



STRAINED HOSPITALITY

Strike-weary Los Angeles braces itself for another clash as L.A.'s hotel union and management fail t

By [Bobbi Murray](#)

A bitterness still lingers over labor relations in the Los Angeles area five months after the lengthy and costly grocery workers strike, a palpable distrust coloring another set of contentious contract negotiations now underway, this time in the tourism industry. L.A.'s next monumental labor fight appears to be in the offing between the multinational chains that operate nine Los Angeles hotels and the union that represents some 5,000 housekeepers, cooks, and other workers employed there.

The hotel workers union, UNITE HERE, and the management organization, L.A. Hotels Council, have been in fitful stop-and-start talks since March, with the Council at one point calling the talks an impasse. Federal mediator Frederick Hurtgen began mediation sessions with both sides last week, with only incremental progress thus far.

Friction has already sparked heated worker protests in the workplace and on the streets. Employees at the Century Plaza and St. Regis hotels - two of the city's premier hotels, and often the site of speeches by sitting presidents and visiting heads of state - walked out in a wildcat strike on August 12th, angered that management refused to even discuss the state of medical benefits. A new \$10 weekly co-payment had been imposed after the April expiration of the union contract. Management immediately announced a lock-out effective the following morning. It all settled down, however, after a letter from the union explained that they had no hand in planning the action, and federal mediator Hurtgen, invited in by both sides, set conditions that precluded a lock-out by management and workplace actions by employees.

Union activists shut down the intersection of Figueroa and 4th streets downtown the next day, and 45 people were arrested as workers rolled beds out into the streets and changed the sheets in a performance-art protest.

The drop-dead difference and hottest point of contention between union and management might seem a bit arcane to the outsider: the length of the potential new contract. Management wants a five-year agreement while the union is pressing for two years, to expire April 2006. The two-year date is when the hotel union contracts now in place in seven cities in the U.S. and Canada will also run out. If the union lines up the contract expiration dates in Los Angeles, San Francisco, and Washington, D.C. with the other seven cities, all 10 could be re-negotiated at the same time, exponentially increasing union clout by some 15,000 workers for coordinated labor actions to press for what they want.

The Hotels Council won't go for a two-year contract, says spokesman Fred Muir, but doesn't cite the obvious reason: that it would give the union an enormous club. "Think of all the costs and the uncertainty and the unhappiness in these negotiations," Muir notes. "Do we want to do this again in 14 months? No."

The union's position is that it's the only way to respond to the consolidation in the hotel industry over the past 25 years.

Hotels used to be owned by families and small companies and operate regionally, but now a few major chains dominate the international market, explains David Koff of UNITE HERE in a phone interview. According to union research, five chains run most of the hotel business - Starwood Hotels, Resorts Worldwide International, the Hilton Hotel Corporation, Marriott International, and Wyndham International.

"Our union is very much determined to act as a multinational union. That's the way we need to operate to take on the multinational companies," Koff says.

Muir calls the union's consolidation argument "nonsense." He stresses that the chains don't own the hotels, but rather, operate them. "The hotels are owned by the investors; some are owned by pension funds. It really is a local negotiation," he says. Koff counters that the hotel workers are employed by the operators, and the operators are the entities with whom the union negotiates.

Other labor observers note the parallels between the consolidation of the hotel industry and that of the grocery industry, which, says Larry Frank of the UCLA Center for Labor Research and Education, had restructured and gone from regional ownership to national in the five years previous to union contract negotiations. The parent companies of the Vons, Alberstons, and Ralphs chains were able to withstand the strike by bringing in revenue from their stores in other regions still operating under a union contract.

"The primary lesson that labor has taken from the Southern California grocery strike and lockout is that it is very difficult to win a regional strike against a national or multi-national company," he says. "The hotel workers' attempt to align the contract expiration dates in the major U.S. cities is a direct response to the lesson learned by the grocery workers." The strike stretched from October 2003 to February of this year and ended with harsh results for the workers, including the imposition of a two-tiered hiring system, with a lower pay scale for new hires, along with deep cuts in benefits.

And both sides are quick to say that they don't want a strike. Muir says that hotels are just barely coming back from the effects of the terrorist attacks of September 11, 2001. "If you draw a line six feet up on a wall, that's where the industry was pre-9/11. If you draw a line six inches above the bottom of the wall, that's where we are in August, 2004." Jack Kyser, chief economist for the Los Angeles Economic Development Corporation, points out the ripple effects of a hotel strike. "The national media would carry the story as 'hotel strike in Los Angeles.' It would kill business in Los Angeles," including, he says, at the restaurants and theme parks that attract visitors from out-of-town. "Any hotel in Los Angeles, even hotels in Santa Monica, have to be biting their nails over this one."

Which may explain why the hotel workers union thinks it can hold so firm on the seemingly intractable two-year contract issue: Workers would certainly suffer in a strike, but the "hospitality industry" would be particularly vulnerable to the long-term acrimony that defined the grocery workers strike.

The hotel workers union in L.A. has also done much more groundwork than the grocery workers union had, sending workers from city to city to link up with their colleagues and lining up with other unions. The

American Postal Workers Union did a support march downtown with an alleged 2,000 workers on August 24. UNITE HERE has already built a base in the religious community and won support from the Los Angeles City Council. The Hotels Council's Muir says that the council resolution was amended to express hope that both the union and the employers could reach a satisfactory agreement. "This contract is not going to be negotiated in city council or on street corners with bullhorns, it's going to be negotiated at the bargaining table," he says.

Frank, of the UCLA Center for Labor Research and Education, sees the issues as going beyond that. The negotiations, he says, are about an issue that has resonated in this election year: the disappearance of middle class jobs. The manufacturing jobs that paid a middle-class wage - and have since disappeared - only did so because of unionization setting a higher standard. The question now, Frank says, is a fundamental one: "Can service sector jobs, the fastest growing sector of the job market, become middle class jobs?"

Mediation continues in Los Angeles. Pressure is expected to mount as the contract for 5,000 hotel workers in Washington, D.C. expires on September 15.

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