

# Wilsonville factory workers vote to strike at Xerox

## Profitable printer maker wants to cut disability benefit even after workers agreed to freeze pension

By DON McINTOSH  
Associate Editor

Xerox factory workers in Wilsonville, Oregon, voted overwhelmingly Oct. 13 to authorize a strike.

Xerox revenue grew 42 percent last year to \$21.6 billion, and it paid its CEO Ursula Burns \$13.2 million. But Xerox is proposing deep pension cuts and other concessions for the 183 members of Service Employees International Union (SEIU) Local 49 at its Wilsonville color printer complex, which it acquired from Tektronix in 2000.

"It's corporate greed," said chief steward Gary Daniels. "Xerox doesn't need to do this. They're making profits. They're doing great."

Union bargaining is where you see the soul of an employer. Earlier this year, a Xerox negotiator showed in a PowerPoint presentation all its unionized U.S. locations that have downsized or moved work overseas. The ex-

ception, the negotiator said, was the Xerox facility in Cerritos, California: Because the union made concessions, Xerox is bringing back some work. Get the message?

All over the country, says Local 49 organizer Casey Filice, Xerox is demanding that its unions accept diminished retiree benefits. Xerox has about 130,000 employees worldwide.

In Wilsonville, union members work in cleanrooms making print heads with a specialized solid ink crayon. Those are sent to Malaysia for assembly into printer cartridges in high-end office printers. Union members in another building ship and receive printers and prepare printers for end users.

About 1,400 nonunion employees also work at the Wilsonville complex, including technicians, administrators, and customer service call center workers. In June, the company informed 120 nonunion engineers that they were no longer employees of Xerox. They do the same work at the same desks, but now work for contractor HCL, an Indian company that specializes in engineering outsourcing.

Meanwhile, Local 49 members agreed to freeze their own pensions in order to preserve a set of benefits for 50 retired members who don't get to vote on the contract. The traditional "defined benefit" pension will be frozen at the end of 2012, meaning workers will no longer accumulate



**'OCCUPY XEROX'** — A contingent of Xerox printer manufacturing workers from Wilsonville, members of SEIU Local 49, joined with Occupy Portland protesters for an Oct. 15 march. Pictured above is unit President Brian Wood, 44, a 12-year employee at Xerox Wilsonville, showing strike support stickers and carrying a sign that says "Occupy Xerox." Workers there voted two days earlier to authorize a strike.

new pension benefits. Instead, workers will rely on an interest-bearing "cash balance retirement account" into which Xerox deposits 4 percent of pay. Chief steward Daniels, 31, calculates the change will cost him \$30,000 if he retires at age 65.

Wages among the union members average \$14 an hour. About half would

get no raise under Xerox' proposal, while the other half — those a company-sponsored labor market survey identified as underpaid for their occupational classification — would get raises averaging 2.4 percent. Xerox also agreed to lump sum bonuses of 2.5 and 2.75 percent.

The company did drop some earlier demands for concessions, including eliminating sick days and reducing pay up to 50 percent for long-term employees. The union contract allows Xerox to use nonunion temps for up to 30 percent of the workforce, and Xerox also dropped a demand to take that up to 50 percent.

And Xerox agreed that the workers may enroll in a union-sponsored Kaiser Permanente health plan that provides better benefits at lower cost to employees — for the same cost to the company.

But in return for that cost-neutral concession, Xerox is demanding that a short-term disability benefit for union workers be cut — while keeping it for managers and nonunion workers. That's become a sticking point for the union. Their short term disability plan restores 80 percent of a worker's pay for six months in the event of a serious illness or accident outside of work. Managers have the same benefit, but at 100 percent of pay. Xerox wants to cut the union benefit to 60 percent of pay, for five months, and introduce a one-week waiting period before the benefit begins.

"It's about surviving," Daniels said. "This could make or break a family. It's difficult already to go down to 80 percent."

The cost difference between the company and the union position would total \$60,000 over the duration of the contract, Filice said — one day's wage for CEO Burns.

The Local 49 contract at Xerox ex-

pired in July, but was extended through Oct. 13 by mutual agreement. Since the Oct. 13 vote authorizing the union bargaining committee to call a strike, members have been working without a contract.

Because the United States has one of the worst sets of labor laws in the world, employers have the right to "permanently replace" employees who strike. The exception, under the law, is when workers strike to protest labor law violations known as "unfair labor practices." Employers can still replace strikers, but not permanently.

Local 49 has filed an unfair labor practice charge with the National Labor Relations Board, accusing Xerox of surveillance and intimidation after managers showed up and tried to listen in when union members met to exchange information during "unity breaks" in the workplace.

To prepare for a strike, workers are signing strike pledges, wearing yellow stickers that say "I signed the strike pledge," and taking part in a "unity clap" during shift change.

"Nobody wants to go on strike," Daniels told the Labor Press, "but people can see themselves not surviving on what the company's proposed."

Filice said members are unlikely to strike until at least one more meeting with the company.

A meeting was set for Oct. 20.

## Carroll tapped for Public Facilities District board

VANCOUVER — Bob Carroll, an organizer for the International Brotherhood of Electrical Workers Local 48, has been appointed to the Vancouver Public Facilities District (PFD) board of directors.



BOB CARROLL

The PFD was created by the Vancouver City Council as a municipal corporation authorized to acquire, construct, own, remodel, maintain, equip, re-equip, repair, finance, and operate one or more "regional centers," such as the City's Convention Center.

The five-member PFD board is appointed by the City Council. Members are selected based upon recommendations from local organizations that include local economic development organizations, local labor councils, the Vancouver Chamber of Commerce, and at-large.

All terms are four years. Carroll is a labor representative on the board. He succeeds Ed Barnes, a retired business manager of IBEW Local 48, who has served the limit of two terms on the board.



## New journey-level painters, tapers and floor coverers

More than a dozen painters, drywall finishers and floor coverers graduated from their respective apprenticeship training programs at the Regional Training Center, Western Oregon/SW Washington Painters, Drywall Finishers and Allied Trades Apprenticeship. Graduates received a plaque, a Carhartt jacket, and tools of their trade at a dinner in their honor Oct. 13 attended by union officials and contractors of the Signatory Painting Contractors Organization. Among them was Painters and Allied Trades District Council 5 Business Manager Denis Sullivan. New journeymen and women are from left: Chad Daly, Dustin Schwindt, Ryan Burlingame, Jaime Garcia, Ross Springsted, Claudia Marron, Brent Wright, Angel Olea, Sergio Gonzales, Jason Kotar, Julio Mena, Charles Pennell, and Dusty Hagen. Graduates not pictured are Alesha Olson, Geoff Sutherland, James Walker, and Jeff Buffington. The new journeymen and women are members of Portland-based Painters and Drywall Finishers Local 10 and Salem-based Local 724, and Portland-based Linoleum Layers Local 1236.