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City of Portland rolling back Walmart bond investments

The City of Portland on May 15 put into action its new “socially responsible investment policy” by disinvesting in a \$9 million Walmart corporate bond. It is the first of five bonds totaling \$36 million that the City won’t renew when they mature.

The action was applauded by United Food and Commercial Workers Local 555.

“The Portland City Council is to be commended for the effort to create a socially responsible investment policy that respects workers’ rights, our environment and the responsible use of Oregon taxpayer dollars,” said Local 555 Secretary-Treasurer Jeff Anderson.

The investment policy was introduced last October by first-term Commissioner Steve Novick.

The City’s investment portfolio ranges from \$940 million to \$1.29 billion and averages about \$1.08 billion during the year. It can’t invest in the stock market, but it can put money in low-risk U.S. Treasury securities, U.S. Government securities, bank CDs, and corporate bonds.

“We have a bunch of bonds, and it turned out we had no criteria to determine what company’s bonds we would or would not buy,” Novick said at a May 15 press conference announcing the disinvestment in Walmart.

Novick talked to his colleagues last year and they concluded that it was reasonable to have a policy to guide the City on what bonds it would purchase. The policy they adopted in October looks at how a company treats its work-



Portland City Commissioner Steve Novick announces the beginning of the City’s disinvestment in Walmart bonds. He was joined by members and leaders of UFCW Local 555, Yvette Brown of OUR Walmart (right), and Pastor Tara Wilkins (center) of Bridgeport United Church of Christ.

ers — and its general ethical conduct, whether it abuses market power, its impact on human health and the environment.

“We looked at Walmart and we looked at its record of abusing workers, its record of abusing market power, the massive bribery scandal in Mexico, and

we concluded that it was a company where it’s common knowledge that they violate a number of these principles — we can put them on the do not buy list. So that’s what we did,” Novick said.

In addition to prohibiting the purchase of any more Walmart bonds, the

City Council created a temporary advisory committee to come up with a process to apply social criteria to its investment portfolio. The advisory committee will make its recommendations to the City Council sometime after July 31.

“From what I can tell, no other U.S.

city has looked at socially responsible investing in quite the same way as Portland,” Novick said. “I’m hopeful other cities and states take note and adopt similar investment principles to hold companies accountable and align our investment policies with our values.”

At the May 15 press conference, Novick was joined by Yvette Brown, a fired Walmart employee-turned-activist with the OUR (Organization United for Respect) Walmart campaign in California; Pastor Tara Wilkins of Bridgeport United Church of Christ; and Bob Marshall, a Local 555 union representative and organizer.

Marshall said the business model of many U.S. corporations is to privatize the profit and socialize the cost of doing business.

“Many corporations get huge tax breaks and pay low taxes while throwing the cost of workers’ health care and food assistance programs on to the taxpayers,” he said. “The companies keep all the profit and the taxpayers foot the bill because corporations like Walmart do not pay a living wage or provide proper health care for employees.”

A report by the Oregon Department of Human Services several years ago listed Walmart as the top employer whose workers receive public taxpayer assistance.

Brown said in her two years working at Walmart she barely made minimum wage, and couldn’t get enough hours to qualify for health insurance

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Upcoming Supreme Court case bigger threat than unions realize

WASHINGTON, D.C. (PAI) — A recently argued U.S. Supreme Court case pushed on the justices by the National Right to Work Committee is an even bigger threat to unions than everybody realizes, says a top Service Employees International Union (SEIU) attorney who worked on the union’s friend-of-the-court brief.

And, anticipating that the majority of the justices may rule against her union in the case, *Harris vs. Quinn*, SEIU is already considering new ways of approaching and organizing workers, said

union counsel Nicole Berner.

Berner’s warning came at a May 13 panel discussion at the Center for American Progress, a progressive think tank. Panelists were scheduled to talk about the First Amendment — which guarantees freedom of speech — and campaign finance. They covered several recent High Court rulings, including one that opened the floodgates for unlimited flow of campaign dollars from corporations and the uber rich.

The court uses the First Amendment’s free speech guarantee to declare that “money is speech” and let the cash flow. But Berner said the justices may use the amendment’s right of free association to grant the right-to-work crowd’s demand: To bar unions from collecting dues — even money specifically for contract bargaining and administration — from any worker.

The Right to Work Committee and some dissident home care workers in Illinois said that by charging a fee for administering the contract, the union was violating their First Amendment right of free association, Berner explained. Lower courts tossed out the case, saying the Right to Work Committee had no right to sue because the payments didn’t hurt that group. But the Supreme Court took the case.

Illinois (the “Quinn” in the case is Democratic Gov. Pat Quinn)

and the feds want the justices to dismiss the case. The court will issue a decision by the end of June.

If the justices rule in the Right to Work Committee’s favor, they would in one stroke “turn all 50 states into right-to-work states” where public employee unions cannot insert provisions in contracts calling for dues deductions, Berner said. “By judicial fiat, right to work then becomes the law of the land.” The justices would be saying “our whole collective bargaining system violates the First Amendment.”

As a result of such a ruling, public employee unions would have to rely on voluntary contributions, and the track record of that shows revenues fall drastically. Public sector unions in Wisconsin saw their revenues fall by half after Republican Gov. Scott Walker rammed legislation through cutting off dues collections. By yanking away the source of unions’ money, “this decision would weaken the entire labor movement and the whole progressive community, because of the strength labor provides to it,” Berner warned.

Preparing for a worst case scenario, Berner says it leaves unions an alternative: To become a membership organization like the NAACP “where it could build power and people in the broad sense.” “This case is pushing us faster in that direction,” she said.