

Labor's Language: Glossary of Union Terms

Labor agreements, publications, and even officials often use terms that are almost exclusive to the labor arena. To help stewards feel more comfortable operating in this area, "Labor's Language: A glossary of Labor's Terms," is a regular Steward Edition feature.

Card Check: Procedure in which signed authorization cards are checked against a list of employees in a prospective bargaining unit to determine if the union has majority status. The employer may recognize the union on the basis of this card check, without a formal election.

Cease and Desist Order: An order to stop an action, not repeat the action, and take action to undo the wrong. A cease and desist order issued

by the National Labor Relations Board is a final order in an unfair labor practice case. It requires the guilty party to stop any conduct found to be in violation of the law and to take action to remedy the situation.

Certification: Official designation by a labor board naming a labor organization as the exclusive bargaining representative of a group of employees.

Certification Bar: The National Labor Relations Board and many public sector agencies will prohibit another election in a bargaining unit for one year after a union has been certified following a union election.

Certified Union: A union designated by federal or state labor relations

boards as the exclusive bargaining agent for a group of workers.

Charge: A written statement of an alleged unfair practice. Filing a charge with the National Labor Relations Board (NLRB) is the first step in an unfair labor practice proceeding. If the NLRB decides to take up the charge, it will issue a formal complaint to start an unfair labor practice hearing.

Charging Party: The party filing a grievance or unfair labor practice charge.

Check-Off: A contract clause authorizing the company to deduct union dues from members' paychecks. The company then transfers the money to the union.



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Company Lays Off 3,400 Higher-Paid Workers, Seeks Cheaper Replacements

Circuit City Shows Need for Unions Strong

It is not unusual for stewards to find themselves defending the need for unions. Whether explaining the value of union membership to a new member, or debating a friend who believes unions are no longer relevant, from time to time most stewards find themselves explaining why unions are important and necessary.

"The next time someone says, 'unions are no longer necessary,' remind them of what Circuit City did to its workers in March 2007," Roger Robinson, Local 876's president, said. "Their actions show that now more than ever, American workers need unions to protect them from the increasingly unscrupulous actions of greedy employers who continue to put profits over people."

In late March, Circuit City announced its new plan to reduce costs and become more competitive. Effective immediately, the company indicated it would layoff 3,400 of its higher-paid store level workers nationwide, and replace them with lower-paid new employees. Following a 10-week waiting period, the laid off workers, who constituted approximately eight percent of the company's

total workforce, would be allowed to reapply for their old jobs, at an adjusted, lower pay rate.

"We hear from non-union workers all the time who suspect they were laid-off because they made too much money, so I'm not surprised by Circuit City's actions," Robinson said.

"But for the company to come right out and announce their plan in a press release is shocking. Usually employers try to hide this type of unethical anti-worker behavior, not flaunt it."

In a March 28 press release, a Circuit City CEO stated, "We are taking a number of aggressive actions to improve our cost and expense structure, which will better position us for improved and sustainable returns in today's marketplace."

The major action was detailed in the release as "a wage management initiative that will result in the separa-

tion of approximately 3,400 store Associates. The separations, which are occurring today, focused on Associates who were paid well above the mar-

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ket-based salary range for their role. New Associates will be hired for these positions and compensated at the current market range for the job."

The company plans to hire new employees as soon as possible.

"Workers should be deeply concerned that our culture now finds it acceptable for a company to publically come out and say 'we need to reduce our costs, so we are going to fire some of our more highly-paid employees and replace them with lower-paid new hires,'" Robinson said. "Circuit

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Data Reveals Union Advantage Continues

The benefits of a union card were once again supported by government data revealing workers who belong to a union continue to earn higher wages and get more benefits than non-union workers.

“Every year the government surveys workers’ wages and benefit packages, and every year the results are the same, union workers receive better pay and benefits than their non-union counterparts,” Roger Robinson, Local 876’s president, said. “People may debate the value of unions all they want, but the facts don’t lie. These facts, the government’s facts, show on average, you are going to earn more and have better benefits if you belong to a union.”

The current union advantage in several categories is listed below.

Median Weekly Earnings

Union workers -- \$833

Non-union workers -- \$642

Union wage advantage 30%

Women’s Median Weekly Earnings

Union women -- \$758

Non-union women -- \$579

Union women wage advantage 31%

African Americans’ Median Weekly Earnings

Union African Americans -- \$707

Non-union African Americans -- \$520

Union wage advantage for African Americans 36%

Latinos’ Median Weekly Earnings

Union Latinos -- \$686

Non-union Latinos -- \$469

Union wage advantage for Latinos 46%

Asian Americans’ Median Weekly Earnings

Union Asian American -- \$834

Non-union Asian American -- \$774

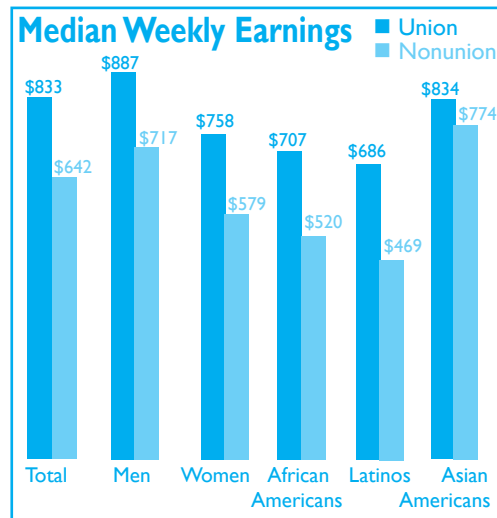
Union wage advantage for Asian Americans 8%

Guaranteed Pension Benefit

Union workers with guaranteed (defined-benefit) pensions -- 68%

Non-union workers with guaranteed (defined-benefit) pensions -- 14%

Union pension advantage 386%



Employer-Provided Health Insurance

Union workers -- 80%

Non-union workers -- 49%

Union health insurance advantage 63%

Short Term Disability Benefits

Union workers -- 62%

Non-union workers -- 35%

Union short-term disability benefits advantage 77%

Average Days of Paid Vacation

Union workers -- 15 days

Non-union workers -- 11.75 days

Union paid vacation advantage 28%

Sources: U.S. Department of Labor, Bureau of Labor Statistics, Union Members in 2006, Jan. 25, 2007; U.S. Department of Labor, Bureau of Labor Statistics, National Compensation Survey: Employee Benefits in Private Industry in the United States, March 2006; Economic Policy Institute; Employee Benefit Research Institute, May 2005.

Circuit City Conducts Layoffs Non-Union Style

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City’s actions clearly illustrate the value of the protections a union contract provides.”

Union contracts typically protect workers from these types of artificial layoffs aimed at eliminating higher-paid workers, by including layoff language that is seniority-based.

Under this principle, layoffs are done by inverse seniority, meaning the last hired are the first to be laid-off. Seniority is also used to return laid-off employees to work, with jobs being offered in line of seniority to laid-off workers. Union contracts typically give a time period, usually of at least one year, in which laid-off workers must be returned to work before anyone new is hired by the company.

“With a union behind them, workers not only have rights during a layoff situation, but they also have someone making sure the layoff is even warranted,” Robinson said. “Employers may have the right to run their business, but they don’t have the right to use an unnecessary layoff to punish a targeted group of workers. You layoff people when you don’t have work for them, not to replace them.”

Circuit City has received some negative backlash to the layoffs, with some promising to never shop at Circuit City again. However, industry analysts expect to see more of this type of activity in the future.

Farmer Jack Updates Help Answer Members’ Questions

Since news hit that A&P is taking bids from prospective buyers for its Michigan Farmer Jack stores, members have looked to their union for answers to the host of questions A&P’s actions generated. Unfortunately, the union has received little information from the company and has therefore been unable to provide many answers.

“This has been an extremely difficult and frustrating situation for the membership and the Local Union,” Roger Robinson, Local 876’s president, said. “We know it has been even tougher on the Farmer Jack stewards because they are in the stores everyday, and have to deal face to face with a membership that is growing increasingly aggravated by their circumstances.”

Over the last several weeks, Local 876 has provided members with various updates regarding their activity and the situation at Farmer Jack. The following are highlights of these updates that stewards can use to answer some of the questions being asked by members.

Local 876 is Preparing for Several Potential Outcomes to the Situation at Farmer Jack

Local 876 continues to meet with representatives from the UFCW International, legal counsel, and labor and community partners to develop strategies for the several possible outcomes to the situation at Farmer Jack. Research is being conducted regarding prospective buyers, and Local 876 has sent letters to several of these individuals advocating the continued employment of current Farmer Jack workers in the event of a sale.

Most Farmer Jack Members Would be Eligible for COBRA

Legal counsel for the UFCW Health and Welfare Fund has determined that most Farmer Jack members who have health insurance through their employer would be eligible for continuation of these benefits under COBRA provisions if their stores are sold or closed.

Under COBRA, members could pay to continue their current health insurance for at least 18 months. Current monthly COBRA rates range from \$360.14 for individual

medical and prescription coverage to \$877.96 for family coverage with dental and optical for the most common plans covering Farmer Jacks members. Members can receive additional COBRA information from the Health and Welfare Fund at 1-800-322-8190.

Unused Supplemental Days will be Paid -- Local 876 has received agreement from Farmer Jack that members will be paid for any unused supplemental days if their store is sold or closed.

More Cuts Won’t Fix State’s Budget Crisis

As Governor Granholm and the state’s legislators work to solve Michigan’s budget crisis, Local 876 continues to advocate for a fair solution that does not place an additional burden on working families.

“Michigan is facing its most critical financial crisis in decades,” Roger Robinson, Local 876’s president, said. “The Governor and legislature are faced with a \$800 million deficit for 2007, and a \$3 billion shortfall for 2008. But this mess was not created by workers, and their families should not have to bear the burden of balancing the budget through additional cuts in services.”

To clean up the mess Granholm inherited from John Engler, the Governor has cut more from state spending than any governor before her -- nearly \$3 billion in over four years. Reductions have been imposed upon police and fire protection services, schools, colleges and universities. The state has 1,600 fewer police officers than before 9/11, and higher education cuts have shifted an additional \$2,300 annually onto students and families.

Granholm also cut state government to the bone. With 7,000 fewer state employees than in 2002, the state workforce is smaller today that it was in 1973, yet serves one million more citizens that it did in the 1970s.

“It’s time for fairness, not further cuts in services. As governor, John Engler signed 32 tax cuts into law, with the primary beneficiaries being high income households and the state’s largest businesses, and placed a disproportionate tax burden on Michigan’s poorest and middle income families who pay a greater share of their income in taxes than wealthy families,” Robinson said. “Although Michigan’s business taxes are below the national average, the republicans eliminated the Single Business Tax with no plan to replace the \$1.9 billion in lost revenue. Michigan insurance companies pay the fourth lowest taxes in the country, yet Michigan’s consumers pay some of the highest premiums in the nation. It’s time everyone pay their fair share for government services.”