a business

strategy based on manufactured goods made by Asian ultra-low-wage labor, sold in the U.S. by low-wage workers with few benefits and high levels of job insecurity. This is not a sustainable economic development model. The social and political stability of the American system has rested on a strong, secure middle class. The low-road development strategy promoted by Wall Street and its political representatives is stripping out the social and political insulation provided by a more widely shared prosperity.

One of the panelists at the forum, Fr. Ray Decker, made the observation that, "Markets are not dictated by nature; they are human institutions that can be shaped to serve the needs of society".

# City Saps Seniors

By Tony White, Professor of History at Sonoma State University and member of the Living Wage Coalition

In Santa Rosa, the "City Designed for Living," one does not have to look very far to see the "two Americas"; that is, a country divided between a few affluent Americans and many hardworking members of society who are struggling to make ends meet, even after reaching retirement age.

What is even more disturbing is that among the latter are employees of the city of Santa Rosa. They are the 28 men and women who operate the toll booths in the five city-owned parking lots. Their ages range from 65 to 89. They work four-hour shifts, sitting in small booths breathing automobile exhaust fumes, and they earn much less than a living wage in Sonoma County.

Besides making change and operating the ticket machines, they are also responsible for security, calling the police or emergency services, arranging for a tow truck in the case of breakdowns and helping when the ticket machines malfunction. Occasionally, they also have to cope with unruly patrons or disturbances in the lots. While the city plans to automate the facilities, an onsite

employee will still be needed for these other functions. For these services, they earn between \$8.15 to \$9 per hour without benefits.

Because they are classified as temporary part-time employees, even though a number have worked 10 to 20 years for the city, they are denied any benefits. If they were reclassified as permanent part-time, they would be entitled to benefits like other city employees, including paid vacations, sick leave and medical insurance.

Why does the city discriminate against this group of city employees? Contrary to public perception, they are not whiling away their "golden years," but are working to supplement their pensions, life savings or social security. Having worked all their lives, they continue to work in order to pay their bills, especially the increasing costs of medical insurance and prescription drugs. They include professionals, teachers and tradesmen with a wide range of formal education, training and work experiences, and most of

the men are veterans.

After the parking lot attendants voted to join SEIU Local 707 in 2003, they negotiated a contract with the city. This year the city offered all its employees a 2 percent pay increase, but given the low wages of the attendants, that amounts to an increase of only 16 cents to 18 cents per hour, or between \$2 and \$3 per week, the cost of a loaf of bread or a café mocha. Given the high cost of living in Sonoma County, this offer was an insult to these honest, hardworking and loyal city employees. The city also refused to discuss paid holidays, sick leave or healthcare benefits for the parking lot attendants.

When a state negotiator was brought in to mediate, the city refused to reconsider, even though parking lot attendants in several comparable cities in California not only receive higher pay, but also health coverage, including dental care, sick leave, paid vacations and contributions to retirement plans.

As citizens who are concerned about human decency, we should insist that the mayor and the city council treat the parking lot attendants with dignity and respect and offer them a living wage with benefits.

Sonoma West Times Editorial, Barry Dugan, 3/24/05

## Widening Gap



A new report on Sonoma County's economic growth during the past 20 years and the effect on low-income residents paints an alarming picture of who has reaped the benefits of the county's prosperity.

The report's findings show an "hourglass economy" that has created jobs at the top and the bottom of the wage scale, but not a lot in the middle. During the 1990s, the wages of the top one-fifth of the workforce increased by 24 percent while the bottom one-fifth saw wages increase by just 4 percent.

The report, titled "The Limits of Prosperity," was issued earlier this month by a nonprofit research group, New Economy, Working Solutions (NEWS). The report paints a bleak picture of the creation of a "minority underclass" that is composed mostly of Latinos, with the brunt of

the economic inequality being borne by women and minorities. And it projects that economic growth in the future is likely to worsen income inequality and poverty.

The NEWS report provides the basis for serious policy discussions among community leaders and elected officials. "Our purpose is to sound the alarm with this report," said Marty Bennett, board chair of NEWS. "There is nothing inevitable about the continued growth of the hourglass economy ... it awaits the political will and the political muscle to implement reforms that can put us on the high road."

Does the political will exist in city and county governments to implement the reforms that over the long run can have an effect on reducing poverty and creating more equal opportunities for low-income workers and their families? Can elected officials confront the economic and social realities of a growing minority underclass, and its related impacts and costs?

The local level is where the changes must start. One idea is the Community Impact Report, akin to an Environmental Impact Report, which analyzes the social and economic impacts of development, such as a new Wal-Mart store in Santa Rosa for example. And local governments can use redevelopment funds, as some already do, to stimulate good jobs and subsidize housing. Another idea is the jobs-housing linkage fee that requires commercial development to help underwrite housing costs. Some communities have considered living-wage ordinances, establishing their own minimum wages that are more in line with the local cost of living.

The growing income gap in Sonoma County is not an inevitable consequence of economic success. Prosperity can and should be shared more equally by those who contribute to local economic success, including low and high wage workers, women and minorities. Local government and community leaders must seriously consider the economic and social reforms suggested in the NEWS report. ■

# Union Filing Unfair Labor Practices Suit SEIU UHW Makes a Strategic Retreat at Memorial Hospital

SEIU UHW (Service Employees International Union United Healthcare West) announced the withdrawal of their petition for a National Labor Relations Board (NLRB) election at Memorial Hospital on February 1st. The vote had been scheduled for February 2nd and 3rd, following the initial filing of the petition on December 16th. The postponement of the vote on union representation was a retreat on the part of the SEIU organizers and employee activists, in response to their claims that Memorial Hospital had engaged in unfair labor practices, a charge denied by the Memorial administration.

The SEIU organizing drive at Memorial Hospital was the largest union campaign for healthcare workers in Sonoma County in 30 years. Community groups, including the Living Wage Coalition, which has worked in support of the union from the inception of the campaign, mobilized vigorously in behalf of the union drive.

Over 900 technical and service workers were eligible to vote for collective bargaining representation. The hospital had been engaged in intense internal debate for over a month in preparation for the vote. At stake was whether the Memorial staff would join their colleagues at Kaiser Permanente and Sutter Medical Center in being represented by a union, or if they would continue to be the only major hospital in Sonoma County not under union contract.

Union organizers and employees met on the weekend prior to the withdrawal announcement to assess their prospects. The consensus decision was to postpone the NLRB vote given the attrition in their numbers from the initial point of 67% in

favor of union representation to a 50/50 chance of success. The pro-union forces wanted a decisive victory rather than a close election. Rocio Allen, a nurse's assistant and union supporter, stated, "The vote could have gone either way...we would like to have an overwhelming approval."

SEIU UHW headquarters in Oakland released a statement announcing their intention to file an unfair labor practices suit with the NLRB. The statement alleged that "hospital management created a threatening and coercive environment that made a fair union election impossible."

Carol Aaron, senior vice-president for human resources at Memorial, countered this claim, insisting that the hospital had acted within the NLRB guidelines. "St. Joseph Health System – Sonoma County is committed to maintaining effective relationships with our employees first and foremost. As with the recent SEIU petition, we honored the guidelines outlined by the National Labor Relations Board to conduct a fair election. It was the SEIU's choice to withdraw its petition and cancel the election, which is what occurred. As for St. Joseph Health System – Sonoma County, we will continue to honor our policies which include affirming the right of employees, collectively and individually, to decide whether or not to participate in a union or association for the purposes of collective bargaining."

Local SEIU UHW lead organizer Steve Sidawi stated that a community board of inquiry is compiling an extensive list of NLRB violations and ethically questionable practices. He stated that, "Management had created a hostile environment that prevented discussion of the

real merits of the union." According to Sidawi, "In addition to the standard American corporate employer violations of employee rights, such as compulsory attendance at anti-union propaganda events, with videos and literature supplied by the lawyers at the anti-union consultant firm, many employees were subjected to two-on-one meetings with their supervisor and his or her manager. These meetings were clearly meant to intimidate potential union supporters. Management also gave substantial wage increases to the majority of staff, raises that they had claimed were not feasible only a few months ago, prior to the union campaign." He also noted the introduction of new anti-union techniques by the consultant firm, the Burke Group. "Rather than put the management out front, the consultants helped organize groups of quasi-supervisory employees claiming to represent the workforce, who held public meetings to create an 'astro-turf' simulation of a grass-roots opposition to the union. These groups even stole a time-honored union tactic, doing a street demonstration with picket signs, but with anti-union slogans! They are blazing new trails in union-busting."

Representatives of SEIU UHW were adamant that they would regroup and reschedule an election after the community board of inquiry released their findings and the employees had the opportunity to objectively evaluate their situation. They plan on continuing to petition the Sisters of St. Joseph of Orange, the nominal owners of the hospital, to acknowledge that the corporate executives that they have hired to run the institution do not answer to the Christian ethic of charity, but to the corporate ethic of power and money. ■



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*"The arc of history is long, but it bends towards justice"*  
Martin Luther King Jr.

**Contact Us . . .**  
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Living Wage Coalition of Sonoma County

Please consider becoming a member today. Use the enclosed envelope or visit <http://www.livingwagesonoma.org>

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## SMART GROWTH WITH EQUITY: RAILROAD SQ. COMMUNITY BENEFITS AGREEMENTS PLAN

Santa Rosa has an extraordinary opportunity. Plans are now moving forward for the development of over five acres of empty land in Railroad Square that could help revitalize the city core and concentrate future growth near the rail and Highway 101 corridor. The Sonoma Marin Area Rail Transit (SMART) District owns this land, and has recently entered into a Memorandum of Understanding (MOU) with the City of Santa Rosa for its development. The MOU envisions releasing a Request for Qualifications/Proposals (RFQ/P) in July. It is planned to select the developer during 2005.

Two forums are planned to help citizens understand the options and opportunities for the development of this property and to ask questions or make comments.

**IMPORTANT SMART BOARD MEETING:** Public Comment Session  
June 21 - 7 PM CHOPS Teen Center  
509 Adams St. in Santa Rosa.  
SMART consultants will make presentations

on current planning work being done for SMART owned properties located at Railroad Square and the public will be able to ask questions and make comments to the board regarding future developments on these properties.

**TRANSIT ORIENTED DEVELOPMENT**  
**Wednesday June 29 - 7:00-9:00 PM**  
6th Street Playhouse 52 W. 6th St.  
Phil Erickson, station planner for SMART;  
Rick Williams, architect, from the MTC;  
Julian Gross, California Partnerships for Working Families

**PLANS FOR THE PROPERTY**  
**Wednesday July 6 - 7:00-9:00 PM**  
6th Street Playhouse 52 W. 6th St.  
Tom Peterson, Food and Wine Ctr.; Lynda Angell, Historic RR Sq. Assoc.; Carol Dean, West End Neighborhood Assoc.; Michelle Gervais, SR Cannors LLC; David Grabill, Housing Advocacy Group; Michael Allen, New Economy Working Solutions

## LWC Meetings

### General Meeting

**Third Tuesday** of every month from 6:30 - 8 p.m. at SEIU Local 707, 600 B St. at 10th St., Santa Rosa.

### Petaluma LWC

**First Wednesday** of the month from 7- 9 p.m. at St. Vincent's Church, 35 Liberty St., Meeting Hall Room 1. (July meeting on W July 20th)

### Committees

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