



RWDSU Members Ratify Five-Year Contract at Flagship Bloomingdale's Store in New York

By John Herzfeld

NEW YORK—Members of Retail, Wholesale, and Department Store Union Local 3 have ratified a five-year collective bargaining agreement with Bloomingdale's Inc. that covers wages and work rules for some 2,000 employees at the company's flagship store in New York City, the union announced May 2.

A tentative settlement reached the afternoon of May 1 was presented to union members at two meetings soon after and approved by a 95 percent vote, an RWDSU spokesman said. A prior four-year agreement (86 DLR A-6, 5/5/08) had expired March 1 and was automatically extended 60 days, he said. RWDSU is affiliated with the United Food and Commercial Workers.

"This contract is truly a miracle on 59th Street," Cassandra Berrocal, president of Local 3 United Storeworkers of RWDSU, said in a statement. "Overall, it's the best contract we have ever negotiated, and it will improve the lives of our members for many years to come. We fought hard and won big. We showed what can be accomplished when working people stand up for what is right."

RWDSU President Stuart Appelbaum added: "We set a higher standard for how Bloomingdale's and the retail industry should treat employees. This contract is a powerful reminder that unionization is the best way to improve the quality of retail jobs. We will use this contract to organize many more retail workers across the city and country."

A spokeswoman for Bloomingdale's, Anne Keating, said the Local 3 vote had "covered a significant portion of a new contract." She added that "we still have some work to do" in continuing discussions, but declined to comment further.

The major outstanding issues relate to a workers' security plan, a fund that includes some retiree health benefits, the union spokesman said.

Control Over Scheduling

In addition to wage increases and enhanced benefits, the union said, the new agreement includes work rules that give employees more control over hours and scheduling. Those provisions will have an industrywide impact as a response to chronic underemployment in retail, it added.

The scheduling provisions offer the prospect of some relief "as many retail workers struggle with underemployment and find it difficult to get the hours they want and deserve," RWDSU suggested. The

union pointed to a study released in January by the Retail Action Project showing that only 17 percent of retail workers have a regular schedule (10 DLR A-8, 1/17/12).

A 2011 contract settlement covering some 4,000 workers at Macy's Inc. (121 DLR A-13, 6/23/11) also improved employees' control over their scheduling, the union said. The Bloomingdale's scheduling provisions, it added, "build upon and exceed" the terms in the Macy's pact.

Scheduling flexibility in the Bloomingdale's contract goes further than any other union contract with a large retail company, RWDSU said. Senior employees will have first choice of their preferred hours first, and all workers will be able to choose one weekend off a month and the late nights they want to work, the union said.

Managers are obligated to "respect and honor the choices made by workers," and the right of workers to arbitrate over scheduling is maintained, it added.

The five-year Bloomingdale's contract calls for a \$3.05 per hour general wage increase for hourly employees over term, matching the Macy's raise. The first-year increase will be 65 cents, followed by annual raises of 60 cents, the union spokesman said. Many commission sales employees also will receive increased commission rates.

The increases will be retroactive to March 1 once the contract takes effect in the coming weeks, the spokesman said.

Benefits Retained, Union Says

No existing benefits will be eliminated under the contract, RWDSU said. The current health plan options, with first-dollar coverage and no deductible, will be continued, and if covered employees take full advantage of a wellness program in one of the plans, the costs will be reduced to 2009 levels, the union spokesman said.

New provisions will include paternity leave, RWDSU said. Also, nondiscrimination language protecting lesbian, gay, bisexual, and transgender employees has been added, the union said.

In addition, the union said, a "punitive" evaluation system will be replaced by "a new review system focused on enhanced worker training."

In a change in the contract's commission policy on returns, the period in which sales employees must forfeit their commissions on merchandise returned by shoppers will be cut in phases from 180 days to 120 days over the contract term, the union spokesman said.

"This won't affect customers," he said. "It's about protecting the commissions of workers."

The new contract expires March 1, 2017.

Bloomingdale's is a division of Macy's Inc., which employs a total of 166,000 workers at 851 stores, including 40 under the Bloomingdale's name.