

## Press Release

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### **Labor Day Action: Hotel Workers Take to the Streets**

*Fed up with cuts, hotel workers stand up to a profitable industry trying to squeeze them harder*

(September 7, 2009, San Francisco, CA) – In the spirit of Labor Day, hundreds of hotel workers and community members marched through downtown San Francisco today, demanding a fair contract with low-cost, high quality healthcare and job security. The march began at Justin Herman Plaza and proceeded around several downtown hotels.

The hotel contracts that expired August 14, 2009 affect about 9,000 workers and 62 hotels – 32 of which are 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.

After several years of record corporate profits in the hotel industry – totaling over \$200 billion in the last decade – 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.

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. "They've been making record profits for years and now they're making us work harder and longer," exclaimed Gary Kozono a banquet server at the Four Seasons. "Why should we pay for their bad business decisions?"

Local 2 has had initial 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).

Proposals made so far would require deep cuts in benefits and low-wage workers to pay unaffordable rates for healthcare coverage. "I can either send my son to college or pay exorbitant health care premiums," said Omni Hotel cook Linda Knighten, "If I don't get affordable, high quality healthcare through my employer, then who is going to pay for it? Will you?"

An average San Francisco union housekeeper earns \$30,000 a year. "We've sacrificed increases in wages and pension for affordable and quality healthcare," said Francisca Ramos a linen room attendant at the St. Francis, "we're not going to give all that up so hotel companies can continue making profits at our expense."

As the national healthcare debate continues to unfold, this Labor Day, San Francisco hotel workers take to the streets in solidarity against healthcare cuts and unfair workloads.

*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](http://www.unitehere2.org) or contact Riddhi Mehta at 707-695-2364 or [rmehta@unitehere2.org](mailto:rmehta@unitehere2.org).*