

Local 5 Bulletin

UNITE HERE Local 5, Hawaii

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Above: US Congresswoman Mazie Hirono pictured with Local 5 Committee members from Sheraton - Maui after they met to discuss Sheraton's "Go-Green" program.



Left: On Saturday, November 28, 2009 US Congresswoman Mazie Hirono met with Local 5 Committee members from Kaiser - Maui and pledged her support for Local 5's current Kaiser contract campaign.

Ilikai, the Main Tower iStar Rehires Workers, Keeps Union Contract

For the last three years, Ilikai workers have stuck together and spoken out about the deteriorating conditions at the Ilikai hotel. Once it became clear that local developer Brian Anderson was interested in the property primarily as a real estate transaction and not in the long-term future of the property or its employees, we banded together with condo owners and made common cause.



In July Ilikai workers held a press conference to announce their victory.

We have rallied, we've worn stickers, we've worn buttons, we've spoken to the press.

In July 2009, all of the solidarity paid off. When iStar, Anderson's lender, took over the property in a foreclosure action, it hired only former Ilikai workers and hired them by seniority, keeping the union and keeping our contract almost entirely intact.

This is remarkable because iStar could have legally done many things with this property which would not

have included us. Despite this, we had the strength to bargain for fair treatment at this property because workers had built strategic alliances with owners and the community and because as a group, we never stopped fighting.

The future of this property remains unclear – it is a shell of its former self. But whatever comes, we will continue to stand up and fight to be a part of that future at the Ilikai. The ILIKAI IS OUR HOUSE.

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We all go up or we all go down Working Non-Union, Non-Exempt at Kaiser

When Henry J Kaiser opened up the old Kaiser Hospital where the Prince Hotel now stands, Local 5 represented workers wall to wall, except RNs, who were in a different union. Over 50 years later, there are now hundreds of non-union workers at Kaiser.

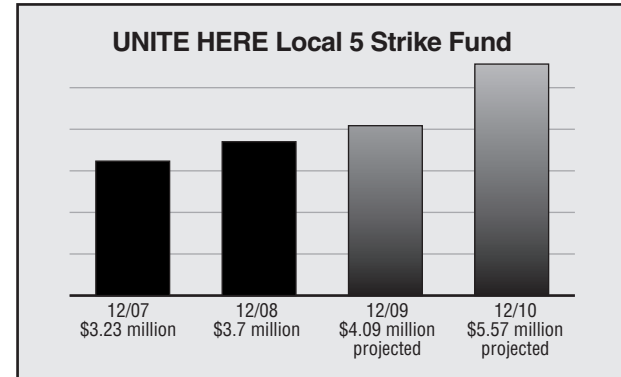
This means that when we stick together for our future at Kaiser, we are in essence fighting with 1800 workers for the fate of almost 2500 workers. It also means that the 700 workers whose wages and benefits are impacted by the standards we fight for cannot help move their own future forward. Without the union, one worker has no real voice on the job.

Workers at the labs in Kaiser, with the help of their Local 5 brothers and sisters, are starting to turn that around. They are asking for the same rights that non union hotel workers won in 2006, the right to join the union by a simple showing of majority support.

So far Kaiser hasn't answered our demand, but along with the Local 5 members at Kaiser, we won't give up easily. We know that either we all go up or we all go down. For

our future, all of us need to make sure that any group of workers at Kaiser that wants to get in our union can do so without a fight.

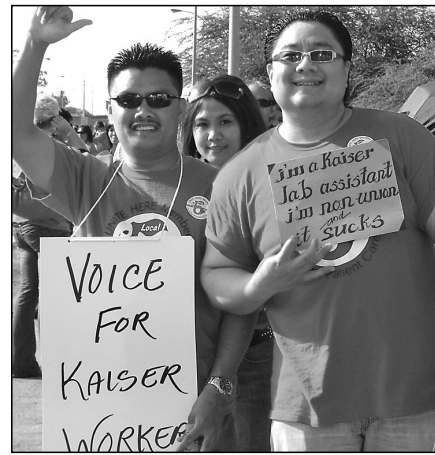
We will all be stronger together.



Kaiser: The First Test Against Subcontracting

On October 24, 2009 Local 5 workers at Kaiser joined hotel workers, community leaders and political allies at the union's Statewide Committee Conference at Honolulu Community College. The meeting was held to discuss and commit to building a secure future and a Hawaii for our children.

It is quite obvious that many employers including Kaiser and the hotels are using the economic downturn as an excuse to hurt working families. They are trying to use the current situation to push through changes that degrade our working conditions and undermine the living standards we spent years building up. Many of our owners and operators have actually fared well during the eco-



Kaiser Lab Assistants Roberto Alfeche and Michael Dais are fighting for a fair process to join the union.

economic crisis: Kaiser, Goldman Sachs, Starwood and Blackstone are doing just fine, but still have moved in a direction that is harmful to workers.

At the Conference, we learned how more and more companies are pushing

health care costs onto workers who can ill afford to pay more, like Kaiser is doing to the non-union non-exempt workers (NUNE) and how the major hotel companies are proposing in San Francisco and Chicago.

The scourge of subcontracting was also addressed. Though we won a big victory in the Hawaii hotels in 2002, Kaiser is still subcontracting its work and we need only look at examples like the Hyatt in Boston, where the jobs of 100 non-union housekeepers were subcontracted to an employment agency that pays only \$8 an hour, or to our very own Sheraton Waikiki, where the pools were just subcontracted, to know that this fight is not over. At every opportunity, employers are driving down living standards for workers and communities by subcontracting to low-wage, almost-no-benefits subcontractors.

Finally, the conference made the case that the future of secure middle-class living is at stake if non-union jobs continue to grow. Here in Hawaii, non-union Kaiser workers will be paying up to \$304 a month for family medical, workers at the Prince Hotel now pay \$100 a month for family medical, and at one non-union location in our industry, workers must pay up to \$550 a month for family medical. Either we will lift non-union workers up to our standard or eventually non-union standards will drag us down.

The first test of our Union in this most recent economic crisis will happen at Kaiser this year. Many are watching to see if we can defend our medical and our jobs from subcontract-

ing. Local 5 will not go backwards. We have laid out four key goals for this year's Kaiser contract fight. Our success at Kaiser will set the stage for our fight in the hotels in 2010. Our goals are:

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ing. Local 5 will not go backwards. We have laid out four key goals for this year's Kaiser contract fight. Our success at Kaiser will set the stage for our fight in the hotels in 2010. Our goals are:

- Secure and free family medical
- Job security through strong no-subcontracting language
- Growth through a fair process to unionize
- Wage increases comparable with other unions

Workers have the power to win even in tough times when they armed with the facts, raise their expectations and stand together. Local 5 is a proud fighting Union with great community and political support that will rise to face and defeat any threat to our members' livelihood. Kaiser is the first employer to get a chance to do the right thing.

Ilikai Yacht Harbor Tower – the new Marriott Edition

In February 2009, with the help of many Local 5 members, the Honolulu Liquor Commission denied a new liquor license for the shut down part of the Ilikai. The shut down part was bought by eRealty (no relation to iStar), and those developers have signed an agreement with Marriott to open the first of its new boutique hotel lines on that site. It will be called the Marriott Edition.

We are glad to hear that there is a prospect for re-opening this eyesore right at the entrance to Waikiki. We

have been able to work with Marriott in the past, and hope we can do so again.

For every single unionized hotel worker, we must keep a very close eye on this project. The building was a union hotel for almost 50 years. Workers spent their entire working lives serving guests, cleaning rooms, and cleaning dishes in that building. We had more strikes at the former Ilikai than at any other Local 5 property – strikes that helped maintain our excellent standard including retiree medical.

Any operator or developer who comes into one of our former properties needs to respect our past. And we need to fight for our future. In this case that means fighting so that laid off Ilikai workers have a right to jobs in the building, and so that all workers employed there have the right to have a union. If you used to work at the Ilikai, please make sure the Local 5 office has your correct contact information so we can reach you when we're ready for the next steps.

Royal Kona Resort: Tough Fight, Tougher Workers

The contract at the Royal Kona Resort expired in June 2007. To date, the company has refused to settle fairly. In fact, they proposed an end to Local 5 medical benefits, no 8 hour work days and they wanted to subcontract jobs. In January 2009, management cancelled the contract. In response more than 85% of the workers signed a petition pledging to maintain their unity and their dues. They delivered that petition directly to management.

The owners at the Royal Kona Resort made their

fortune by selling Hawaii vacations to mainland, middle-class families. Now, they are attacking the workers and families who helped them make



Mario Arellano, Val Cho, Jenny Kanawang and Lourdes Hartman leaflet at Royal Kona Resort

that fortune.

It's clear that management is trying to bust the Union, but the workers are fighting back. Recently, the workers

began a series of on property leaflets to guests at the resort, and every single day housekeeping workers are taking action for a fair workload. They've also begun a grievance and petition campaign in the kitchen.

Through their efforts in the property and with the support of community religious and political leaders, Royal Kona Resort workers are on the path to victory. The pressure is on!

Don't Buy the Brainwash

Eric Gill, Financial Secretary-Treasurer

Everyone knows that the economy in the United States is a mess. How could we not know? Every day, the papers and TV and internet are all screaming about how terrible things are. We watch how the public workers are being told how terrible things are, how they have to take cuts and tighten their belts. Our bosses are jumping on this bandwagon. They want us to believe that things are terrible, that hotels are losing money, that we should all pitch in and sacrifice for the good of the economy.

It's a big lie. They are trying to brainwash us as we head into bargaining next year.

First of all, working people taking pay or benefit cuts is exactly the WRONG thing to do to help the economy. Putting more money in our pockets is the BEST thing we can do to help the economy. Why? Because the money that goes to working people is the money that stays in this community. We will spend it here, in Hawaii. That money creates jobs for our friends, relatives and neighbors. How will those people at the grocery store or gas station be able to work if we have no money to spend at their places?

Bosses want more profits. Always. If they take money from us to increase their profits, that money is lost to our community. The large corporations we work for will just use that money to

take advantage of the misery of others by buying up weak and vulnerable companies somewhere else. All those corporate profits are lost to Hawaii's economy.

What the bosses are trying to do is brainwash us into accepting the idea that we should give them back our hard-earned contract standards. They want to take advantage of something wonderful about working people—the fact that we care about each other. They want us to believe that if we sacrifice that will help our fellow workers. They know that we are willing to help

Putting more money in our pockets is the BEST thing we can do to help the economy.

each other, and they are trying to use this to trick us into giving them back our pay and benefits gains.

Let's be clear. The big corporations are making money. Starwood, Hilton, Hyatt—all making money. Kaiser too. Big bucks. There is nothing new here. Bosses have been trying to take back our pay and benefits for years. It's just that now they think they can get away with it because of the weak economy.

The truth is that the economy is weak because of the corporations. They were so greedy that they started selling everything from houses to cars to big companies to "derivative prod-

ucts" on credit. They built up a big house of cards that looked strong until you see that there is no real money in the stack—just promises to pay that couldn't be kept. So when people couldn't pay, the whole house of cards fell down.

This depression is the bosses' fault, but they want to make us pay. But when they were riding high and making record profits for the past five years, did they ever offer to share? Did any bosses come to the union and say: "Hey, union—we are making a lot more money than we ever have. How about us giving a bonus to the workers?" No. So why do they think it's OK to come and demand that we give back our hard-earned dollars just so they can keep their profit margins up in a "down" economy that is all their fault in the first place?

Don't buy the brainwashing. Now is the time to fight to defend what we have, and demand more. Now is the time for us to do what will really help the economy and put more, not less, money in our pockets. Now is the time to get strong and united.

We have the opportunity now. While the bosses are acting tough, they are actually weak. They are stabbing each other in the back every day, big dog corporations trying to kill and eat the little dog corporations so they can become even bigger. We can beat them. And we will.

The Big Squeeze

To many of us, things don't look good right now – there have been over 6,600 foreclosures filed statewide so far in 2009; Hawaii's unemployment is up to 7.5%; state employees have accepted furloughs to help balance the budget; and the cost of living is still going up.

Working people everywhere are getting squeezed, and we're being told we need to tighten our belts this year so

that our companies can afford to stay in business. Their argument seems like it makes sense – everything we see in the newspapers makes it look like businesses are not doing too well themselves lately. However, some companies are doing better than you might think.

Not everyone is losing in this economy – there are "winners" and "losers." We need to make sure companies are

not just using all the bad news we see every day as an excuse to squeeze us so that they make bigger profits for themselves both now and in the future when things get better.

As we negotiate with Kaiser now, and as we get ready to negotiate with the hotels in 2010, we must not let them scare us into giving up our rights or taking cuts to benefits and wages.

Some Facts About Wealthy Companies

- **Kaiser** made \$1.6 Billion in the first nine months of 2009;
- **Starwood** made \$140 million in the first six months of 2009, over \$1.87 billion in the three years before that.
- Although **Marriott** recently reported that it lost \$459 million in the first nine months of this year, the company made \$1.66 billion in the three years before that. On top of that, except for its timeshare segment, Marriott's other business segments – its North American full-service and limited service segments, its international segment, and its luxury segment – all made money for the company this year.
- **Hyatt** made \$753 million in 2006 through 2008. Last year, Hyatt Chairman Thomas Pritzker made \$2.2 million, and President and CEO Mark Hoplamazian made \$6.7 million. A housekeeper at the **Hyatt Regency Waikiki** would have to work for over 150 years to make as much money as Hoplamazian made last year!

And some of the hotel owners aren't exactly suffering either:

- Goldman Sachs is a bank that owns both the **Waikiki Beach Marriott Resort** and a 90% stake in the **Hyatt Regency Waikiki**. The

company made \$22.22 billion in 2008 and paid its CEO \$42.95 million, but that didn't stop Goldman Sachs from taking \$10 billion in government bailout money and laying off 4,760 employees since January 2008. In the past three months, Goldman Sachs made \$3.2 billion.

- **Blackstone**, the company that owns **Hilton Worldwide**, recently announced that it was close to making a \$2.5 or \$3 billion deal to buy several theme parks, such as SeaWorld, Busch Gardens and others from Anheuser-Busch. According to a report by The Corporate Library, Blackstone's CEO Stephen Schwarzman made \$702.4 million last year. That's more than any other CEO of any public company in America!

In Schwarzman's defense, Blackstone executive Peter Rose claimed that this wasn't exactly correct because this number included money Schwarzman already *had*. Sorry for the mistake, Stephen. Housekeepers at the **Hilton Hawaiian Village** will feel much better knowing that they don't have to work for over 19,000 years to make as much money as you made in one year – they would only have to work for over 19,000 years to make as much money as you already have.

Queen Kapiolani: New Owners, Same Union Contract

New owners took over Queen Kapiolani Hotel in October, but there was no disruption for Local 5 members there.

The Successorship section of the Collective Bargaining Agreement (CBA) requires that any new owner accept responsibility for all terms of the existing CBA before the sale of the hotel is allowed to close. This means no disruption of wages, medical contri-

butions, grievance process, etc.

Local 5 members at Queen Kapiolani held three meetings at Local 5 to discuss the transition before it happened, and a large group of workers delegated the new General Manager a few days before the sale closed to make it clear that they expected a smooth transition.

The new owners plan to invest in updating the hotel including new beds

and other improvements that should increase occupancy, which is good for all workers.

"It is GREAT to have a contract that gives us this kind of job security," said Jocelyn Vallejos, Union Organizing Committee member and 17-year Front Desk worker at the hotel. It feels good to know that the new owner knows that I am Union and I have rights that must be respected."

The Union in the Community

For over 70 years Local 5 has been an integral part of our island's community. As an organization whose mission and existence is founded on the solidarity and concerted activity of our members, we have overcome divisions of all sorts that exist among our extended family. Together, we have fought to build and maintain high standards of work for Hawaii's hotel, health care and food service workers. We have fought to secure good union jobs that provide for family health care, decent wages, job security, and benefits for our retirees. And we have

helped to build stronger communities for our children to grow up in.

From Turtle Bay and Hotel Workers Rising in 2006 to our "Ilikai is our House" and Kaiser campaigns in 2009, our community allies have stood with us, not just because we are their neighbors, or family or friends. Over the years, hundreds of community leaders and elected officials have stood with us because they understand that healthy workers who earn livable wages, and have a reasonable sense of job security are also able to give enough time and attention to their families that keep our

community strong.

They stand with us because of our strength and because they believe that together we can change Hawaii's future in the coming year for the better. They

understand that by fighting against subcontracting, fighting for workers to join our union and fighting to preserve our medical we can all contribute to securing a Hawaii for our children.

Four months ago, in partnership with nearly 20 different community leaders – representing our Filipino, Faith, Labor, Youth, Hawaiian, Environmental, LGBT, and Civil Rights communities – we began to create a unique space where we can work more closely with our allies in framing a vision that speaks to our collective interests. Twice a month our community friends, joined by some of our own rank-and-file leaders meet in an effort to better understand and articulate how our fight for job security, medical and the right to grow is also a fight our community can't afford to lose.

It is often true that in times of crisis and uncertainty we look to our union or community for strength. But in these economic times, we must also fight. We fight not just because our community is with us, but because our community is depending on us to do our part, and in order for us to do so, we must begin to act as leaders, not just on the shop floor, but in our community as well.



Community leaders gather to deliver their signed pledge in support for Local 5 members to Janet Liang, President of Kaiser-Hawaii.

Ka'anapali Beach Club Wins Contract

The workers at the Ka'anapali Beach Club (KBC) fought for almost a year and a half for their new contract. The good news is they WON that contract in April of 2009, the middle of the economic crisis.

KBC workers went in to negotiations with the some of the lowest wages in Local 5, premiums for family medical, no limit on issuance of disciplines, no successorship language and no limit on housekeeping workload. By the time they got to ratification, they were getting back-pay, successorship, wage increases, housekeeping workload standards and free family medical. Their contract means that the Local 5 standard can be won in a down economy.

Winning in a down economy at KBC was a lot of work for all of the workers, especially those on the committee. The committee spent hours fil-

ing charges with the labor board, running delegations to HR, signing petitions, organizing around housekeeping workloads, leafleting on the beach, having negotiations with 75% of the employees in attendance, pushing

through grievances and launching a website. They kept the pressure on management and stood together to achieve the rights and benefits their families need. Congratulations to all of the workers at KBC.



KBC workers celebrate contract victory in April.