

Threat of strike at Shaw's

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Richard Shaw Frozen Foods has canceled its old contract with its 1,200 employees, raising the threat of a strike as a new contract, containing a wage cut of at least 6 percent and other employee give-backs, takes effect Monday.

Contracts with the union and Watsonville's seven major frozen food processors expired Monday, but old contracts were extended as negotiations continued.

"It's such a sneaky thing that Shaw did," said Richard King, leader of Teamsters Local 912. "Doing it right in the middle of negotiations and during a holiday is kind of shocking to us."

On Monday a spokesman for Shaw said the company would continue a month-to-month extension of the old contract.

But late Wednesday afternoon the company changed its stance and notified the union in writing that it was exercising a clause allowing it to cancel the contract on 72-hour notice.

Steve Shaw, vice president of Shaw Frozen Foods, said the Teamsters should not have been surprised by the company's cancellation of the old contract.

"During negotiations two weeks ago we told the union they had our final offer," said Shaw.

"But our decision to finally end negotiations came on Wednesday after the Teamsters canceled a negotiations session with (Ed) Console (Watsonville Canning and Frozen Foods). We feel that postponing the Console meeting was a sign of unfair bargaining," said Shaw.

Shaw said since Watsonville Canning has a contract under

which it pays its 2,000 employees an average of 40 cents less an hour, it is operating at an advantage over the city's six other frozen food plants.

Until this year Shaw conducted its negotiations in cooperation with the Frozen Food Employers Assn., an umbrella group representing Green Giant, J.J. Crosetti, Del Mar Foods, J.M. Smucker and New West.

Last year Watsonville Canning negotiated a lower wage scale on its own. Earlier this year Shaw declared it had a similar intention.

"Every day the union allowed the plants to operate under a disparate wage we have been losing money," said Shaw.

"Had the Teamsters kept their appointment with Console we might have waited to see the outcome."

The final contract offer from Shaw includes the wage reduction and a drop of more than \$2 per hour for new hires; it also offers fewer holidays and creates a new seniority system which will guarantee less day-to-day work for more experienced workers.

Shaw said his company was prepared for a strike.

"If it's going to come to that we would rather not die a slow death. If something is going to happen we'd just like to get it over with," said Shaw.

King said Shaw's reason for canceling the existing contract was a "very poor excuse."

"Everyone knows these negotiations routinely extend several months past the July 1 deadline," said King.

King said he thought "something can still be worked out with Shaw, but it is a very serious situation and we just can't stand back and let this happen. If Shaw is going to give us problems, we'll give him some problems. He is asking for war."

Many Shaw employees were off work today because of the holiday or because of slow production. But since it was

payday, most employees were at the Riverside Drive plant today picking up their checks and making contact with union representatives who were there spreading word of a weekend meeting.

"The workers are climbing the walls," said King. "There is a very good possibility that we may have a strike come Monday. In one move Shaw is trying to take back everything we've gained in 30 years."

Also working the information line at Shaw's this morning were members of the Teamsters for a Democratic Union, a dissident faction of the national organization. The TDU has often criticized the Teamsters for dragging their feet in negotiations and settling for what they have called pro-company contracts.

"We are all together on this one," said Joe Fahey, a representative of TDU. "It's clear Shaw is trying to bust the union, and now it's a question of any future at all for the union."

Fahey said if Shaw succeeds in implementing a lower wage scale, the city's other six plants will have an easier time settling employee give-back contracts.

The Teamsters have called a meeting for 9 a.m. Sunday at 215 E. Beach St. to discuss the contract.