

1998 Work Stoppages

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All measures of major work stoppage¹ activity rose in 1998, although they were low by historical standards. (See table 1 and charts 1-3.) The 34 major stoppages, that is, those involving 1,000 workers or more, beginning in the year kept 387,000 workers off their jobs and accounted for 5.1 million workdays of idleness. The year's labor-management disputes resulted in a loss of 2 days out of every 10,000 available workdays. Comparable figures for 1997 were 29 stoppages, 339,000 workers idled, 4.5 million workdays of idleness, and a loss of 1 out of every 10,000 available workdays.

Sectors and industries affected

Of the 34 major work stoppages beginning in 1998, 30 were in the private sector, and the remainder occurred in State and local government:

	Number of—		
	Stoppages	Workers	Days idle
Total	34	386,800	5,115,700
Private	30	376,600	4,972,700
Public	4	10,200	143,000

In the private sector, 15 stoppages each occurred in manufacturing and nonmanufacturing industries. In manufacturing, 7 of the 15 stoppages were in 2 industries—industrial and commercial machinery, and transportation equipment manufacturing. In nonmanufacturing, 12 of the

15 stoppages occurred in the construction, broadcasting and telecommunications, and health care services industries.

Industries that experienced the most days of idleness during the year were:

- Transportation equipment manufacturing (3.5 million days)
- Broadcasting and telecommunications (690,000 days)
- Industrial and commercial machinery (65,000 days)
- Construction (36,000 days)

Significant disputes

Over three-fourths of the year's work stoppage idleness (3.9 million days) stemmed from three disputes. The first was between the General Motors Corporation and the United Automobile Workers (3.3 million days of idleness); the second involved the US West Corporation and the Communications Workers of America (340,000 days of idleness); and the third was between Northwest Airlines and the Air Line Pilots Association (215,000 days of idleness).

General Motors and United Automobile Workers. A small-scale strike at General Motors' (GM) aging metal-stamping plant in Flint, MI quickly turned into a mammoth shut-down of nearly all of GM's North American operations. On June 5, 1998, 3,400 members of Local 659 of the United Automobile Workers (UAW) walked off their jobs at GM's Flint metal-stamping plant after an impasse was reached over issues relating to health and safety, production standards, and subcontracting. On June 11, 1998, 5,800 mem-

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CHART 1. Number of major work stoppages, 1951-98

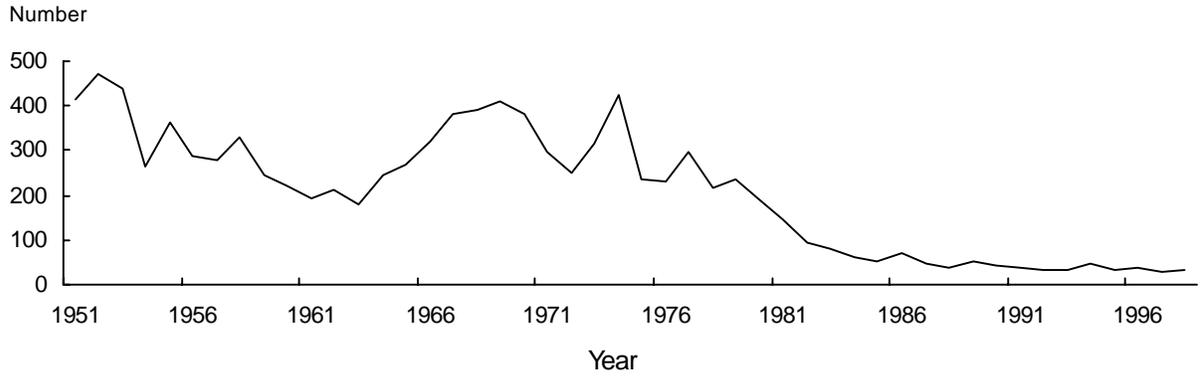


CHART 2. Workers involved in major work stoppages, 1951-98

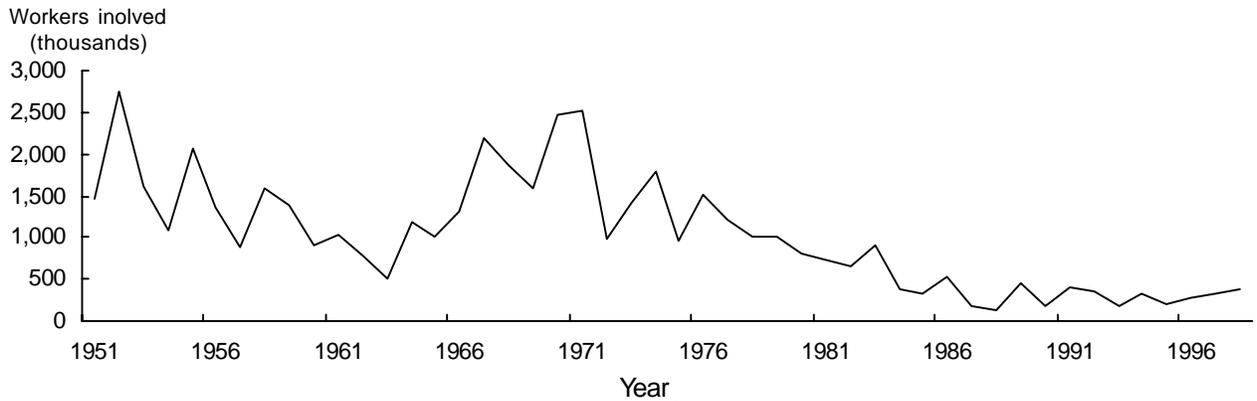
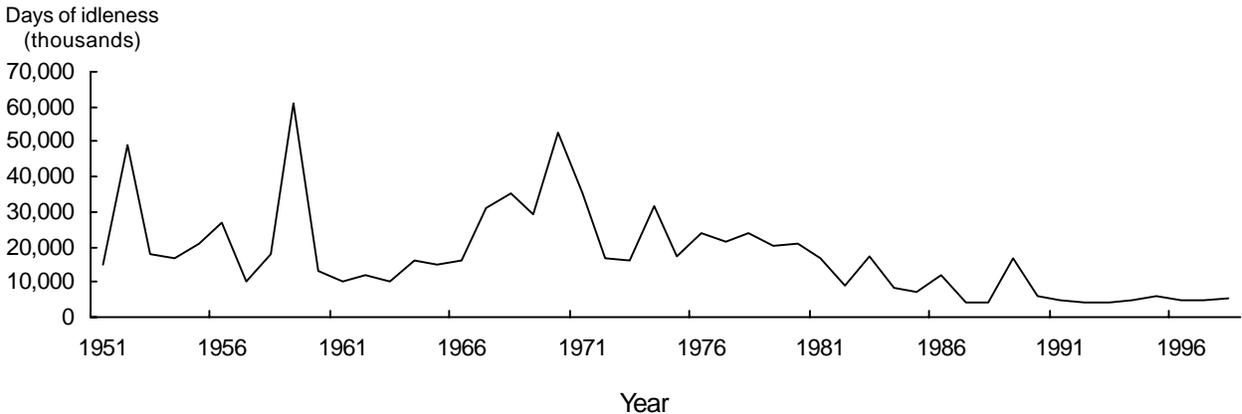


CHART 3. Days of idleness resulting from major work stoppages, 1951-98



bers of Local 651 at a cross-town Delphi parts plant walked off their jobs over somewhat similar issues. The metal-stamping plant makes fenders, hoods, and doors for many GM model cars, and the Delphi plant makes a variety of electronic components and auto parts such as spark plugs and filters.

Shortage of these parts forced the company to halt most of its operations within a few weeks. By June 24, 1998, 26 of 29 assembly plants and over 100 parts plants were affected by these 2 local strikes. This stoppage eventually idled approximately 152,000 workers in the United States and over 200,000 throughout North America.

On and off talks between parties pushed the stoppage beyond a previously scheduled 2-week shutdown (from June 29 to July 12). The seriousness of the situation, and its profound economic effect, prompted the involvement of senior officials from GM and the UAW. After 3 days of marathon contract talks, negotiators reached a tentative settlement on July 28, 1998. The rank-and-file approved the settlement on the next day.

Terms of Local 659's agreement provided for settlement of unresolved grievances over subcontracting, safety and health issues, and "general" issues. The contract called for a commitment from GM to invest an additional \$180 million in the Flint metal-stamping plant, higher production targets for engine cradles, and the return of the stamping dies that were removed during the strike. (The company had returned the dies on July 26.)

Terms of Local 651's contract prohibit GM from selling the parts plant to another company through January 1, 2000, "provided the parties continue to work together to fix all unprofitable product lines." The contract also provides job security for "all jobs" for the term of the 1996 national agreement, which expires September 14, 1999. In addition, it bars GM from transferring production of oxygen sensors, fuel systems, air meters, and other parts to other plants through the effective date of the subsequent national 1999 master agreement.

US West and Communications Workers of America. After reaching an impasse in negotiations with US West, some 34,000 operators, technicians, and customer service representatives represented by the Communications Workers of America went on strike on August 16. The job action, which affected US West's operations in 13 States, resulted from disagreement over three unresolved issues—proposals to (1) implement a new performance-based pay plan, (2) cut the amount of mandatory overtime, and (3) change employees' health care options. This was the first strike at the company since it was spun off from AT&T in 1984.

When the strike began, a Federal mediator assisting in the negotiations recessed contract talks to allow the parties to regain their composure and reevaluate the proposals that were already on the table. During the 3-day recess, both parties filed unfair labor practice complaints against each other with the National Labor Relations Board. Face-to-

face negotiations resumed on August 19, and were recessed on August 20. On August 21, the mediator met separately with the parties in an effort to find common ground. On August 23, the Federal mediator ordered the negotiators back to the bargaining table, and a week later, the parties reached agreement on a new 3-year contract, ending the 15-day walkout.

Under terms of the settlement, the union agreed to a version of the company's pay-for-performance plan in exchange for reduced mandatory overtime and retention of current health insurance options. The pay-for-performance plan is voluntary and covers employees who install and repair parts of US West's network. Workers who opt for the plan forgo annual wage increases in exchange for an annual bonus of up to 20 percent of their base pay. The company had originally proposed that the pay program be voluntary for about 7,100 current workers and mandatory for new network technicians. Mandatory overtime would be cut to 16 hours per week effective January 1, 1999, and to 8 hours per week effective January 1, 2001. Employees retained their current health insurance options, whereby the company pays 100 percent of premiums for selected insurance companies. US West had proposed to pay 100 percent of the premiums for only one insurer and would have required employees to pay a portion of premiums if they enrolled under other health plans. Other provisions included a \$500 signing bonus, plus wage increases of 10.9 percent and pension increases of 21 percent over the term of the agreement.

Northwest Airlines and Airline Pilots Association. Some 6,200 pilots represented by the Air Line Pilots Association (ALPA) struck Northwest Airlines on August 29, following almost 2 years of negotiations. The major points at issue in these contract talks involved proposals dealing with wages and job security. The pilots sought a 15-percent wage increase over 3 years, and the carrier offered about a 9-percent boost over 4 years. The pilots also wanted to eliminate the two-tiered wage system known as the "B-scale," whereby newly hired pilots received lower pay than veteran pilots at the carrier.

In addition, the pilots sought job protection arrangements. They wanted to restrict Northwest's ability to outsource work (that is, shift more flights to its regional carriers) by linking the growth of regional jets to the growth of Northwest's fleet of narrowbody jets. The pilots also sought job protections in regard to Northwest's proposed alliance with Continental Airlines (so-called "code-sharing").

Although Federal mediators conducted separate meetings with the parties on September 5 and 6, no face-to-face bargaining occurred until September 8. A breakthrough in negotiations occurred on September 9, after the Federal mediator suggested using stock options and profit sharing as part of a compensation package. ALPA then modified its pay proposals, and the carrier responded with its own new offer. A tentative settlement was reached on Septem-

ber 10, and was ratified by the union's Master Executive Council on the same day.

The 4-year contract includes several job security provisions, including job protections in Northwest's proposed code-share alliance with Continental, furlough protection for current pilots, and an agreement to link regional jet growth to Northwest's narrowbody jet fleet net growth. The compensation package calls for 3-percent annual wage increases, an immediate lump-sum payment equal to 3.5 percent of an employee's earnings, 2.5 million in stock options over the term of the agreement, elimination of the B-scale over 3 years, and a profit-sharing plan that would kick in after Northwest's profit margins exceed 6 percent, with payments to employees capped at 5 percent of their earnings. Other important terms bar Northwest from canceling scheduled pilot vacations, and eliminate the carrier practice of requiring pilots to be dual qualified, that is, requiring them to fly aircraft other than those they are most currently trained on.

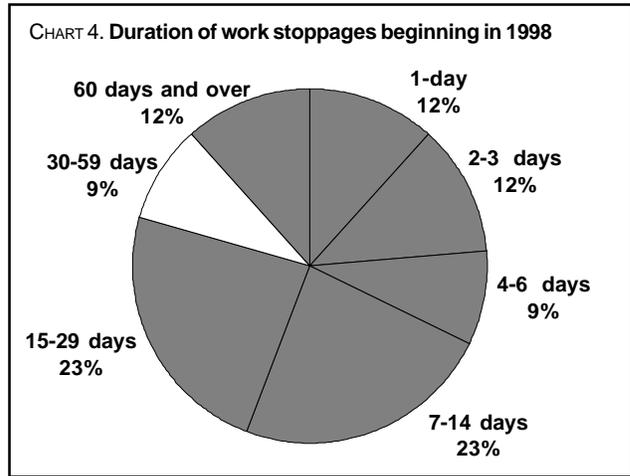
Large work stoppages

Eight large stoppages, those idling 5,000 workers or more, accounted for 82 percent of the days of idleness in 1998. (See table 2.) These disputes kept 338,000 workers off their jobs and accounted for 4.2 million days of idleness. The following tabulation provides historical data on work stoppages involving 5,000 or more workers for the period 1990-98.

Year	Stoppages	Number of—	
		Workers (thousands)	Days idle (thousands)
1990	13	147	3,183
1991	8	337	1,246
1992	6	310	1,321
1993	11	141	2,736
1994	12	254	3,566
1995	9	146	2,055
1996	9	215	3,144
1997	11	298	3,014
1998	8	338	4,174

The previously mentioned dispute between General Motors Corporation and the United Automobile Workers dominated the labor dispute scene in 1998. The only other large stoppage was between Bell Atlantic Corporation and the Communications Workers of America. After negotiators failed to reach a settlement to replace their expired 3-year contract, some 73,000 workers struck Bell Atlantic at 12:01 AM on August 9. Bell Atlantic, headquartered in New York, NY, provides telephone service, wireless communications, cable and digital television service, and Internet and data services to about 27 million customers in 13 States from Maine to Virginia, plus the District of Columbia.

According to press reports, the major issue in dispute was job security—whether union or nonunion workers would get future jobs in the company's fast-expanding high



tech telecommunications work, and whether the company's subsidiaries could continue to use nonunion workers to do work normally performed by union workers. By the time of the strike, negotiators had already reached agreement on two other key issues—wages and pensions.

While union members walked the picket lines and managers worked 12-hour days to keep Bell Atlantic functioning, negotiators worked non-stop for 54 hours, and hammered out a settlement on August 11. Under terms of the 2-year contract, the union secured the right to perform all data network integration, digital subscriber line services, Internet and video services, alarm monitoring, sales and maintenance of bundled services, and long distance work. It also won the right to perform customer work that had been done at a nonunion Bell Atlantic Plus center in Hampton, VA. In addition, the agreement extended previous guarantees against layoffs, downgrades, or involuntary transfers; and provided wage increases of 3.8 percent in the first year of the agreement and 4 percent in the second year, plus pension increases ranging from 11 to 20 percent.

Duration of work stoppages

The average length of work stoppages beginning in 1998 was about 26 days. Disputes were concentrated in the 7-14 day and 15-29 day ranges. (See chart 4.) About 56 percent of the stoppages lasted for 2 weeks or less, and 79 percent concluded in less than 30 days. Twelve percent extended for 60 or more days.

The longest stoppage beginning in the year was at Peterbilt Motors Company, where 1,200 workers represented by the United Automobile Workers were out for 206 days. The stoppage started on May 3, 1998, after members of Local 1832 rejected the company's final offer. The major issues in dispute dealt with proposals concerning the company's payment for health care benefits for current employees and retirees, and the number of union stewards.

On September 10, 1998, the union made an unconditional offer to return to work, but the offer was rejected by

the company on grounds that returning to work without a binding contract was not in the best interest of employees. The company then locked out the striking workers. There were some brief bargaining sessions in late September, which helped parties to identify the key issues in dispute. On No-

vember 23, 1998, negotiators reached a settlement after a 24-hour bargaining session, which was the first lengthy contract talk since the lockout began on September 10. On November 24, 1998, striking workers approved a 44-month agreement, which ended the 7-month stoppage. ■

¹ Major work stoppages are those involving 1,000 workers or more and lasting a full shift or longer, and include worker-initiated strikes, as well as lockouts by employers. A strike is defined as a temporary stoppage of work by a group of workers (not necessarily members of a union) to express a grievance or enforce a demand. A lockout is a temporary withholding or denial of employment by the employer during a labor dispute to enforce terms of em-

ployment upon a group of employees. Because of the complexity of disputes, the Bureau does not attempt to distinguish between strikes and lockouts in its statistics; both are included in the term "work stoppages." For more information, see "Major Work Stoppages Technical Note," in this issue of *Compensation and Working Conditions*, p. 69.

TABLE 1. Work stoppages involving 5,000 workers or more, 1951-98

Period	Number of stoppages ¹		Days idle ¹	
	Beginning in period	Workers involved (thousands)	Number (thousands)	Percent of estimated working time ²
1951	415	1,462	15,070	0.12
1952	470	2,746	48,820	.38
1953	437	1,623	18,130	.14
1954	265	1,075	16,630	.13
1955	363	2,055	21,180	.16
1956	287	1,370	26,840	.20
1957	279	887	10,340	.07
1958	332	1,587	17,900	.13
1959	245	1,381	60,850	.43
1960	222	896	13,260	.09
1961	195	1,031	10,140	.07
1962	211	793	11,760	.08
1963	181	512	10,020	.07
1964	246	1,183	16,220	.11
1965	268	999	15,140	.10
1966	321	1,300	16,000	.10
1967	381	2,192	31,320	.18
1968	392	1,855	35,367	.20
1969	412	1,576	29,397	.16
1970	381	2,468	52,761	.29
1971	298	2,516	35,538	.19
1972	250	975	16,764	.09
1973	317	1,400	16,260	.08
1974	424	1,796	31,809	.16
1975	235	965	17,563	.09
1976	231	1,519	23,962	.12
1977	298	1,212	21,258	.10
1978	219	1,006	23,774	.11
1979	235	1,021	20,409	.09
1980	187	795	20,844	.09
1981	145	729	16,908	.07
1982	96	656	9,061	.04
1983	81	909	17,461	.08
1984	62	376	8,499	.04
1985	54	324	7,079	.03
1986	69	533	11,861	.05
1987	46	174	4,481	.02
1988	40	118	4,381	.02
1989	51	452	16,996	.07
1990	44	185	5,926	.02
1991	40	392	4,584	.02
1992	35	364	3,989	.01
1993	35	182	3,981	.01
1994	45	322	5,020	.02
1995	31	192	5,771	.02
1996	37	273	4,889	.02
1997	29	339	4,497	.01
1998	34	387	5,116	.02

¹ The number of stoppages and workers relate to all stoppages that began in the year. Days idle includes all stoppages in effect. Workers are counted more than once if they are involved in more than one stoppage during the

year.

² Agricultural and government employees are included in the calculation of estimated working time; private households, forestry, and fishery employees are excluded.

TABLE 2. **Work stoppages involving 5,000 workers or more, beginning in 1998**

Organization, location, and union	Beginning date	Ending date	Number of workers ¹	Estimated days of idleness in 1998
Kaiser Permanente Northern California California Nurses Association	1/28/98	1/29/98	8,000	16,000
Kaiser Permanente Northern California California Nurses Association	2/24/98	2/24/98	7,100	7,100
General Motors Corporation ² Interstate Automobile Workers	6/5/98	7/29/98	152,200	3,313,000
Bell Atlantic Corporation Interstate Communications Workers	8/9/98	8/11/98	73,000	146,000
Consolidated Rail Company Interstate Brotherhood of Maintenance of Way Employees	8/14/98	8/14/98	23,500	23,500
US West Corporation Interstate Communications Workers	8/16/98	8/30/98	34,000	340,000
Southern New England Telecommunications Company Interstate Communications Workers	8/23/98	9/17/98	6,300	113,400
Northwest Airlines Interstate Air Line Pilots Association	8/29/98	9/10/98	33,700	214,600

¹ The number of workers involved is rounded to the nearest 100.

² Excludes workers in Canada and Mexico.