

The Problem with Stanford University's Use of Casual Workers

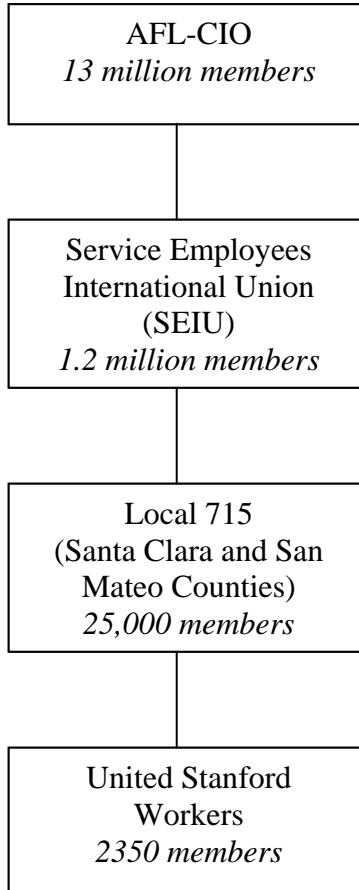
**Presentation by Zev Kvitky
President, United Stanford Workers
SEIU Local 715 (AFL-CIO)**

To the

Presidential Committee on Workplace Policies and Practices

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Union Structure



United Stanford Workers: Who Are We?

United Stanford Workers (USW) represents:

- 1150 Service, maintenance, and technical workers at Stanford University, Medical Center, and SLAC
- 1200 Service and maintenance workers at Stanford and Lucille Packard Hospitals
- 15 workers at Cardinal CoGen
- 9 workers at Bon Appetit

Each of these is represented by a different contract, and is referred to as a separate bargaining unit.

USW has represented university workers for thirty years, and hospital workers voted to join in 1999. Our union is not some outside agent or organization— the union consists of our membership at the university.

How USW Functions

Stewards are elected from each workplace, and handle any workplace problems that arise. A monthly Steward's Council assembles all stewards covered by the university contract to discuss workplace and contract issues. The membership also elects officers every three years, and these officers make up an Executive Council. This body also includes representatives from the hospitals, and takes up larger issues that affect all of our members. Political campaigns would be one such example. These are democratic bodies consisting entirely of Stanford workers, and handle most decision-making for the union at Stanford (some decisions are made at local or national levels). Similarly, SEIU Local 715 has an Executive Board consisting entirely of elected delegates and officers.

Most of the union's day-to-day work involves enforcement of the contract between the Union and Stanford. This is handled primarily by stewards. Contract enforcement includes monitoring of all existing agreements, and handling any disciplines or grievances (contract violations).

Contract negotiations are also an essential function of the union. Every three years, our contract expires and we negotiate over wages, benefits, and any other terms and conditions of employment that either side desires to change.

We also organize worksites around issues raised by members which may not be contract violations. If workers need a break room, we might help them organize to achieve one. We also organize members during political campaigns to staff phone banks or go precinct walking for candidates.

There is only one paid union employee who works full-time for all USW members at the university, referred to as a worksite organizer. The worksite organizer helps ensure that all the work of the union described above happens properly, working closely with stewards and union officers.

Temporary and Subcontracted Labor

The use of temporary and subcontracted workers harms our members by eroding labor standards, and threatening existing union jobs. Some abuses of temporary and subcontracted workers violate even the most basic sense of justice and fairness, unbecoming an institution like Stanford. Agency temporary workers and subcontracted workers are employed by other companies, and can be used by Stanford to avoid all accountability for the conditions of their labor.

Workers have gained the wages, benefits and working conditions we enjoy today through over 30 years of collective effort. There are significant numbers of “temporary” and subcontracted workers performing work identical to our members, often in the same workplace, but for lower wages, no benefits, and no job security or voice on the job. This situation puts downward pressure on everything workers have gained together, and discourages any further improvements.

This temporary workforce is not represented by any union, and we cannot negotiate on behalf of them. Because these casual and temporary workers provide cheaper labor and have no voice at work, many believe that their permanent positions are under constant threat of being casualized or outsourced. This creates greater job insecurity even for those workers represented by a union. Temporary workers have been the subject of much tension for at least twenty years between the union and Stanford University. There are labor board charges from the 1980’s and special contract sideletters reaching back more than a decade which attempt to address the problems. Despite these efforts, Stanford continues to use temporary workers, and we continue to find instances of abuse.

Our own research, described in detail in the report “Temporary Employment in Stanford and Silicon Valley”, uncovered many basic injustices among the temporary workforce. Many earned poverty wages of \$8.00-\$8.50 an hour, with no access to health (or other) benefits. Some people worked for many years without ever being hired for a permanent position. Many needed two or three jobs just to make ends meet, and had to share housing with other families. They also relied heavily on public assistance programs that place a burden on nearby communities like East Palo Alto. Our research was focused on temporary and casual workers, but we are aware of similar problems among subcontracted workers as well. Bon Appetit, ABM (custodial), and Webb Ranch are all familiar examples of low-wage subcontracted jobs about which these same concerns have recently been raised.

The term “temporary” is often ambiguous and the source of much confusion. We first need to understand what is meant by “temporary”, the difference between temporary and subcontracted work, and the differences that exist within each of these categories. The university defines categories for casual and temporary workers, who are not members of our union. While they are sometimes referred to as “bargaining unit temps/casuals”, the term bargaining unit refers only to the type of work performed, not to their union status.

University “Bargaining Unit”	
Union Members	Not Union Members
<ul style="list-style-type: none"> • Full time workers (40 hours/week) • Part-time workers (20-40 hours./week) 	<ul style="list-style-type: none"> • Casual Workers (under 20 hours/week) • Temporary workers (less than 4 months) • Agency temporary workers

We believe there is a missing category in the table above which has been the greatest cause of concern among both students and union members.

Not Union Members
<ul style="list-style-type: none"> • Part-time workers: regular schedule, less than 20 hours/week • Casual Workers: irregular schedule, less than 20 hours/week • Temporary workers: less than 4 months • Agency temporary workers

It is our belief that (in Dining Services) this part-time status has been used pervasively and inappropriately to reduce labor costs by limiting jobs to under 20 hours per week in order to prevent union membership and benefits. In other words, we believe a substantial fraction of the workers commonly called “temporary” are in fact permanent part-time workers who belong in our union. This was our most important demand in last year’s contract negotiations, and one that Stanford most firmly rejected. We were not able to win the inclusion of part-time and casual workers into our contract, but still made significant progress towards solving the specific abuses we uncovered.

2003 Contract Negotiations and Temporary Workers

In April and May 2003, there were 195 direct-hired “temps” (including all the categories outlined above) doing bargaining unit work at Stanford University. Of these, 168 were employed in Dining. Our research suggested that a majority of these 168 were actually permanent part-time workers.

Here’s a breakdown of what we knew in August 2003:

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/ 40 high-school students working in the evenings
Dining | 19 catering temps for special events
        | 13 Dining temps who worked over 20 hours/week and are now in the BU
        \ 95 other Dining “temps”
          28 temps in other areas of the university
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          195 direct-hired “temps” doing bargaining unit work

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As of September, there were another seven workers who we expected would be converted to full-time positions, bringing the total number of temps down to 188.

We also negotiated the creation of 40 new split-shift positions to replace 80 existing “temp” positions. These would be at least 75% time, receive benefits, and be inside the bargaining unit. They would be created over four years: 5 in year 1, 11 in year 2, and 12 in each of years three and four. That brought the number down to 108. They expected to create more than 20 positions in the next year, and fifteen FTE positions were posted at the time.

After three years (and assuming perfect compliance with our agreement), there would be only 87 bargaining unit “temp” positions left at the university: 19 in catering, 28 scattered around campus, and 40 high school students in Dining. Largely due to our pressure, Dining had already hired 47 temp workers into permanent positions during 2003-2003. Our disappointment with the negotiated agreement on temporary workers in Dining was not because it failed to address the abuse of specific temp workers we identified. But the agreement accomplishes this over four years, and we expect many of the temps we worked with to lose their jobs before seeing the results of our effort. The agreement also doesn’t solve the potential abuse of “temps” in the future, and enforcing the agreement will be a tremendous job for the union. We have already expended enormous energy to monitor the use of temps and pressure management to hire temps into permanent positions (they are often denied FTE jobs).

We know very little about the 28 “temps” scattered around the campus (some are likely casuals at the Med Center). The remainder of the “temp problem” is through agencies, which are harder to monitor. We were able to win limitations on their use in Dining, Housing, Athletics, Grounds, Facilities, and SLAC. The limits vary among areas, but are always between six and 12 months (unless covering for extended absences of BU workers).

To summarize how our contract addresses temporary workers:

- Direct-hired “temporary” workers must be converted to permanent positions after four months of continuous employment above 20 hours/week. Academic breaks are not considered breaks in service.
- Direct-hired “temporary” workers in Dining Services who work permanent part-time positions under 20 hours/week will become 75% time workers with benefits according to the plan detailed above.
- Agency temporary workers can be used to cover absences, meet seasonal or peak workloads, and for special one-time events.
- Employment of agency temporary workers cannot result in the layoff or demotion of any permanent workers.
- Agency temporary workers can be used up to 12 months in Housing, Athletics, and SLAC, and up to nine months in Grounds and Facilities Operations.
- Temporary workers may also be hired into fixed-term positions lasting between four months and two years, and these positions are covered by the union contract.

All of this pertains only to workers doing “bargaining unit” work. While we have little information about these problems among other sectors of the workforce at Stanford (such as clerical workers), there is every reason to believe that similar problems exist. Difficulties in establishing this were one of the biggest reasons for a campus-wide Code of Conduct campaign. Rather than trying to address the problems as they are discovered in individual departments or

among specific types of workers, it is far preferable to establish rules and guidelines that apply equally to everyone working at Stanford, whether such problems are currently known to exist or not.

Residential and Dining Enterprises (R&DE): A Special Situation

How can Stanford not have enough money to put these workers in the union or pay them living wages? In fact, the reason we ultimately settled for a four-year solution to an immediate and pressing problem was because R&DE couldn't afford our proposal under their 2004 budget. Surprised?

R&DE receives no subsidy from the university to operate their 369 buildings and dining operations. All of their income must be generated through room and board rates, conference fees, and other sales and services. They are also responsible for all renovations and building costs, and have taken several loans from the university for this purpose that must be repaid with interest. R&DE also competes with outside vendors for most many services, particularly in Dining. New and existing facilities on campus are not required to use Dining for their food services anywhere except in residential halls (operated by R&DE). Administrators in university departments choose their vendors through a bidding process, where pricing is always among the most important factors.

Dining Enterprises cites our labor as the single biggest expense, and (claim they) could not afford to raise all wages (and benefits) to union levels within the term of the agreement. The negotiating team came to believe that Dining had become dependent on the use of an underpaid temp/casual workforce. R&DE demonstrated that only after lowering wages through a two-tier structure in 1996 were they able to win contracts to take over Schwab and Bon Appetit (which were outsourced), and win new contracts at the SLAC Guest House and Clark Center.

Most dining facilities on campus outside residential halls are not run by R&DE, although the stiffest competition for work is in catering services. The negotiating team agreed that if R&DE raised their pricing as a result of the increased labor costs, it might result in fewer contracts and less work. This is the basis of our agreement to a four-year solution to the temp problem, one that allows R&DE some time to address the problem without having to raise prices.

Other solutions that would have beneficial results would can be imagined. A subsidy, loan, or other transfer could be made from the university to R&DE to immediately address abusive labor practices without resulting in any price increases that might cost us future jobs. The University could also consider interest-free loans for upgrades and new facilities, or forgive some portion of pending debt to allow for the necessary wage and benefit improvements for the temp/casual workforce in R&DE.

Subcontracting

The use of subcontracting can lead to the same problems as those described for temporary workers. Some instances of subcontracting are entirely reasonable, such as building construction and elevator maintenance. Other instances directly undermine standards of current workers. We are mainly concerned with the subcontracting of permanent work done on the Stanford campus.

Bon Appetit, for instance, employed food service workers at Tressider who performed the same work as our members in dining halls, except for much lower wages and benefits. After successfully organizing Bon Appetit workers, and struggling for years to bring greater equity to their wages and working conditions, Bon Appetit's contract with Stanford was not renewed, and Tressider was taken over by R&DE. In contract negotiations in 1996, the union had to accept (under great duress) a two-tier wage structure throughout R&DE under which new hires made substantially lower wages. These lower wages were necessary in order to compete with other vendors as described above.

There are numerous subcontractors operating on campus in many different capacities, from facilities maintenance to food service. Many of them perform identical work to permanent union members, and sometimes compete directly with university departments as is the case in R&DE.

Our contract currently offers very limited protection against subcontracting. It is strongest in situations where layoffs of members would result. If permanent work is contracted out, the contractor must offer any newly created jobs to the displaced workers at "substantially equivalent" wages. For new facilities or contracts from which layoffs do not result, the safeguards are almost non-existent.

We understand that there are sometimes business considerations that result in a decision to subcontract work, and are not purely financial. Our concern is strongest when work is subcontracted specifically to reduce labor costs. For this reason, we strongly support a labor code for subcontractors which includes a living wage or prevailing wage requirement. This minimizes the incentive to subcontract work for the primary reason of reducing labor costs.