

I resent  
the charge  
that fast  
food chains  
are exploiting  
America's  
youth.



We're teaching them  
to compete in a  
complex international  
economy.



Now, tell them what  
you've learned, son.



French fries,  
Swiss cheese,  
Polish sausage,  
Italian beef,  
Mexican burritos

...



# High Stakes

## Oregon labor sets union agenda for high skill, high wage strategy

■ *Margaret Hallock and Bob Baugh*

When Lee Schore went to work at an instruments factory in 1978, her job classification said "no thought required." This Tayloristic approach to work organization has long been at the center of workplace and contract struggles. Today, after 70 years of "scientific management," rapid technological change and the global economy are challenging this approach to the structure and organization of work in the U.S.

The labor movement of Oregon is responding to the current economic crisis by adopting an agenda to help workers gain control over work and technology. The union agenda emphasizes worker-centered education and urges unions to become advocates for workers to develop their skills.

These developments in Oregon were spurred by the 1990 Report of the Commission on the Skills of the American Work Force, *America's Choice: High Skills or Low Wages!* The bipartisan Commission co-chaired by former Labor Secretaries Ray Marshall and Bill Brock drew a grim picture of the American economic landscape: declining real wages, now 13th among industrialized

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nations; a stagnant economy which has grown not by high productivity but by more debt and increasing hours of work; and growing inequality of incomes.

America's Choice distinguishes the only two choices open to us as we meet economic globalization and technological change. The nation has thus far used the low-wage strategy, attempting to compete and survive by cutting costs and contracting out jobs, moving jobs overseas to even lower wage markets, using technology to de-skill jobs so wages are lowered, and creating a contingent, part-time, workforce.

The alternate strategy, which Oregon has embraced, emphasizes increased productivity and quality to raise real wages and compete in global markets. It requires a highly skilled workforce that has the ability to control quality, solve problems, and continuously improve technology, production processes, and service delivery. This is the *high-skill, high-wage* strategy. The critical ingredients of a high-skill approach are worker participation and continuous skill improvement through worker education and on-the-job training.

### **YOU MAY ASK YOURSELF**

Is all this relevant to a trade union movement struggling to survive? Are unions selling out in the name of competitiveness? What does this have to do with strengthening the labor movement?

Our answer is "Yes," "No," and "Everything."

All we need to do is look at our trade union counterparts across the Atlantic. Workers in most of Western Europe have helped determine a high-wage strategy that emphasizes high living standards as a central policy goal. They did not leave economic development decisions solely in the hands of corporations and politicians. They developed a union agenda and then worked in partnership with education, government, and business to drive it home.

Trade unions developed integrated national systems and standards for education and worker training. These systems are "active" labor market systems that minimize unemployment, deal aggressively with dislocations, and put workers at the center of education and training delivery. Unions led the drive during Euro 92 negotiations to set labor standards at the highest level for the Common Market, while also targeting investments to bring up the labor standards of the less developed nations such as Ireland, Spain, and Greece.

European unions also have a strategy at the company or shop level that emphasizes technology development, upgrades worker

skills, and reorganizes work. They structured their unions to focus on the dynamic relationship between education and the workplace. German union representatives say they "spend much of their time organizing and training their members to participate in this dynamic system."

U.S. labor should be able to respond as our trade union counterparts in Germany did when asked how they viewed the introduction of new technology in the workplace: "We love it," they said. "It makes us more competitive. It protects our jobs and provides us with good wages.

"Most of all," they added, "we have the skills to control it. We manipulate it and determine the training necessary to use it."

### **A STRATEGY FOR OREGON LABOR**

The Oregon labor movement is embracing the European trade union model and is developing an agenda that puts workers at the forefront of economic development policy and assists local unions in upgrading their members' skills. Leading this discussion is the new State AFL-CIO Standing Committee on Worker Education and Training. The committee is studying, debating, and planning strategy for eight major issues facing Oregon labor:

1. Developing an overall strategy for labor that supports and influences Oregon's economic development policy and emphasizes worker-centered education and training at the workplace.
2. Making the union the expert by building our capacity to design worker training and education.
3. Organizing and bargaining issues for the local union.
4. Developing a worker-centered curriculum.
5. Linking training and education to better jobs through new forms of training and career ladders.
6. Reforming schools and assisting the transition from school to work.
7. Improving public education and training programs, including programs for dislocated workers and state-federal programs.
8. Developing adequate resources to fund the strategy, including use of Unemployment Insurance funds or an employer payroll assessment.

To implement this agenda, local unions must adopt a culture and set of values that support the education and skill upgrading of workers. This is more complicated than it may sound. It means workers must enter into discussions about the control of technology, incentive systems, "high performance" organizations, and worker participation.

There is encouraging momentum in Oregon. A recent conference titled "High Skills or Low Wages—Setting a Union Agenda for Worker Education and Skills Upgrading," attracted over 150 unionists, mostly rank and file and elected officers of small locals.

"I am here because I am tired of closing plants," said one worker, seeming to speak for the participants. "I want to do something that improves plants and keeps them open."

The overwhelming sentiment was that "labor needs a strategy;" an independent vision of the new workplace that empowers workers and their unions. The delegates stressed the need for local skill strategy as an "important organizing and communication" issue for unions. They also acknowledged that a joint labor-management approach was part of the picture, but "only after we get our strategy together."

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Conference participants also shared stories that illustrated how "knowledge is power." One steelworker recalled how a foreman needed to call him at home because he was the only one who understood the math and formulas required to run the operation.

The steelworker's local union now aims to give every worker more control through knowledge. Education is directed toward both general skills such as math, and the specific skills required in producing steel using advanced technology. The local has taken an active role in a worksite-based education center which offers classes in literacy, computer skills, and technical skills such as electronics.

### **THE UNION IS EXPERT. . . NOT**

Unions are not currently well equipped to participate in the state policy debate or to represent workers at the workplace with educa-

tion and training programs. With the exception of the skilled trades, most unions are not organized and staffed to pursue the technical issues of technology, emerging jobs and skill requirements, and to develop curriculum and programs.

There are several steps unions must take. First, unions must develop knowledge about the issues. A recent state survey revealed that Oregon unionists do not have current information about their industry, technological change, and other factors which affect jobs and skills. For example, a public sector union representative who complained about the lack of employee access to training or tuition reimbursement programs had to admit that he had no idea what the real training needs were, or how jobs were changing. The employer wasn't much better.

Second, unions must make education and skill-upgrading a priority. Unions tend to react to dislocations rather than train people to help prevent them. Labor's focus on wages and working conditions has been to the exclusion of work organization, technology, and job development at the worksite. To represent workers in a fast-changing environment, Oregon unionists are recognizing the need to develop active education and adjustment policies and agreements.

Third, unions need new structures. Industrial unionism does not always lend itself well to issues of skill and knowledge. Current collective bargaining agreements reflect the legacy of Tayloristic forms of management and production, with an emphasis on management rights, job control, detailed classification systems, and bureaucratic forms of organization. Today, workers change jobs frequently, often changing employers as well. Oregon unions are looking for ways to represent workers in their search for certification and career ladders. Alliances across unions, multi-employer or industry training systems and skill certifications are all possibilities.

### **BARGAINING FOR EDUCATION**

Our preliminary survey of union practices in Oregon shows that when unions adopt collective bargaining strategies for education, they tend to gain more training opportunities for members. Beyond that, unions need to define a clear purpose and vision for the programs as well as effective joint control over the programs.

Workers need to be ahead of technological change. A local steel mill recently imported an entire new melt shop technology from Italy. The workers were unsure which skills would be needed; even the employer was unsure. A general education and training

program at the worksite helped, but workers recognized that the training was not sufficiently tied to the skills needed for the new equipment. They complained that the company hired skilled workers from the outside rather than training current employees. The boss, on the other hand, complained about seniority and said that "training people for two years is too expensive in a competitive market." Seniority, promotion opportunities, planning, and access to training will be bargaining issues in the next round of negotiations.

Bargaining for education boils down to two questions: Who will control knowledge on the shop or office floor amidst rapid technological change and work restructuring? And, will workers be supplementary to new technology or will they influence how it's used?

### **A WORKER-CENTERED CURRICULUM**

Union involvement in education and training will lead to a broader curriculum and more attention to how workers learn. Unions need to be involved in program design, curriculum, assessment of workers, access, and evaluation of the program.

Oregon unionists are calling for general labor education in such areas as industry analysis, strategic planning, and global economics. The UAW Paid Education Leave program which intensively trains auto workers in the strategic analysis of the international auto industry offers an impressive model.



*Workers at Champion Industries in Libby, Montana, created "Project Eli" to develop their skills. All shifts are available for classes.*

## **LRR FOCUS: Oregon's Workforce Development Plan**

Oregon experienced the longest and deepest recession in the nation during the 1980s. More than 100,000 jobs were lost; it took fully five years to regain the 1979 level of employment. High-wage manufacturing jobs, particularly in the forest products industry, were replaced by low-wage service sector jobs. By 1989 income had declined to 92% of the national average.

During the 1991 Oregon Legislative session, economic development and work force development converged as issues. Oregon adopted a series of bills to pursue a high skills, high wage, high performance strategy. The main parts of the policy include:

- Education reform that stresses school-to-work transitions and more sophisticated general and technical education.
- Coordination of public worker training programs such as the Job Training Partnership Act (JTPA) and dislocated worker programs.
- Policy and programs to encourage private sector investment in worker education and training, development of high-performance work organization, and partnerships with labor, management, government, and education.
- Appointment of a Work Force Quality Council (WFQC) to oversee educational reform and program coordination, and to develop workforce legislative and investment strategies for both the public and private sector.

The Work Force Quality Council is the most visible aspect of the Oregon strategy. The Council is composed of the Governor and other statewide elected officials, heads of major agencies, and representatives from labor, business, and community organizations. Wally Mehrans of the Columbia-Pacific Building Trades Council, Andrea Dobson of the Amalgamated Clothing and Textile Workers Union, and Margaret Hallock of the Labor Education and Research Center of the University of Oregon represent labor on the Council.

The WFQC will play a pivotal role in developing and implementing the state's high skills strategy. It will move in uncharted territory: developing private sector strategies and delineating benchmarks to measure progress.

Labor's ability to partner, think strategically and creatively, take risks, and organize the organized are all part of the challenge we helped to create. Labor has raised the stakes by demanding and getting a significant place at the policy table.

Successful work-based learning projects involve the workers from the very beginning. The experience of the steelworkers and woodworkers in setting up their learning centers highlights the importance of a worker-centered curriculum and process. They found that not all workers are ready to learn and that most education professionals don't know how to teach workers successfully. Many workers have internalized previous learning failures, and they are resistant to traditional classroom learning situations. A holistic but supportive environment that includes counseling is often necessary.

The Center for Working Life in Oakland, California, has pioneered an approach that places "learning stewards" in the classroom to help workers deal with a range of barriers, from lack of confidence to uncooperative supervisors. These learning stewards help develop the curriculum as well, making sure that it relates to work and will be relevant to workers' lives.

Unions must pay attention to how workers learn. The importance of on-the-job training and peer mentoring is recognized but not always heeded. Calling in professional consultants who have no experience with workers or unions may well be a waste of resources—or even counterproductive.

Lee Schore, former instruments factory worker and now director of the Center for Working Life, tells of a professional teacher in adult education who was supposed to help a driver learn the contents of a new manual so that he could pass a certification exam. The teacher gave the worker a reading assessment test which showed he was at a second grade reading level. She said, "I'll have to teach you to read first," and handed him a second grade reader. He never came back. When Schore asked the teacher why she hadn't taught from the manual, the teacher's response was that the worker couldn't read it. "But he *knows* what is in that manual," Schore countered, "and he can learn those words!"

According to Schore, "It is the union's job to educate its members, not some professional's job. Only the union can create the supportive environment necessary for workers to learn."

An exciting project in Montana brings these concerns together. The Montana AFL-CIO, the Center for Working Life, and the Western Council of Industrial Workers in Libby, Montana met the high-skills challenge head-on. The local union realized that a high-tech mill conversion would displace 80% of the workers due to a lack of skills. The union demanded on-site worker education. Stewards were trained as peer counselors and mentors, and training was available from 6 a.m. to 7 p.m. Basic skills, literacy, and math were combined with computer literacy. In addition, the



*SEIU Local 6 members celebrate their graduation as medical assistants in a career ladder program sponsored by the union, the HRDI and employer, Group Health HMO.*

workers developed the math problems themselves.

Workers need a broker to formulate and deliver the training that can help them keep their jobs or move them to higher-skill jobs. Unions could be this broker if they make it a priority.

### **A LINK TO REAL JOBS**

A major problem with current training programs for workers is their structures. Too many are detached from jobs or distinct career ladders.

Apprenticeship—"Learning by Doing"—is a model for training that needs to be expanded to new industries and jobs. Its success is due to its explicit joint structure, the clear link to a job, high standards which are jointly determined and enforced, and combined on-the-job training and mentoring, and rigorous classroom training.

First, political issues must be resolved. Directors of apprenticeship programs point out that we should not allow current programs to be diluted. Recently, the Oregon Associated General Contractors proposed training dislocated timber workers in "pre-apprenticeship" programs in construction trades. Previously, the building trades and employers had cooperated on similar programs targeted

at women and minorities. This time though, employers didn't want union partners. Their suggestion was spurned by the Commissioner of Community Colleges after the building trades unions demonstrated that there was insufficient demand for new apprentices and exposed the plan as a grab by nonunion firms for subsidized training.

To develop adequate apprenticeship programs in new industries, unions will have to deal with the issue of union structure. Unions must establish themselves as the vehicle for delivering training and certifying skills. That way, as workers change employers, their skills are recognized. Current models that place recognition in the program or company in which the worker was trained do not easily transfer when he or she leaves that particular workplace.

Unions can adapt the lessons from successful apprenticeship programs for career ladder programs. Low-skill workers need distinct career ladder steps and access to "bridge" jobs that move them from low-skill jobs to high-skill technical and paraprofessional jobs. This is a promising route for low-wage workers and women who are stuck in historically female jobs that have no real advancement opportunities.

In Seattle, SEIU Local 6 worked with the AFL-CIO's Human Resources Development Institute and Washington's largest HMO, Group Health, on a program to develop training and career ladders for low-skill workers. Workers are given the opportunity to upgrade from receptionists, service technician, and other lower-skill jobs to medical assistants through a program offering on-the-job training, self-directed study, all day Saturday classes, and peer mentors.

Doug Kilgore, SEIU Local 6 field representative, says, "The program has been successful in several ways: workers build self-confidence and find they are able to learn new things; the union and Group Health found they could collaborate in a positive program; and we all found that non-traditional apprenticeship and career ladders can work!"

The strongest unions in a high-skill economy are those who grapple with issues of apprenticeship, skill certification, and career ladders.

## **REFORM AND CONTROVERSY**

The majority of graduating high school students in the U.S. do not go on to a four-year college, but this is not reflected in the way most education is structured. Oregon's workforce development policy includes a major overhaul of the state's school system.

Schools will be restructured to provide a higher level of academic education and professional-technical training combined with a structured work experience. However, unions and parents cannot afford to leave curricular changes to schools and business alone; they must remain vigilant to rigid tracking of students. Labor should work for broad-based, progressive education which promotes equity, opportunity, and participation. These goals will not be met by a curriculum focused on a narrow conception of skills for the workplace.

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**"It's the union's job to educate its members, not some professional's job. Only the union can create the supportive environment necessary for workers to learn." —Lee Schore,  
Center for Working Life**

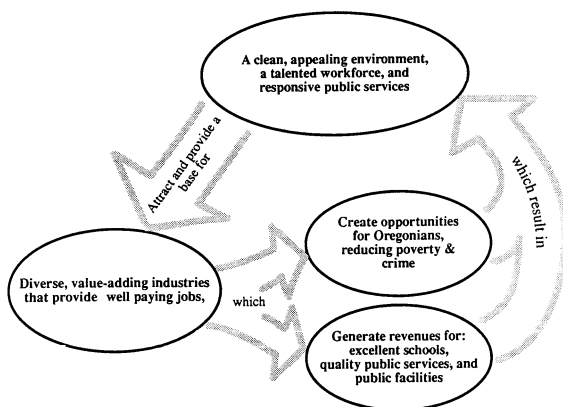
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Structured work experience for high school and community college students, a key feature of most European systems, is controversial in the U.S. Workers in Oregon worry that students will replace them on their jobs. If unions bargain for good contract protections, they can help provide students with both work-based learning experiences and knowledge about unions. Union participation would help efforts to organize new entrants to the labor market.

Youth apprenticeships and work experience for students do not occur in a vacuum in Oregon. It is crucial to upgrade the entire curriculum and not merely track students into low-skill jobs. We must demand that students have an opportunity to learn about unions and labor history; to work in nonprofit social service agencies; and to visit or work at many different kinds of workplaces. In Europe, knowledge of working life begins as early as the fourth grade. Students visit workplaces to learn what people really do in a given occupation.

We also have work to do with the fragmented and uncoordinated publicly-funded training programs. In Oregon, programs for dislocated workers are woefully inadequate in helping the forest products industry through a major transition.

Workers cannot pursue long-term education programs if they do not have the adequate income to support themselves or their families. Unbelievable as it sounds, attending school will often disqualify an unemployed worker from obtaining benefits. In



addition, the Jobs Training Partnership Act (JTPA) suffers from a fixation on short-term quick fixes that lead to employment in low-wage jobs. Oregon recently began to address this problem by providing extended unemployment benefits to displaced wood products workers who are in training.

Training workers will not necessarily create high-skill jobs. While well-educated people will attempt to shape the nature of their work, it's also important to provide incentives to employers to upgrade skills. To this end, we are studying employer payroll assessment or other ways to encourage education and provide funds to train all current workers. The Unemployment Insurance fund might be utilized. However, the UI fund is politically controversial territory: business and labor lobbyists alike often refer to it as the "sacred trust."

### IN CONCLUSION: A REALITY CHECK

Labor has a choice. It can sit it out or fight for a worker-centered economic development strategy. A decade of economic storms led the state of Oregon to a strategy based on enhancing the skills of workers, and the state's labor movement has chosen to participate. "This is an opportunity to shape the policies that will shape our future," says Irv Fletcher, President of the Oregon AFL-CIO. "We know we are dealing with policies that are important to organized labor across the country," he adds.

This is a long term strategy: workers may have trouble buying into it when the very existence of their jobs and unions are in question. And, although Oregon unions are ahead of the business sector in organizing structures for training and education, we have only begun

building intra-and inter-union committees for worker education.

We face tremendous challenges: the need to develop a more sophisticated strategy for representing workers at the company level; access to skill training and education; certification of skills; and compensation for high-level skills. Furthermore, union members and leaders need education in strategic planning, technology, and communications skills so that they can be the experts on what workers need and how education should be provided.

Difficult issues remain: Should school restructuring replace the high school diploma with professional and technical training programs? How can young workers gain work experience without displacing union members? Can Unemployment Insurance funds be used for training workers? How do we consolidate and coordinate state and federal programs? How do we protect apprenticeship programs from nonunion "pre-apprenticeship" programs which dilute their effectiveness?

Finally, there are obstacles: unions unprepared to deliver on an education and training agenda; uncertainty and disagreement over worker participation and the organization of work; and the painful reality that the nation's main economic strategy has been the low-wage path.

Let us distinguish threats from opportunities. A high-wage strategy is the only one which can protect and improve the lives of workers and their families. Improving the skills of the workforce is clearly a necessary component of a healthy economy. This is a strategy for a future in which all job descriptions contain the words "thought required." ■

## RESOURCES

Labor Education and Research Center, University of Oregon, Eugene, Oregon 97403. (503) 346-5054

Center for Working Life, 600 Grand Ave. Suite 305, Oakland, California 94610. (510) 893-7343

Tami Miller and Bob Baugh, *Lessons from the Old School: European Workforce Development Strategies for Oregon*, State of Oregon, 1990. (503) 373-7258

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