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Fighting on Many Fronts

SEIU in Los Angeles

■ *Liz McNichol*

Across the country, public managers have turned to contracting out as a way to reduce the size of the public sector and, supposedly, cut costs. From the perspective of both public employees and recipients of public services, there are many problems with this trend.

Public workers face job loss and reduced pay and benefits as contractors seek to cut costs. The contracting of services to private (often non-union) companies reduces the strength of public employee unions and lessens their bargaining power. The public suffers as the quality of service is often reduced by private contractors who do not have the same accountability to the public.

The Service Employees International Union (SEIU) has a unique perspective on the issue of contracting out because it represents both public and private workers in industries which involve significant contract work. While some of the problems with contract work can be resolved when employees of contractors are unionized, there are many services which are most appropriately performed by governments. In addition, when work traditionally performed by public workers is contracted out, the motivation is generally to cut costs by reducing wages and benefits, cutting staff

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and reducing the quality of service. SEIU's public employee locals continually see the problems caused for public workers and the general public by the privatization of public sector work.

Los Angeles County, where SEIU represents a broad range of county workers, is a prime example of this trend. The five-member Los Angeles County Board of Supervisors includes three conservative supervisors who are solid in their determination that private companies take over as much of county government as possible. Workers in the county are virtually assured of losing when the decision to contract out a particular service is left up to the County Board.

Nonetheless, county public employee unions, led by SEIU Locals 535, 434 and 660, are as strongly opposed to contracting out as the Board is for it. The result is one of the biggest battles anywhere over the privatization of government services.

What the Union's Up Against

The momentum for contracting of services has been building in the county for a long time. Los Angeles County is the largest employer in the county, employing over 80,000 workers, with a total budget of more than \$9 billion. In 1978 Los Angeles citizens passed Proposition A, which authorized the Board of Supervisors to contract out areas of government when they determine it is "more economical" to do so. This was later weakened by reducing the need to prove the cost effectiveness of contracting. Since the passage of Proposition A, the Board has awarded more than \$300 million in contracts and has eliminated nearly 4,000 jobs.

The county's contracting-out program picked up speed in 1980 when conservatives first won a majority on the Board of Supervisors. The goal of the three conservative supervisors has been to privatize not just support activities such as clerical and custodial work, but also major county activities such as auditing functions, county health centers, and portions of the social services department. Twenty-one Los Angeles County departments have submitted plans for major programs to be contracted out.

And it doesn't stop there. There is pressure in Los Angeles County to privatize in as many county departments as possible. "Everything is up for grabs," says Louis Duran, a supervising deputy probation officer for the county and former president of SEIU Local 660. "It may not appear on the list this week, but there is nothing sacred, nothing that cannot be contracted out."

Three SEIU locals that represent Los Angeles County workers have fought back against this pressure to contract out their jobs.



Mark Stephenson

Experience has proven that lobbying the Board of Supervisors is not a fruitful avenue, as the conservative majority on the Board solidly supports all contracting efforts. As a result the unions have turned to other means, including community campaigns, bargaining and membership mobilization activities, and pressure on potential bidders.

Saving El Monte Health Center

SEIU Local 660, which represents 40,000 Los Angeles County workers, has assigned a member of its Research Department to work exclusively on contracting out. One of the methods which the local has used to fight privatization is organizing the membership around the issue. Within Local 660, workers from across the spectrum of County agencies have formed the Local 660 Committee to Stop Contracting Out to inform and organize the membership. The local has been successful in motivating workers to fight back directly for their own jobs, both by mobilizing against specific contracting proposals and by working to change the political climate in the county.

The committee doesn't just spearhead organizing resistance in individual situations when workers' jobs are threatened. Its longer-term goal is to reverse or moderate the county's current policy of contracting out any and all services possible. To accomplish both these goals, the union has mounted a campaign designed to educate the members, the community and the public about the problems with privatization, which go far beyond job loss for individual members.

Fighting against specific contracting out proposals is, of course, a major focus of Local 660's anti-contracting out committee. Because lobbying the County Board of Supervisors to vote against individual contracting proposals has proven to be a lost cause, Local 660 has turned to persuading potential bidders not to bid on County programs. This method was used successfully by the unions when Los Angeles County proposed to privatize the entire El Monte Comprehensive Health Center. Workers organized and with the help of community groups, including local schools and police departments, won the fight to keep the center public. This battle brought together all the elements of the local's campaign against contracting-out.

The El Monte Comprehensive Health Care Center employs 300 workers in a range of duties from custodian to nurse to physician. The County proposed selling the entire clinic, thereby converting jobs at all levels from county jobs to private sector jobs. The union's response provides a model for fighting contracting-out in an anti-public service political climate.

Membership involvement in convincing the community, potential bidders and the press that they were determined to keep their jobs public was crucial to the success of this campaign. The unions set up informational pickets outside the center to distribute leaflets to the press and patients. Members of SEIU Locals 660, 535 and 434, community leaders and patients marched together with signs that read "Keep Public Services Public," and "Services for People not for Profit."

Hundreds of postcards were sent to the Board of Supervisors registering opposition to the proposed contract. The local paper came to the picket lines, where the union ensured that press releases were always available.

The union made its presence felt by letting potential contractors know there was strong opposition to the county's proposal. When potential bidders did a walk-through of the clinic, the union was there and very visible. Individual workers displayed "Stop Contracting Out" signs throughout the facility. Union representatives attended pre- and post-tour meetings and discovered from discussions with potential bidders that they were counting on using the existing employees.

Later, workers let the companies know that they were not interested in working for them by writing letters to potential bidders in which they refused in advance to accept positions with any firm that took over the clinic.

The workers' efforts did not go unnoticed. After the walk-through, potential bidders questioned the health center managers

about the strength of union support and worker resistance to contracting out. Several bidders said that the letters from workers refusing to accept positions with a private firm was a key reason for their not bidding on the contract.

On the day that the County ran its advertisement in the "Bids Wanted" section of the *Los Angeles Times*, potential bidders and County administrators were surprised to discover the following Local 660 advertisement:

"Please be advised that SEIU Local 660, which represents workers at the Health Center, will take the following action in regard to the proposed Contract for Medical Services:

- Organize community opposition to the provision of services by a private contractor rather than by county employees,
- Thoroughly investigate the financial and social records of your company and its principals,
- Encourage and assist our sister unions in organizing your employees in the facility,
- Notify other locals with whom you do business of your activity, and
- Carefully monitor services and contract provisions to document erosion of service, inferiority of service provided by nonunion staff, and breaches of contract, and publicize our findings."

As a result of this concerted activity, Los Angeles County received only one bid and ultimately decided not to contract out the health center.

Other Campaigns, Other Tactics

More recently, the Los Angeles County unions have embarked on a campaign at the County/USC Medical Center, which proposes to contract out 300 custodial jobs. The unions have established their anti-contracting out program to the point that with only a week's notice, they were able to assemble 200 people for a demonstration against this privatization proposal just two days after Christmas 1989.

An informational picket met the companies interested in bidding on the custodial work at the door, and Locals 434 and 660 representatives joined the "Bidders Tour" of the facility. This battle has just begun, but the union has high hopes that the successful tactics of the El Monte campaign will work again here. According to Robert Grayson, custodian at General Hospital, "There is no way we will allow this contract to happen."

In addition to confronting bidders, Los Angeles County unions have successfully stopped contracting out through pressure on

department heads before proposals come before the Board of Supervisors. Worker involvement was a critical element in stopping job loss in the Los Angeles County District Attorney's Office. Along with a plan for increased automation in the department, the District Attorney had proposed contracting out a significant portion of the child support enforcement program in the county.



Workers in the program organized a committee which, over the course of two years, kept pressure on the District Attorney to cancel his plans.

The committee worked to develop the support of client advocate groups and put pressure on the District Attorney when he announced his campaign for state Attorney General. The union was able to convince a low-income legal center, which is a primary client advocate, that continued county provision of this service would be best for the clients.

As a result of this variety of pressure tactics, the District Attorney came to a written agreement with the union guaranteeing job security for current employees. The agreement also defined the method which would be used to proceed with automation of the Family Support office. In addition, a Labor-Management Committee was established to oversee operations.

While fighting against individual instances of contracting out, the unions in Los Angeles County are working in coalition with community groups to turn around the County's policy on contracting out.

In June 1988 SEIU Locals 660, 434 and 535 and other public sector unions joined with the Southern Christian Leadership Conference to form the Labor-Community Coalition to Stop Contracting Out. Since then other groups have joined, including the Union of American Physicians and Dentists, the Alliance of Asian Pacific Labor, and associations representing Black, Chicano and Asian employees.

The coalition joined together to fight contracting out because the participants recognize that the impact of contracting goes far

beyond the jobs of individual workers. Privatization affects the quality of services which county residents receive, the economic health of the community, and the equitable distribution of income in the community. When county jobs are turned over to private contractors, wages drop and benefits are cut.

Minority workers and their communities are among the hardest hit because they are disproportionately represented in the County workforce. Between 1985 and 1987, for example, three-quarters of the jobs lost to contracting out in Los Angeles County were held by Blacks and Hispanics, while they comprised slightly less than half the County workforce during the same period. Thus, they were nearly three times as likely to lose their jobs to contracting as other workers.

The coalition has been active on a number of fronts in addressing the problems of contracting out. The pressure to privatize services was initially generated by the passage in 1978 of Proposition A, which authorized the Board of Supervisors to contract out County services. Last year, the Labor-Community Coalition to Stop Contracting Out submitted a resolution to the Los Angeles County Grand Jury, signed by 50 organizations, asking that the Grand Jury sponsor a comprehensive audit of all Proposition A contracts since 1978.

The coalition also gathered 8,000 signatures on a letter to the Grand Jury asking for such an audit. The letter and resolution asked that the Grand Jury consider the following three questions: Has contracting out saved tax dollars? Have contracted services been better or worse than when performed by public employees? And, have contractors used fair employment practices consistent with County policies? The Grand Jury has audited County contracts in the past but never with this specific focus.

In addition, the Labor-Community Coalition to Stop Contracting Out held a rally at the county-sponsored "Public Service Recognition Day" to protest the contracting of the jobs of the very workers being honored that day.

Workers in Los Angeles County have proven that even in a county where the political climate is solidly against their efforts, they can find innovative and successful ways to fight the contracting out of public jobs. By mobilizing members, working together with community groups, using the media, and through direct action techniques, unions are hopeful that they will soon be able to change the political climate as well. ■