

# California supermarket chains mount strikebreaking drive against grocery workers

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The major supermarket chains in southern California are mounting a coordinated strikebreaking drive against 70,000 grocery workers, who are fighting the employers' demands for wage cuts and other contract concessions.

The workers, members of the United Food and Commercial Workers Union (UFCW), are employed by the Vons, Pavilions, Ralph's and Albertson's chains. The union called a strike and set up picket lines Saturday night against Vons and Pavilions, both of which are owned by the Safeway supermarket giant. The two other chains responded by locking out their employees.

All of the chains, which together own 859 markets in the region, are keeping their doors open with the aid of strikebreakers hired in advance of the contract expiration. Workers—some of whom are UFCW members—have been flown in from other states to scab on the strikers. Others have been hired locally for \$19 an hour.

This union-busting attack, taking place within days of the recall election that removed Democratic Governor Gray Davis and installed Republican Arnold Schwarzenegger, has starkly revealed the social and class conflicts that were at the root of the California budget crisis and the recall election. The drive to remove Davis, who was elected to a second term as governor last November, was financed and organized by right-wing Republicans with the backing of major corporate interests.

The grocery store employees are among the lowest paid and most oppressed sections of the working class in California. Most are forced to work part-time and never approach the top pay rates in their job classifications.

While the top hourly wage for a checkout clerk is \$17.90, few workers reach that level and baggers earn as little as \$6.75 an hour. The weekly pay for many grocery workers in California is not sufficient to rent a modest apartment, let alone raise a family.

Not surprisingly, none of the politicians of either of the two big business parties, all of whom postured as friends of ordinary Californians during the special election, have protested the use of strikebreaking tactics by the supermarket chains. Schwarzenegger, the governor-elect, who pledged to defend the people against "special interests," has said nothing to discourage the supermarket giants from attacking the jobs

and living standards of thousands of California workers. It has taken less than a week for the mask to be removed from this film actor-turned "populist," exposing him for what he is: a front man for a corporate elite intent on removing all restraints on big business and destroying all that remains of the past gains of the working class.

The response of the UFCW and the AFL-CIO as a whole has been no less predictable. They have done nothing to seriously oppose the strikebreaking. There has been no hint of an effort to mobilize workers, union and nonunion, to halt the use of scabs and shut down the supermarkets. The fact that the UFCW refused to call a strike against all of the chains is indicative of the cowardly posture of the union leadership. Union officials, moreover, publicly declared prior to the strike that they were prepared to offer contract concessions, but complained that the demands of the employers were too sweeping for them to put before their membership.

This is the first grocery strike in southern California in 25 years. In 1978, supermarkets attempted to stay open but were unable to restock their shelves because Teamsters drivers refused to cross the picket lines. This time, management personnel have been trained to move the trucks.

Negotiators for the UFCW and the supermarket chains had set aside a midnight strike deadline on Friday, October 10 and continued negotiations in the presence of a federal mediator. A nine-hour negotiating session on October 11 failed to produce an agreement. The grocery workers' Master Contract for Southern California expired October 6.

Earlier in the week, 50,000 clerks and baggers who belong to seven UFCW locals voted by a 98 percent margin to reject the employers' concessions demands. These include substandard pay and benefits for new-hires, drastic givebacks in health and pension benefits, reductions in premium pay, and the gutting of work rules. Under the proposed contract:

\* The top pay of new-hires would be permanently capped at \$14.90 an hour, establishing a two-tier wage system. Newly hired courtesy checkers (baggers) would not only receive the \$6.75 poverty-level wage of those presently employed, they would also be deprived of health benefits.

\* Workers would lose dental and optical coverage and have to pay \$75 a month for prescription coverage and \$15 a week for

health insurance. Hospital stays and chemotherapy treatments would be capped, potentially adding tens of thousands of dollars to workers' health bills. These changes would shift \$1,300 a year in health costs from the supermarkets to the workers' families.

\* Work rule changes would permit outsourcing of stocking duties and allow the operation of nonunion stores in some areas. Split shifts would be introduced for part-time workers and night shift premiums would be cut for all workers. Sunday shift premiums would be frozen for current employees and slashed by \$1 for new-hires.

\* Pensions for new-hires would be substantially downgraded, and the employers' contributions to the pension plan would be sufficient to cover only benefits accrued up to now, but insufficient to guarantee future benefits

\* There would be no wage increase for the first two years of the three-year agreement.

UFCW officials have declared that they are defending middle class living standards. For the majority of grocery workers, however, anything resembling such standards was surrendered by the UFCW in previous contracts. Throughout the 1990s, the UFCW repeatedly bowed to the employers' demands for wage and work rule concessions that have resulted in cuts in real wages and benefits and the slashing of jobs nationwide.

The drive by the supermarket chains to cut costs is fueled by fierce competition and consolidation in the industry. Profit margins have declined as Wal-Mart, Target and other nonunion entrants have captured market share at the expense of unionized chains. Wal-Mart mega stores, for instance, are able to undersell the national chains by as much as 27 percent, largely because of their lower labor costs. Wal-Mart wages for grocery clerks average \$8.50 an hour, with sharply reduced health and pension benefits relative to the company's competitors.

The retail giant intends to open 40 supermarkets in southern California in the next few years, challenging Safeway, Kroger (which recently bought out Ralph's) and Albertson's, which now control more than 70 percent of the southern California market. The supermarket chains are using Wal-Mart as a pretext to slash their workers' wages and benefits.

The strike in southern California has a national significance. Grocery workers in St. Louis have been on strike since October 7 against three supermarket chains.

The UFCW contract in Arizona will expire on October 26. Some 14,000 workers there could walk out at Safeway and Fry's supermarkets. At issue in Arizona is the elimination of a 20-hours-a-week guarantee for workers with at least one year of experience and an increase in the minimum hours necessary to receive health insurance.

New Mexico supermarket workers are currently working without a contract. Negotiations are also taking place in Chicago, New York and Indianapolis, mainly over health care costs.

A reporter for the *World Socialist Web Site* spoke to pickets at one of the Albertson's stores in Irvine, California. Odell Moore, the picket captain, with 17 years in the industry and seven years at that location, said, "Management wants us to have less benefits, less wages and practically no pensions. This would also affect people who retired 10-12 years ago because it would be retroactive. They want to institute a two-tier contract and a 50 percent cut in health and welfare benefits, with \$15 to \$20 more taken out of our paycheck, plus higher co-pays.

"The store management spent \$500,000 preparing for this strike. Management is in there working, but they've also hired out-of-state Albertson's employees who are UFCW members. There are also people being hired off the street.

"Right now, only the check stands are being manned. There are maybe one or two people in some other departments. Nobody's working in the meat department.

"A lot of people are crossing the lines here in Irvine. Many of them work for Fortune 500 companies and don't see why they should support us."

Pat, who works in the bakery department, said, "I have 11 years seniority and was hoping to be able to retire soon, but I don't think I can. We don't mind co-pay on our health insurance, but the increases they're demanding are too much. If somebody hadn't done this for me a long time ago, I wouldn't have any benefits. The top people in this company are making so much money, and we're not even asking for a pay raise.

"The scabs are getting paid \$19 an hour. After 11 years, I get about \$12. Their hotel and food are also being paid for. The company hired one gal who came here with her husband from Washington state. She had no idea that we were getting ready to strike. They didn't tell her. She ended up walking out, saying she wouldn't dare cross a picket line."



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