



## Hyatt Regency Indianapolis Labor Issue

Statement of January 27, 2011

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### Background

In 2008, NFCYM began signing hotel contracts in the city of Indianapolis for the 2011 National Catholic Youth Conference. This first round of contracts included all downtown hotels built or in development at the time. Among the contracts signed was one with the Hyatt Regency Indianapolis (“Hyatt”).

In September of 2010, the National Federation for Catholic Youth Ministry (“NFCYM”) was contacted in writing by a group of employees calling themselves the Hyatt Regency Organizing Committee/Unite HERE (“organizing committee”). In their letter they asked NFCYM to support their efforts to organize a union by joining an employee-sanctioned boycott of their hotel.

In September and October of 2010, NFCYM staff spoke directly with the following: a representative of the organizing committee, staff of the Hyatt including the general manager, some local youth ministers who contacted NFCYM in support of the boycott, and representatives of the Archdiocese of Indianapolis. These conversations yielded the following information:

- No hotel in Indianapolis is currently unionized.
- Within the last three years, Unite HERE has focused its efforts on three of the largest properties in the area with efforts to unionize workers. The hotels are the Hyatt, the Westin, and the Sheraton at Keystone Crossing.
- The organizing committee has approximately 20 members.
- The organizing committee is the only one of the three hotels to call for a boycott.
- There are approximately 150 people on staff at the Hyatt.
- There is another Hyatt employee petition with well over 60 signatures stating employee opposition to the boycott and the efforts of the organizing committee. (NFCYM has a PDF copy of petition.)
- The management of the Hyatt has put together a fact sheet of its own. Among the hotel’s claims are:
  - The hotel has not laid off any hourly employees during the current economic downturn.
  - No hourly associate eligible for benefits lost benefits during the current economic downturn.
  - Hourly associates received annual increases in 2009 and 2010 and are budgeted to receive the same in 2011.
  - The hotel is a wage leader in the Indianapolis hotel market and has very low staff turnover.
- One of the issues in dispute seems to be the method used to bring the union into being. The Hyatt Regency Organizing Committee/Unite HERE wants to use the card-check method whereby employees sign authorization cards or a petition in public that states they are in support of forming a union. Once 50% of workers sign, the union is ratified. This system is part of legislation

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that has been introduced in the U.S. Congress, but has not made it to the floor for a vote. The Hyatt management says it supports the right of workers to form a union but insists that the current secret ballot process is the superior and sufficient method. Both sides claim that coercion is possible with the other's method.

- At that time, the Archdiocese of Indianapolis had no position on the boycott or the efforts of Unite HERE in the area.

In late October 2010, the executive committee of the NFCYM Board of Directors met in Washington, DC and was briefed on the situation. The executive committee decided that NFCYM would not join the boycott. They instructed staff to continue to monitor the situation and to keep the board informed of developments. Further, it was decided that before any diocese was officially placed into the Hyatt for NCYC that NFCYM staff would contact the group leader and inform them of the situation. If the group leader was not comfortable with the assignment based on the labor situation then the group would be re-assigned.

On December 9, 2010, Archbishop Daniel M. Buechlein of Indianapolis wrote to both Brian Comes, general manager of the Hyatt, and Becky Smith, a spokesperson for Unite HERE Indianapolis. The text of his letter follows:

*It has come to my attention that the Archdiocese of Indianapolis has been asked to join a boycott of the Hyatt Regency Indianapolis called for by Unite Here, a Chicago-based hotel workers union.*

*I believe that Catholic social teaching has much to offer the hotel management and workers in finding a fair resolution to their differences. I offer the attached [below] statement in the hope that it might encourage civil dialogue between the employer and its workers.*

*It is not the role of the Catholic Church to sort out all of the economic factors and claims in this matter, but for more than 100 years Catholic social teaching has defended the intrinsic dignity of the human person and their right to a just wage, a safe working environment and their right to freely associate and form unions.*

*Labor issues are often fraught with conflict and controversy, but I pray that a respectful and expeditious way will be found to reach an agreement that is satisfactory to both side and serves the common good of our community.*

### **Action**

At its January 25, 2011, meeting, the NFCYM Board of Directors affirmed executive committee's decision and agreed to follow the lead of the Archdiocese of Indianapolis. In collaboration with the archdiocese, NFCYM will continue to monitor the situation with the Hyatt and may reconsider its position if new information comes to light and can be independently verified.

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### **Archdiocese of Indianapolis Statement on Indianapolis hotel workers, Unite Here and local hotels**

In recent months Unite Here, a national union that represents those working in the hospitality, gaming, and food service industry, has been working to unionize hotel employees in the Indianapolis area. Their initial efforts have focused on the Hyatt Regency Indianapolis. The Catholic Church has a long history of promoting workers' rights and justice in the market place. As far back as 1891, Pope Leo XIII outlined the basic principles in his encyclical letter *Rerum Novarum*. Among other things, the pope clarified Catholic social teaching on the protection of basic economic and political rights including the right to a just wage and the right to organize associations or unions to defend just claims. To that end I offer a

brief review of key principles from Catholic social teaching that participants should keep in mind as they work through this process.

### **The intrinsic dignity of the human person**

At the core of all Catholic social teaching is the intrinsic dignity of the human person. “Men and women, in the concrete circumstances of history, represent the heart and soul of Catholic social thought.”<sup>1</sup> The whole of the Church’s social doctrine, in fact, develops from the principle that affirms the inviolable dignity of the human person.<sup>2</sup>

From this dignity flows certain rights including (but not limited to) the right to a just wage;<sup>3</sup> the right to a working environment that is not harmful to the workers’ physical health or to their moral integrity;<sup>4</sup> and the right to assemble and form associations.<sup>5</sup>

### **The right to a just wage**

“Remuneration is the most important means for achieving justice in work relationships.”<sup>6</sup> Workers must be paid a wage which allows them to live a truly human life and to fulfill their family obligations in a worthy manner.

However, the right to a just wage is not absolute and other factors too enter into the assessment of a just wage: namely, the effective contribution which each individual makes to the economic effort and the financial state of the company for which he works.<sup>7</sup>

### **The right of free association**

As noted above, the Church maintains that it is the right of groups of employees to freely associate and to form unions. “They (unions) are indeed a mouthpiece for the struggle for social justice...but it is not a struggle ‘against’ others.”<sup>8</sup> “The role of unions is not to ‘play politics’ in the sense that the expression is commonly understood today. Unions do not have the character of political parties struggling for power; they should not be subjected to the decision of political parties or have too close links with them.”<sup>9</sup> One thinks here, of unions that charge excessive dues and use their financial resources to support politicians or political parties clearly opposed to the Church’s teaching on the sanctity of human life and dignity of marriage between one man and one woman – foundational elements of the common good.

The Church has a sacred reverence for the dignity of conscience and its freedom of choice.<sup>10</sup> Therefore employees have the right to have both the union and hotel management present their case and then the opportunity to vote in a secret ballot. Any form of coercion on the part of management or union is to be condemned.

### **Closing thoughts**

“The Church’s social doctrine teaches that relations within the world of work must be marked by cooperation: hatred and attempts to eliminate the other are completely unacceptable.”<sup>11</sup> It is my prayer that all parties involved will enter into a charitable dialogue that seeks to put the dignity and free will of the human person first, while keeping in mind the context of the local economic environment and competitive landscape.

### **Footnotes**

<sup>1</sup> Centesimus Annus, 11 (Pope John Paul II, 1991)

<sup>2</sup> Mater et Magistra 220 (Pope John XXIII, 1961)

<sup>3</sup> Laborem Exercens 19 (Pope John Paul II, 1981)

<sup>4</sup> Laborem Exercens 19

<sup>5</sup> Rerum Novarum 49ff (Pope Leo XIII, 1891)

<sup>6</sup> Laborem Exercens 19

<sup>7</sup> Mater et Magistra 71

<sup>8</sup> Laborem Exercens 20

<sup>9</sup> Laborem Exercens 20

<sup>10</sup> Gaudium et Spes 41

<sup>11</sup> Compendium of the Social Doctrine of the Church 306