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Press Release

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San Francisco Hotel Workers March for a Fair Contract

(August 14, 2009, San Francisco, CA) – Over one thousand hotel workers and community members march through downtown San Francisco today, demanding a new agreement with more than 60 of San Francisco’s best-known hotels. The march begins from what has become known as “Local 2 Plaza” – a square adjacent to the Four Seasons Hotel – and proceeds around several Union Square hotels.

The contracts that expired today cover about 9,000 workers, including San Francisco’s largest and most luxurious hotels. Members of Unite Here Local 2 include room cleaners, dishwashers, bellmen, cooks, and others who are the backbone of the city’s tourism economy. Among the key issues that workers are seeking to resolve are: workload, affordable healthcare, wages, and retirement.

After several years of record corporate profits in the hotel industry – totaling over \$160 billion in the last six years – tourism is suffering the effects of the economic downturn. And it is hotel workers who are bearing the brunt of this recession. Nationwide, hotel corporations have cut back on staffing, and increased the workloads of those who remain working. “They made record profits and then when the economy went south, the companies are taking it out on us,” said Andy Lopez of the Hyatt Regency. “Why should we pay for their bad business decisions?”

This is a commonly-heard theme among hotel workers. While the companies cry poor to their workers, they have received applause from investment analysts for upholding profit margins. According to one Goldman Sachs analyst, “expense reductions have been so dramatic that even a modest pick up in RevPAR [revenues] should lead to outsized profit gains” (Goldman Sachs, 8/9/2009). And while several San Francisco properties have received attention for defaulting on loans in recent months, each one of these hotels was purchased at the height of the 2007-08 real estate speculation bubble, and is testament to excessive risk-taking by corporate investors and banks.

“We will be reasonable at the negotiating table, but we will not give up living standards, such as affordable healthcare and decent workloads,” said Mike Casey, President of Local 2. “The contract expiring today is an opportunity for us as a union to continue building for sustainable jobs, instead of low-wage jobs.”

Local 2 is beginning negotiations with the largest operators in San Francisco’s hotel industry, including the Starwood Corporation (operator of the Westin St. Francis, Palace, St. Regis, and W Hotels), Hyatt (Grand Hyatt and Hyatt Regency), and the Blackstone Group (Hilton). The currently-expiring contract was negotiated in 2006, ending a protracted labor dispute with 14 hotels.

UNITE HERE! Local 2 is the union of food service and hotel workers in San Francisco and San Mateo Counties. It represents about 12,000 members in the hospitality industry. For more information visit www.unitehere2.org or contact Riddhi Mehta at 707-695-2364 or rmehta@unitehere2.org