

Raley's management fed up with union tactics

By Dale Kasler, Sacramento Bee

Raley's pushed its stalled labor negotiations to the brink of a strike Friday, announcing it will unilaterally implement terms of its last contract offer next week.

The West Sacramento grocery chain acknowledged that by implementing terms – which include a wage freeze and other concessions by workers – it could be provoking a walkout.

But it said it's fed up with union leaders' unwillingness to let workers vote on the final offer, which was submitted three weeks ago to the United Food and Commercial Workers.

"Based on the union's refusal to call an election, I have decided to bring this to a conclusion now," Raley's Chief Executive Michael Teel wrote in a memo to workers. The terms will be implemented next Thursday, he said.

By implementing contract terms unilaterally, the company would effectively give the UFCW two main choices – accept the terms or walk out.

Raley's unionized employees already voted last spring to authorize a strike, and union leaders denounced Teel's announcement. They have been lining up support from other key unions that do business with Raley's, including the Teamsters. That could make it much harder for Raley's to keep its stores open if the UFCW does strike.

But there's no walkout yet. The UFCW on Friday offered to resume talking.

"We will be mobilizing over the coming days to prepare for our response to this careless provocation," said Jacques Loveall,

president of Roseville's UFCW Local 8, in a prepared statement. "Meanwhile we are prepared to begin a dialogue at any time to reach a settlement worthy of recommendation to our membership."

Labor expert Ken Jacobs, of UC Berkeley, said: "A lot can happen in the next week. It's not unusual to see each side ramp up pressure."

Last month Save Mart Supermarkets of Modesto secured wage and benefit concessions from the UFCW, and Safeway Inc. has been negotiating a new contract. Those two companies, like Raley's, say they need concessions to compete with nonunion grocers like Wal-Mart.

A walkout would leave Raley's "very vulnerable and very isolated," Jacobs said.

Raley's spokesman John Segale acknowledged the possibility of a strike.

"It is a risk but we feel strongly that this package is superior to the Save Mart package," he said. Workers have been telling managers they want to vote on the offer, he said.

Raley's is clearly frustrated with the lack of progress on negotiations, which have dragged on for about a year. The two sides met Friday, but only to give Raley's a chance to clarify some of the points in its final offer. Raley's officials notified union leaders at that meeting of their plan to implement the terms of the final proposal.

The final offer includes a two-year pay freeze. It also eliminates some of the "premium pay" for working holiday shifts.

Raley's also wants to change its health coverage. But for the time being, those proposals aren't part of the package Raley's plans to implement next week. Only the changes to the pay

structure would be implemented.

UFCW officials have said they're willing to help Raley's, as they did Save Mart, but say they aren't yet convinced that Raley's finances are in such dire shape.

Loveall took a jab at Raley's lead negotiator, labor consultant Bob Tiernan. He called him "an outsider who could very well take the company off a cliff."