

# VOICE OF THE ILWU



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(Above left) The ILWU gave away 1,500 hot dogs at the Oahu Labor Day Unity Picnic at the Waikiki Shell on September 4, 2011. (Above right) Kauai members celebrated Labor Day with a fishing tournament and get-together on September 11, 2011 (I-r) Clayton Silva, retired Business Agent Jesus Guirao, and retired Division Director Clayton Dela Cruz.

# Oahu Labor Day unites workers

Sponsored by the Building Trades Council, the Labor Day Unity Picnic was held at the Waikiki Shell on Sunday, September 4 from 3:00 p.m. to 10:00 p.m. The Labor Day Unity Picnic honored and supported the contributions of Hawaii's unions and public state and county workers.

This year's event drew about 7,500 union members and their families. The day featured everything for free—food, entertainment, games, kid's activities and a shuttle bus from the Kapiolani Community College parking lot. While the event was free, event goers were asked to bring canned food to donate to the Hawaii Food

Live music included Natural High, Straight Up, H-Trey, Mana'o Company, S.I. Ladies, Mz. Royalty, Kapena, and Koa'nka

About 250 ILWU members and their families came to enjoy the event. The Oahu Division members, full-time officers, Hawaii Office Workers Union (HOWU) members and Local staff were able to share the day with members who came

from Wahiawa General Hospital, Straub, Kaiser, Foodland Super Market, Love's Bakery, Hawaii Logistics, Turtle Bay Golf, Dole Food Company, the longshore industry, and other ILWU companies.

A very special thanks to those who volunteered the day before, and to those who cooked and transported the hot dogs to Waikiki Shell on the day of the picnic. Rolando Espanto, a member from Hawaii Logistics, and his family have been volunteering for the past two years.

Four Bouslog Scholarship recipients, Tatiana Espanto, Noah Kawano, Tyler Katagiri and Matthew Shinsato also answered the call and pitched in to wrap hot dogs and hand out Love's Bakery leaflets.

The Harriet Bouslog Labor Scholarship can help ILWU families fund a college education for their children. A labor lawyer, Harriet worked for the ILWU and fought to establish fair labor laws and social justice for the people of Hawaii in the 1940s to 1970s.

The Bouslog Labor Scholarship was established by the late Harriet Bouslog and

her husband Stephen Sawyer, specifically to benefit ILWU families and to encourage attendance at the University of Hawaii. The four recipients coming to help hand out hotdogs is an example of the strength of community the ILWU shares with their members and families.

The Oahu Division also operated two children's games and gave Love's Bakery products as prizes. Love's Bakery leaflets were handed out to fellow union members and their families asking for their support by buying local bread baked and sold fresh by union members.

Most people don't know that half the sliced, sandwich-style bread sold throughout the islands is baked and frozen on the mainland, shipped to Hawaii then thawed out before being sold in stores.

This Labor Day Unity Picnic allowed union members to meet with each other and see how they could support fellow union members in state and local governments or through their personal purchasing power, by buying union made products, like that of Love's Bakery.

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## **UNITE HERE boycotts Hyatt Regency Waikiki Hotel**

UNITE HERE Local 5 struck the Waikiki Hyatt Regency Hotel for seven days from September 8-14, 2011. UNITE HERE struck five other Hyatt Hotels in Chicago, Los Angeles and San Francisco at the same time and are calling for a boycott of these Hyatt properties. ILWU members and staff on Oahu joined the picket lines in solidarity from 1:00 p.m. to 3:00 p.m. each day.

UNITE HERE has already reached agreements with the Hilton and Starwood chains. The Hyatt has agreed to match the economic terms of the contract but is refusing to agree to limit subcontracting. On the Mainland, Hyatt subcontracts as many as 10 percent of their workers—including housekeepers and food & beverage workers from employment agencies such as Hospitality Staffing Solutions.

The boycott does not include the Hyatt Regency Maui and the Grand Hyatt Kauai, both of which have contracts with the ILWU.





(Above, left) ILWU members and officers walked the picket line in front of the Hyatt Regency Waikiki in support of UNITE HERE Local 5 members who struck the hotel for seven days from September 8 to 14, 2011. (Above, right) ILWU Unit 4409 - Island Movers Unit Treasurer Eddie Sekigawa, Business Agent Michael Yamaguchi, and negotiating committee member James De Jesus show support for Local 5 hotelworkers.

The next Local 142 Executive Board (LEB) meeting is scheduled to start at 9:00 am on Dec 16, 2011, in Honolulu at the ILWU building on 451 Atkinson Drive. ILWU members are welcome to attend as observers.

DRESS LABEL

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# **Zenkowan Conference and 100 unionists** support Pacific Beach Hotel workers

The boycott against HTH and the Pacific Beach Hotel continues with strong support from Japanese unions. International Vice-President Hawaii Wesley Furtado and Local 142 Secretary-Treasurer Guy Fujimura went to Japan from September 6-10, 2011, to attend the National Convention of Zenkowan and rallies arranged by the Japan supporters of the Pacific Beach Hotel boycott campaign. One rally was attended by 94 leaders from various Japan unions. They showed video recordings of some of the Pacific Beach Hotel workers thanking the Japanese unions for their support.

#### **September 13, 2011** decision goes against HTH

The most recent decision by the NLRB continues to uphold our charges against the hotel. On September 13, 2011, Administrative Law Judge John J. McCarrick ordered, among other remedies, the reinstatement of illegally terminated Rhandy Villanueva, a member of the union's negotiating committee, restoration of housekeeping room assignments to 16 rooms in the Ocean Tower and 15 rooms in the Beach Tower, reimbursement of employees for matching contributions totheir 401(k) plans for the period from January 1, 2010 to May 1, 2010, lifting the lifetime ban from entering the hotel against union agents Dave Mori and Carmelita Labtingao, resumption of bargaining with the union, and for the three top officers of HTH— CEO Corine Watanabe, President John Hayashi, and Mitch Minicola—to be involved when they read the Board's order to a meeting of all bargaining unit employees during working time.

The National Labor Relations Board upheld almost all the unfair labor charges made by the ILWU against the hotel's owners, HTH management. The Board ordered HTH to resume negotiating with the union, accept all tentative agreements made in earlier negotiations, pay back wages and make whole all workers who were fired, laid off, lost hours, or reassigned

to different jobs, and to negotiate with the union over all unilateral changes made by management since December 2009. The Board also ordered HTH to reimburse the ILWU for all negotiating expenses and to reimburse the NLRB for its legal expenses.

According to Tom Cestare, who runs the Hawaii office of the National Labor Relations Board, this is the first remedy of this kind in the 75 year history since the National Labor Relations Act was passed. This remedy was only possible because President Obama appointed people to the National Labor Relations Board who are serious about enforcing the nation's labor laws. It would never have been made under the Bush NLRB and the Republicans are doing everything they can to prohibit the NLRB from issuing effective remedies which would actually require companies to follow the law. This is only one of many changes we could lose if Republicans win in the 2012 elections.

The NLRB knew HTH would appeal, so on June 15, the day after the Board decision, they went to the 9th District Court to file for an order to enforce the decision. This will require HTH to carry out the NLRB orders even if the company appeals.

As expected HTH waited until the last day on July 13 and filed a petition to review the order of the NLRB to the Ninth Circuit Court of Appeals. That



Shigeru Fujiki, International Transport Federation Inspector, leads a cheer in support of Pacific Beach Hotel workers.

appeal is expected to go nowhere.

HTH Corp. has apparently retained a new law firm—one with approximately 1,800 lawyers and over 30 offices worldwide—to file an appeal on a completely different issue with the U.S. Supreme Court. HTH is claiming that an injunction issued by District Court Judge J. Michael Seabright was improperly requested.

On July 13, 2011, the 9th Circuit Court of Appeals rejected HTH's appeal of the injunction order. A contempt hearing is scheduled to be held before Judge Seabright on October 31, 2011.



International Vice President Hawaii Wesley Furtado (above) and Local 142 Secretary-Treasurer Guy Fujimura (below) made presentations to 100 of the top labor leaders in Japan.



Letter of thanks to the Japanese unions from Pacific Beach union negotiating Committee member Guillerma Ulep.

## No boycott of Pagoda Hotel

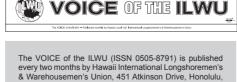
The Pagoda Hotel and Restaurant is no longer under boycott. HTH sold the hotel and restaurant to real estate developer Peter Savio in October 2010. The sale price was not disclosed, but HTH had listed the 46-year old, 359-room hotel for \$15 million.

Savio retained the 150 workers employed at the Pagoda Hotel.

Do not give your business to an employer who repeatedly breaks the law and refuses to recognize the right of their employees to organize into a union.

Do not patronize the Pacific Beach Hotel if you support justice for the

workers of the hotel who have stood up to management and are fighting to unionize and win a contract for over ten years.



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# Japan dockers rebuild after disaster

The National Federation of Dockworkers' Unions of Japan (Zenkoku-Kowan) presented this report to update supporters and donors on the relief and reconstruction efforts by Japanese dock workers.

Our country has been badly affected by the big earthquake and tsunami on March 11 and subsequent nuclear accidents at the Fukushima nuclear power plant.

In the wake of the disaster, Zenkoku-Kowan received very warm letters of condolences and encouragement from International Transport Workers' Federation (ITF) officials including Paddy Crumlin, the ITF General Secretary and Frank Leys, the Dockers' Section Secretary as well as our sister unions around the globe. The ITF and many of our brother unions kindly offered us financial support too. On behalf of all the transport workers in Japan, we would like to take this opportunity to express our gratitude for your warm support and encouragement.

Supported by solidarity expressed by our friends both home and abroad, the members of Zenkoku-Kowan who were directly affected by the disaster have been playing an active role in national efforts toward reconstruction.

As a way of showing our appreciation to our friends in the world, we would like to report on the current situation in the disaster-stricken areas and Zenkoku-Kowan members' rescue efforts and their activities towards reconstruction.

## The devastation of the earthquake and tsunami

At 14:46 on 11 March, an earthquake measuring 9.0 on the Richter scale struck northeast Japan. The megathrust earthquake triggered a tsunami of up to 10 meters in height, which inflicted serious damage on the northeast region. The epicenter was located off the northeast coast of Japan and five coastal prefectures, Aomori, Iwate, Miyagi, Fukushima and Ibaraki were affected by the tsunami. The tsunami-hit area stretched 500 kilometers in length. As of 1 June 2011, three months after the quake, the death toll had reached 15,310. 8,404 people are still missing and 100,527 people are living in evacuation centers. 102,271 houses have been destroyed and 63,636 have been partially demolished.

There were 13 ports in the disaster-stricken areas. At most of the ports, seawalls, quays and cargo handling equipment were badly damaged, making it impossible for these ports to operate for a while. Most of the Zenkoku-Kowan's branch offices in the areas were either washed away or flooded. About 2,000 Zenkoku-Kowan members were mainly living in six of the 13 ports. Eight members were killed and about 200 houses of Zenkoku-Kowan members were all or partially destroyed.



The destruction of the container yard at the Sendai-Shiogama Port shows the extent of the damage caused by the March 11 earthquake and tsunami which hit the North-East regions of Japan.

## Efforts to address the effect of the disaster

Immediately after the 3.11 quake, Zenkoku-Kowan set up a disaster relief headquarters, and despite the poor communication infrastructure, Zenkoku-Kowan has been working hard to locate its members. Usually March is the month for annual wage negotiations for most of the Zenkoku-Kowan-affiliated dockers' unions; central negotiations for various system changes in each sector of the port industry are also held in March. This year, however, we immediately suspended the ongoing negotiations and decided to focus all our energy and efforts on the support of affected members.

First of all, we worked hard to establish good communication networks with people in the disaster stricken areas. By closely communicating with the government and those in the affected areas, we managed to secure a sea route for the transport of relief supplies, while we made temporary repairs on the ports. Thanks to these efforts, within two weeks, all of the 13 ports resumed part of their cargo handling operations. Members in the disaster-stricken areas, some of whom lost families and houses themselves, have played pivotal roles in

the rescue work by handling the cargoes of relief supplies with a strong desire to make a difference in the lives of as many people as possible.

The work to remove rubble from port areas is nearing an end and ships are gradually coming back to the ports. However, unless local manufacturing regains its strength, the amount of cargo will never return to pre-disaster levels. The disasterhit port workers are maintaining their employment by working in neighboring ports with a relatively high level of recovered cargo volume. Employer associations are also supporting workers by temporarily lending used cargo handling equipment to ports in affected areas on a long-term basis. In addition, trade unions and port operating companies are collaborating with each other through rescue work councils they jointly set up both at the central and local level (in disaster-stricken areas).

Fukushima Nuclear Power Plant accident

What has worsened the situation is the accident at the Fukushima Daiichi nuclear power plant. Although the nuclear reactors in the plant automatically shut down following the earthquake, the diesel generators, which were supposed to power an emergency core cooling system didn't work. It has become clear that the fuel rods melted down and dropped to the bottom of their pressure vessels. Now, the melted cores are being cooled down by injected water. At the No. 1 and No. 3 reactors, radiation was released when hydrogen explosions occurred. Particularly, radiation released from the No. 3 reactor, which uses mixed uranium-plutonium fuel, has very high toxicity. Even the No. 4 reactor whose operation had been suspended, leaked radioactive substances from the spent nuclear fuel. Furthermore, high-level contaminated water is being released into the sea. The situation is still uncontrollable. Tokyo Electric Power Co. said that the cooling system would be recovered by the end of the year, but work has not gone

The government designated the area within a 20-km radius from the plant off-limits and advised residents within a 20-30 km radius to evacuate. There is a possibility that these areas would become uninhabitable for decades to come.

#### Radiation measurements in ports in Japan

There is a possibility that cargo transported from Japan is contaminated with radiation. Radiation checks on cargo from Japan are carried out in a number of countries. There were cases reported that cargo was returned to Japan due to the detection of high levels of radiation.

The Ministry of Land, Infrastructure, Transport and Tourism of Japan developed guidelines on radiation measurement for export containers and ships, under which radiation checks have been carried out since 20 April 2011.

With regard to export containers, radiation levels are measured at the terminal gate at a point 1.5m above ground level on four surfaces (fore, aft, right and left) when the tractor is removed. When the tractor is connected, it is measured on three surfaces (aft, right and left). When the measured dose rates of radiation are all less that 0.3 μ Sv/h, the container should be handled as normal. When one of the measure rates is between 0.3 and 5 µ Sv/h, measures for decontamination such as washing should be taken. When the rate is 5 µ Sv/h or more, related organizations must be informed and the container should be removed and isolated. With regard to ships, dose rates are measured at five points in total: four points for the deck and one point in the vicinity of forecastle. Furthermore, radiation levels of seawater within ports are also measured.

Up until now, most of the containers have been handled as normal. There were very few cases where containers were decontaminated. Decontaminated containers are to be exported after the dose rate falls below the criteria. No radioactive substances have been detected in seawater with ports.

Right after the Chernobyl nuclear accident, port workers in Japan measured radiation levels of containers transported to Japan from Siberia. Looking back, the criteria we followed at the time was very high. In order to ensure safety of port workers and seafarers, it is necessary to share information and take appropriate measures.



ILWU President Robert McEllrath (rear left) and ILWU Vice President Ray Familathe, (rear right) present a check for \$65,000 to representatives of the All Japan Dockworkers Union (Zenkowan) for relief efforts. The money was donated from the ILWU International, the Coast Longshore Division, Hawaii's Longshore Division, Hawaii Local 142 and other ILWU Locals. In the front row from Zenkowan are: Shinji Takagi (Vice President of the Onahama Local), Jun Hakozaki (Vice President of the Onahama Local), Akinobu Itoh (President), Hideki Niiduma (President of the Onahama Local), Nobuhide Sasaki (Deputy General Secretary of the Onahama Local).

# US bosses run the workplace like dictators

There is a wide-spread belief that the United States is a democratic, free, and fair country. Most Americans also mistakenly believe that these rights, spelled out in the U.S. Constitution, also protects them on the job. They are mistaken because these Constitutional rights only apply to government and does not apply to private employers at their place of business.

For almost every American worker, there is no such thing as freedom and democracy on the job. The only exceptions may be the 12 percent of unionized workers protected by their union contracts and unionized public employees in federal, state, or city governments. Even with a union contract, the degree of freedom and democracy available to workers is limited and narrowly applied to issues such as safety. Even with a union contract, management will say they have the right to make every decision and do everything their way, unless it is limited by the union contract.

Seven out of eight American workers have no union and have no right to speak freely on the job or to vote on anything that happens on the job. Management makes all the decision and has total control of the workplace. Workers risk being demoted, punished or fired for talking back to management (being insubordinate) or not doing exactly what management wants them to do. Some employers even reach beyond the job and limit what employees can do or say in their private lives away from the job. Workers have been fired for posting pictures on Facebook or making comments and tweets which management felt was inappropriate.

#### **Workplace dictatorships**

A 2008 survey found that one out of every four working Americans (25 percent) describes their workplace as a dictatorship, according to a June 2008 survey commissioned by the non-profit Workplace Democracy Association. The poll was conducted by Zogby International and surveyed 2,475 people about their feelings towards their boss and workplace.

The survey found that less than half of working Americans—46 percent—said their workplace promotes creative or inventive ideas, while barely half—51 percent—said their co-workers often feel motivated or are mostly motivated at work. Only one-third, or just 34 percent of bosses

Country	Owner-Run	Both
USA	57%	35%
Canada	53%	37%
Japan	44%	47%
Britain	43%	45%
Norway	32%	62%
Brazil	32%	44%
Sweden	30%	65%
France	24%	61%
India	22%	48%
Russia	11%	18%

The chart above shows the results in selected countries of people who think only owners should run their business and appoint managers or whether both owners and employees should participate. The U.S. had the highest (57 percent) of people who thought owners only should run their business.

in the American workplace react well to valid criticism, according to the survey; 31 percent believe their human resources department or upper management "almost always" or "sometimes" hire the wrong people; and 18 percent said they would feel more motivated at work if employees were selected by groups of coworkers.

"Traditionally-managed companies, by inadvertently draining the motivation levels of their employees, are stifling productivity, innovation, and creativity," said Asher Adelman, Founder and President of the Workplace Democracy Association. "Companies cannot expect to remain competitive when such large numbers of employees do not feel like they are treated like responsible adults nor when they feel like their input has little or no impact on the company's decision-making process," said Adelman.

In 2006, Gallup conducted two polls on employee turnover. They found that 82.8 percent of the employees left their companies and 17.2 percent moved to a new position in the same company. Of those who quit, almost 69 percent said it was due to the lack of advancement or promotional opportunities, a poor fit to the job, or bad management and a bad work environment. Only 22.4 percent left because of pay and benefits.

Gallup concluded that 75 percent of the reasons for employee turnover could be directly influenced by management style and behavior.

#### U.S. Workers Expect Dictatorship

The last line of the national anthem of the United States, the Star Spangled Banner, repeats the words, "O'er the land of the free and the home of the brave," as the last line in each of the anthem's four stanzas.

It is surprising that "the land of the free" was the single most undemocratic country in terms of how its people view workplace democracy. A 1991 World Value Survey of over 38,000 people in 50 countries asked how business and industry should be managed. The results were published in 1996 by S. Wojciech Sokolwski of Johns Hopkins University. [see <a href="https://www.hartford-hwp.com/archives/26/062.html">www.hartford-hwp.com/archives/26/062.html</a>]

People in each country were asked which of these four statements came closest to their opinion?

- 1. The owners should run their business or appoint the managers.
- 2. The owners and the employees should participate in the selection of managers.
- 3. The government should be the owner and appoint the managers.
- 4. The employees should own the business and should elect the managers.

In the United States, 57 percent thought that owners should run their business or appoint the managers. This was the highest among the 50 countries. The average response of all countries was 34 percent.

The countries that most opposed absolute control by management were Belarus (9 percent), Russia (11 percent), and China and India (22 percent).

The most popular response was option number two where owners and employees would participate in the selection of managers. The overall average was 43 percent and the countries with the highest support for employee participation were South Korea (68 percent), Sweden (65 percent), Norway (62 percent), and France (61 percent). Only 35 percent of those surveyed in the United States thought workers should participate in selecting managers.

We could combine the responses to options two, three and four as supporting some form of democracy where employees and the government have more of a say in running a business. We would then have two responses—option one where

management has total control and option two where there is some democracy. When we do this, the United States comes in dead last with only 44 percent supporting some form of workplace democracy. The average response is 66 percent, and the countries that most strongly support workplace democracy are Belarus (92 percent), Russia (88 percent), China and India (78 percent), and South Korea (77 percent).

Sokolwski's concludes: "As far as workplace relations are concerned, U.S. is the most authoritarian country of those that were surveyed. The source of that unfortunate state of affairs lies in the weak political position of labor in this country. It is clear that labor must gain its own political voice to have a lasting impact on the democratization of labor relations in this country."

# Democracy on the job works well—a tale of three countries

ABB, a high voltage transformer company, was a merger of two engineering firms from Sweden and Switzerland. It was run by Swedish manager Percy Barnevik.

ABB also makes software and the electronics that control the giant cranes which load and unload container ships.

The company had three factories in Finland, Switzerland, and Australia but allowed local management to run their plants.

The global economic recession of 2008-2009 caused drop in sales and hardships for all three companies.

In Finland, worker participation eliminated layers of management and formed work teams. This led to more efficient

production and the company succeeded.

In Switzerland, worker participation led to the development of new products and innovations and the company succeeded.

In Australia, workers were not involved, management made the decisions and the company resisted changes. The Finnish manager was sent to rescue the plant he concluded investments in new technology and worker training to use the new technology would be too expensive and the plant was closed.

The example of ABB is only one of many examples of how worker participation and workplace democracy leads to more successful and competitive businesses and more democratic societies.

# Democracy on the job SUCCEEdS because:

- Workers are more skilled and better trained;
- Workers are more productive and can adapt faster to changes in technology and business conditions;
- Fewer management layers mean lower costs;
- Involving workers lead to better decisions; and
- Higher paid workers spend more and this stimulates the economy and creates more jobs.

# Dictatorship on the job fails because:

- Workers are not trained and lack skills;
- Workers can't adapt as quickly to changes in technology and business;
- Management tends to fire or replace workers;
- More managers are needed to manage workers which leads to higher costs;
- Bosses make bad decisions and mistakes when they lack information and don't consult with their workers:
- Higher profits and wealthy owners don't create jobs because they tend to buy luxury goods and don't reinvest in their business; and
- Low paid workers spend less and this means less demand and less jobs.

# Worker democracy is the law in many countries

"Worker involvement in company decision-making strengthens a democratic, social and competitive Europe," this is the main conclusion of the worker-participation website run by the European Trade Union Institute. The following information comes from their website.

Involving workers in company decisions not only represents an important element of the European Social Model but also makes good economic sense in modern economies. Against this background the EU has committed itself to the aim of promoting strong workers' rights to information, consultation and participation at all levels of the company.

The website worker-participation.eu gives you access to what is happening at the European level in this field and provides you with information on the national background to industrial relations in each of the 27 EU member states.

#### Why worker participation in Europe?

- Worker participation is a Fundamental Right in Europe laid down by Article 27 of the European Charter of Fundamental Rights.
- Worker participation is an essential part of the European Social Model. At the same time, worker participation strengthens the European Democracy in practice and the economic competitiveness of European companies.
- Worker participation highlights the fact that a company should not be defined by the sole interest of its shareholders and managers but also by the stakeholders, such as workers.
- Worker participation means that social interests can be addressed at the decision-making level of a company.
- Worker participation has to be supported by European legislation in order to enforce workers making their interests effective to the same extent as those interests introduced by the shareholders.
- European legislation on worker participation rights at the transnational level is based on a broad political consensus of the European Parliament and among European Governments.

#### **Worker co-determination in Germany**

Member countries of the European Union are free to implement worker participation in different ways. In Germany, the law requires worker representatives to have seats on the board of directors of all companies employing over 500 people. A Worker representative serves as director of human resources and on management's executive or supervisory committee at the plant level.

Worker representatives or works councils are elected by workers in smaller companies for information, consultation, and decision making on employment matters.

Workers involvement has led to high productivity, low levels of strike actions, and better pay and conditions. After years of co-operation, employers accept the fact that workers play an important part in plant success. A practical approach has evolved among both parties, with each aiming to reach decisions based on consensus. Worker representatives no longer automatically reject every proposal for structural reform, increased efficiency of even layoffs; instead, they examine each suggestion from an inclusive, long-term perspective.

At the core of this approach is transparency of information, such as economic data. Co-determination is thus practiced at every level, from the local plant to firm headquarters.

In Norway, the law insures that workers, whether unionized or not, have the right to participate in decisions that affect their jobs and workplace. In 1977 Norway passed the Working Environment Act, which was update in 2005 and 2007. The provisions in the Act are part of the law and common practice in many countries of Western Europe. Following are some of the highlights of the Act which shows how worker participation and workplace democracy are an integrated part of their social and economic system.

#### Employees and unions are involved

Undertakings of 50 or more employees shall have a working environment committee. The employer, employees, and safety and health personnel shall be represented on the committee.

The working environment committee shall be involved in plans for construction work, purchase of machinery, work processes, preventative safety, workinghour arrangements, and reduced capacity of individual employees.

Undertakings of 50 or more employees shall provide information concerning all issues of importance concerning working conditions and discuss such issues with the employees elected representatives.

The information shall be provided as early as possible so the employees elected representatives can understand the information, do their own investigation, and prepare for consultation with the employer.

The consultations shall allow the elected representatives to meet the employer at the appropriate level and receive responses to their questions. Consultation shall aim to reach an agreement.

## Law applies to businesses of all sizes

Any undertaking of 10 or more employees shall elect safety representatives. The safety representative shall safeguard the interests of employees and their safety, health, and welfare. The safety representative may halt work if the life of health of employees is in immediate danger and there is no other alternative to avoid danger. The employer shall pay the cost of training safety representatives and give them time to do their work as safety representatives during normal working hours.

Undertakings of 20 to 50 employees shall have a working environment committee if required by any of the parties.

#### **Consultation with workers**

The employees and their elected representatives shall be continuously informed, trained, and take part in designing the work and work environment. The design of each employee's working situation shall account for the employee's capacity for work, proficiency, age, and other conditions.

## Jobs are designed to avoid stress, preserve dignity

As far as possible, employees shall be given the opportunity for variation in their assignments. Work will be arranged to preserve the employee's integrity and dignity. Work shall be arranged to enable contact and communication with other employees. The workplace shall be arranged to avoid adverse physical strain. Necessary aids shall be made available.

The working environment shall provide healthy and meaningful work, free from harmful physical and mental stress. The working environment shall adapt to the individual employee's capabilities and circumstances of life. The working environment shall be developed in cooperation between the employer and employee organizations.

#### Worker safety

Employees have the right to interrupt work if there is a danger to life or health. The employer is responsible to safeguard the health, environment, and safety of employees. This shall be done in cooperation with the employees and their elected representatives.

The standards of safety, health, and working environment shall be continuously improved. There shall be variation in the work to avoid heavy lifting and monotonous repetitive work. When new machinery is installed, employees are not to be subjected to undesirable strain from vibration and uncomfortable working

—see "Norway," page 7

#### Average hourly compensation paid to workers in different countries in 2008

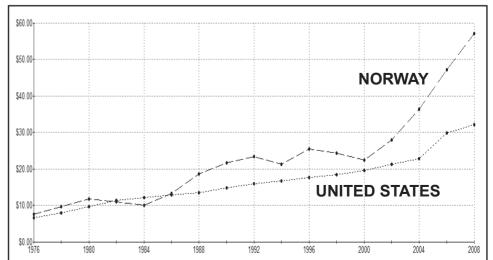
How can Norweigan companies compete and survive in a global economy when their total labor cost is \$57.18 an hour and a U.S. employer pays only \$32.26 an hour in wages, benefits, social security, and other government required employee costs?

The chart on the far right shows that Norway's total compensation has been higher than the United States for 34 years and lower in only one year—1984.

Norweigan companies do well because of worker participation and workplace democracy.

The data for these charts comes from the United States Bureau of Labor Statistics International Labor Comparisons program.





The chart above shows that Norway's total compensation paid to production workers have been higher than the United States for 34 years. United States workers were the highest paid prior to 1976 but have fallen behind.

## **U.S.** Billionaires made their wealth in finances

Forbes Magazine has compiled a list of the world's billionaires for the last 25 years. Their list for 2011 contained 1,210 people from 55 countries. The United States had the largest number of billionaires with 413; followed by China with 115 (this does not include 36 billionaires from Hong Kong). Russia came in third place with 101 billionaires, followed by India with 55 and Germany with 52.

Carlos Slim Helu of Mexico was the world's richest person with a net worth of \$74 billion. Bill Gates from the United States was the second richest with a net worth of \$56 billion and Warren Buffet was worth \$50 billion. Bernard Arnault of France's Louis Vitton was the fourth richest person with a net worth of \$41 billion.

Four members of the Walton family in the United States, heirs of the Walmart empire, have a combined wealth of \$90 billion. The two Koch brothers—Charles and David—inherited \$44 billion and give a lot of money to Republicans and to promote conservative issues.

#### **Inherited wealth**

We took a closer look at the wealthiest 539 people who were worth over \$2.2 billion. More than one-third or 193 people got a jump start by inheriting their wealth, businesses, and property. "Selfmade" billionaires numbered 346. Many "self-made" came from rich and powerful families and benefited from their connections. Bill Gates' grandparents started Seattle's National Bank and set him up with a million dollar trust account. Gates invests most of his money in Mexico, not Microsoft or U.S. companies.

In the United States, 69 percent of the billionaires were self-made and 31 percent inherited their wealth. In Mexico, South America, and India the figures are almost reversed where over 60 percent inherited their wealth and less than 40 percent are self-made. In Europe and Africa, about half are inherited and half are self-made.

In Russia, China, and the United King-

dom most of the billionaires are self-made.

#### **Different path to fortunes**

In the United States, the largest group of self-made billionaires, 34 people, made their fortunes in finance and investments. The next largest group of 18 U.S. billionaires made their fortunes in software and the Internet such as Microsoft, Oracle, Google, Amazon, and Facebook. Americans dominated these two sectors with 65 and 64 percent of the world's billionaires. Movies and entertainment created the fortunes for 14 Americans such as Oprah Winfrey and George Lucas.

In Russia, 36 of their 49 self-made billionaires made their money through control of raw materials and commodities. In China, real estate was the source of their self-made wealth. In Europe retailing was their path to wealth.

While the United States has the largest number of billionaires with 413, the United States also has a large population of 311 million people. This works out to one billionaire for every 754,814 people. The U.S. comes in at number 8 in terms of billionaires per person.

Tiny Monaco with 35,000 people has two billionaires—a per person ratio of one billionaire for every 17,500 people. Taiwan has 25 billionaires and a ratio of one billionaire to 156,008 people. Hong Kong has 36 billionaires and a ratio of one billionaire to 197,156 people.

The U.S. comes in at number 25 for average networth of \$3.71 billion. Mexico had the highest average networth of \$11.37 billion

	USA	Germany	France	Japan
Finance	32%	8%	14%	12%
Tech, Media	19%	21%	14%	12%
Consumer Goods	32%	44%	50%	69%
Primary Industry	17%	27%	21%	8%

A large number of U.S. billionaires made their wealth in finance, real estate, and investments, while billionaires in other advanced countries, particularly Western Europe—inherited their wealth or made their money in consumer oriented businesses. This helps explain why wealthy Europeans are more supportive of their economic systems which tax the wealthy at higher rates and provide much higher level of social benefits than the United States.

Year	Billionaires	Net Worth
2011	1,210	\$4.5 trillion
2010	1,011	\$3.6 trillion
2009	739	\$2.4 trillion
2008	1,125	\$4.4 trillion

Billionaires took a huge hit in the 2008-2009 global financial crisis. Their numbers dropped to 739 and they lost about \$2 trillion in

net worth. However, the number of billionaires and their wealth recovered in 2010 and in 2011, the world's billionaires are richer than ever.

U.S. workers have not done as well and continue to suffer losses as wages and benefits have dropped to a 50-year low compared to company sales and Gross Domestic Product, according to the June 2011 JP Morgan "Eye on the Market" report.

#### **Top Ten Wealthiest Americans**

- 1. Bill Gates, Microsoft: \$56 billion
- 2. Warren Buffet, Berkshire Hathaway: \$50 billion
- 3. Larry Ellison, Oracle Software: \$40 billion
- Christy Walton & family, Walmart, inherited: \$26 billion;
- 5. Charles Koch, Koch Industries, inheritied: \$22 billion;
- 6. David Koch, Koch Industries, inheritied: \$22 billion
- 7. Jim Walton, Walmart, inherited: \$21 billion
- 8. Alice Walton, Walmart, inheritied: \$21 billion
- S. Robson Walton, Walmart, inheritied: \$21 billion
- 10. Michael Bloomberg, Bloomberg: \$18 billion.

## Billionaires call for higher taxes—on themselves

Warren Buffet revealed he paid less taxes than his secretary—17% of his income—in a story titled "Stop Coddling the Super-Rich" published in the New York Times on August 14, 2011.

"While the poor and middle class fight for us in Afghanistan, and while most Americans struggle to make ends meet, we mega-rich continue to get our extraordinary tax breaks." Buffet explained that his income as an investment manager is classified as "carried interest" and taxed at only 15 percent. He paid a total income and payroll tax in 2010 of 17.4 percent, compared to the average 36 percent paid by the other 20 people in his office, including his secretary.

Buffet recalled that the taxes on the rich was much higher in the 1980s and 1990s, and the higher tax rates never stopped them from investing or creating jobs. "People invest to make money, and poten-

tial taxes have never scared them off."

Buffet suggested that Congress continue the 2 percent reduction in payroll taxes and leave the tax rate unchanged for the 99 percent of taxpayers who earn less than \$1 million. Buffet suggested Congress raise taxes on people earning more than \$1 million, raise the taxes on capital gains and dividends, and raise taxes even more for the 8,274 individuals who make more than \$10 million a year.

"My friends and I have been coddled long enough by a billionaire-friendly Congress," Buffed concluded. "It's time for our government to get serious about shared sacrifice."

Warren Buffet is the second wealthiest person in the United States with a net worth of \$50 billion. Buffet is the chairman and chief executive officer of Berkshire Hathaway. The wealthiest person in the United States is Bill Gates III who is worth \$56 billion. Gates was

the former chief executive officer and is currently the chair of the Microsoft Corporation.

## French mega-rich agree to higher taxes

In France, a group of 16 mega-rich, including L'Oreal heiress Liliane Betten-court, published an open letter on August 24 proposing they pay a higher tax as their contribution to the nation's efforts to reduce its worsening deficit and debt situation.

The French tax increase proposed by President Nicolas Sarkozy's government includes a three percent "exceptional contribution" on incomes over 500,000 Euros (about \$673,000 U.S. dollars), closing tax loopholes, and eliminating deductions for the country's largest companies. The tax on the rich would be automatically repealed when the deficit drops below 3 percent

Many of the mega-rich who signed the open letter, such as Publicis Group's Maurice Lévy, Dannone's Franck Riboud, and Air-France-KLM chair Jean-Cyril Spinetta are recognized as management who put human concerns and employment priorities equal to or above strictly bottom line profits. In their letter, they explained that, "We are aware of having fully benefited from a French model and European environment to which we are committed and which we want to help preserve."

The super rich in France recognize that their wealth, in part, comes from a social system where workplace democracy is the law and workers are paid higher wages and benefits

The chart on page 5 shows France ranks number 11 in the world with an average compensation to workers of \$41.94 an hour compared to the \$32.26 average in the United States.

# **ILWU** supports Lanai wind project



ILWU members held signs and marched showing their support of the wind power project on Lanai during a Public Utilities Commission visit to the island for the review of the Young Brothers freight increase on July 26. Over 200 members urged the PUC to put the wind project on their agenda.

In 2008, a partnership between the state of Hawaii and the U.S. Department of Energy launched the Hawaii Clean Energy Initiative. This initiative was born out of the growing need for the United States to reduce its dependence on imported oil. Hawaii, being one of the most oil dependent states, must take on this challenge to keep our money, jobs and power local.

#### **ILWU** supports local energy

The ILWU is supporting a number of renewable energy projects, including wind power on Lanai and Molokai, biofuel development in Ka'u and the Hilo Coast and geothermal on the Big Island.

The Lanai wind power project, as well as other renewable energy proj-

ects, are good because it decreases our dependence on costly, environmentally-unfriendly, unstable imported oil. Wind power will provide local jobs. Whether to cultivate and harvest renewable energy crops or work in the factories, these are jobs that the ILWU members can embrace.



Castle & Cooke has spent millions of dollars in planning to build wind power generators on the mountains of Lanai and an undersea cable to bring the electricity to Oahu. The sale of electricity is critical to the financial future of all Castle & Cooke operations on Lanai, which employ well over 600 ILWU members.

#### Local dollars, local jobs

These renewable energy projects keep money flowing in our economy. Last year we sent \$7 billion of our money outside the state to pay for oil. Renewable energy promotes keeping local dollars local, creating local jobs, reducing our carbon footprint and building an industry for our younger generations to develop and improve.

#### **Cut your electric bill**

Electric rates in Hawaii are the highest in the nation. Hawaii on average pay 31 cents a kilowatt (kw), with Oahu at 25 cents per kw, Big Island at 36 cents, Maui at 29 cents, Lanai at 37 cents and Kauai at 42 cents per kw. The national average is 11 cents per kw.

While we explore and support these

renewable energy projects, we can also take charge of our own energy consumption - and save money doing so. Photovoltaic and solar water heating can cut your electric bill in half or more. These systems pay for themselves in a couple of years. Need to save money before investing in something like solar energy? Changing your lightbulbs to flourescent, turning off your computer when you aren't using it, turning off lights when you aren't in the room and taking shorter showers can dramatically reduce your monthly bill.

Take part in our right to "Local Power." The ILWU has proven that when workers stand together, our lives improve. Together we can build "Local Power."

# Worker democracy in Norway —continued from page 5

positions. If an employee suffers reduced capacity for work as a result of an accident, sickness, or fatigue, the employer shall, as far as possible, implement the necessary measures to enable the employee to retain or be given suitable work. If it is necessary to transfer an employee to other work, the employee and the employee's elected representatives shall be consulted before deciding the matter.

## Schedules and rules are negotiated

Work schedules shall be discussed with the employee's elected representatives as early as possible and at least two weeks prior to implementation. House or staff rules shall be negotiated with the employee's elected representatives. If there is no union, the employees shall select five representatives to negotiate with the employer.

If there is no agreement on the rules, the employer shall submit their draft along with the counter rules from the employees to the Norwegian Labour Inspection Authority who must approve the rules.

#### **Protected from dismissal**

Before making a decision to dismiss an

employee, the employer must discuss the matter with the employee and the employee's elected representative unless the employee does not want the representative involved.

All employment relationships shall have a written contract of employment. An employee may have the assistance of an elected representative or other representative when drafting or amending the contract of employment.

Employees may not be dismissed unless this is objectively justified on the basis of circumstances relating to the undertaking, the employer or the employee. When deciding whether a dismissal is objectively justified by curtailed operations or rationalization measures, the needs of the undertaking shall be weighed against the disadvantage caused by the dismissal for the individual employee.

#### **Limits on subcontracting**

Dismissal due to contracting out of the undertaking's ordinary operations to a third party is not objectively justified unless it is absolutely essential in order to maintain the continued operation of the undertaking.

An employee who is wholly or partly

absent from work owing to accident or illness may not be dismissed for that reason during the first 12 months after becoming unable to work. If an employment relationship has been legally terminated, an employee may remain in the post as long as negotiations are in progress.

#### Owners face fines and jail for violations

Any proprietor or person managing an undertaking who willfully or negligently breaches the provisions of this Act shall be liable to a fine, imprisonment for up to three months or both. In the event of particularly aggravating circumstances the penalty may be up to two years' imprisonment.

Employees are also liable to a fine and up to 3 months imprisonment or one year for serious offenses.

#### Not in the USA

Almost none of these rights and benefits are required by law in the United States.

Unionized workers have successfully negotiated some of these rights and benefits into their contracts, but these would apply only to those individual employers covered by the union contract.

# It pays to check your pay stubs

One of our hotels on Maui found they made a mistake and is paying nine room service employees a total of \$12,000 in back wages. It seems they forgot to raise the workers' share of gratuity as required by the union contract. The mistake goes back almost one year to September 2010.

There have been other cases where management forgot to increase wages or gratuities on the dates required by the union contract. The mistake is usually discovered quickly, but in this case it was almost one year before management discovered the mistake during a routine audit.

It is always a good idea to check your pay stubs and your union contract to make sure you are being paid the correct wages and are receiving any pay increases on the correct dates.

## Around the Union

# **Big Island and Kauai Pensioner Picnics**



Posing with their son Clyde Silva, an officer of the Pahala ILWU Pensioners Club, are the Big Island's longest married couple, Mr. and Mrs. George Silva. They were married October 25, 1947 and are also members of the Pahala Club. The Labor Day Pensioners Picnic was held at ILWU Hilo Hall on August 27, 2011. The retirees enjoyed live entertainment, games, raffles, dancing and a box lunch.

Ricardo Fermin, age 91, and Florence Kati, age 87, were honored as the oldest man and woman at the Kauai Division Pensioners Picnic. Hundreds of ILWU retirees attended the annual picnic hosted by the Kauai Division on August 13, 2011, at the ILWU Hall in Lihue, Kauai. The retirees enjoyed a box lunch, live music, games, and door prizes.

(pictured with wife Shirley) and Servco's

"Power On" team. Regular participants

Wilfred Tsuda and Dennis Yoshimura



# (Above) "Team Foodland" took second place and was represented by Roy Tachino at the weigh in. (Below) Fourth place winners "Satoichi," represented by Clayton Anderson and Ronald Sato

of Servco Pacific, Inc.





Over 50 masseurs and spa workers of the Hyatt Maui voted to join the ILWU in July 2011. They are currently meeting with hotel management to negotiate their first ILWU union contract.

# Hawaii and Maui Division business agent replacements

Delbert DeRego, a business agent from Maui Division, replaced Hawaii Division Business Agent Elmer Gorospe effective September 15, 2011. Elmer resigned his position as Business Agent and returned to his job at Mauna Loa Macadamia Nut for personal reasons.

Steve West was appointed to replace the vacancy on Maui caused by Delbert's reassignment to the Big Island.

If you have any questions or want to confirm the name of your new Business Agent, please call your Division office at: Hawaii (808) 935-3727 (Hilo Office) or (808) 244-9191 (Wailuku Office).

# Support your fellow ILWU members, buy union products

Love's Bakery no longer distributes the Hostess brand of snack products. Hostess products such as Twinkies, Ding Dongs, and Snoballs are now distributed by the non-union Hawaii Foodservice Alliance, LLC, which is a major competitor of the unionized Love's Bakery.

You can support your fellow ILWU members by buying Little Debbie Snacks and Mrs. Freshley products which includes velvet and chocolate cupcakes, banana pudding cakes, and chocolate and blueberry pies.

These products are distributed by unionized workers who earn good wages and benefits as the result of years of collective bargaining.

Love's Bakery was organized by the ILWU in 1946 and employs over 260 workers on all major islands as drivers, thrift store clerks, and production workers at the Love's bakery in Honolulu.

#### Buy fresh baked in Hawaii

Love's bakes their bread fresh in Hawaii, but almost half of the bread sold in grocery stores are produced on the Mainland, frozen, shipped by container to Hawaii, thawed, then put on the grocery shelves. Hawaii Foodservice Alliance is the primary distributer of this frozen bread, and most consumers have no idea they are buying a previously frozen product. Many people freeze their left-over bread, and refreezing previously frozen bread can affect the texture and moisture content of the bread.

The ILWU believes that consumers have the right to know what they are buying and should be informed when the food they are buying has been previously frozen. The Food and Drug Administration already requires such labeling for meats and seafood. However, the ILWU was unsuccessful in passing a law which would require the proper labeling of frozen bread.

You might pay a little more for the fresh baked Love's bread, but you will get a fresher bread, baked in Hawaii, and produced by unionized, ILWU members.

Bread products distributed by Love's Bakery includes Milton's Multi-Grain breads, Roman Meal, Hawaii's Hearth Breads, Love's Kids White Bread, and Love's Bread in the famous red and white gingham wrapper.

Love's also freshly bakes six varieties of donuts and four varieties of the single serving fruit pies—apple, chery, chocolate, and Bavarian Creme.

Monthly Division Executive Board meetings: Hawaii—last Wednesday; Maui—3rd Wednesday; Kauai—2nd Wednesday; Oahu—4th Friday.