



# Coping with Layoffs and Plant Closures

*How Unions Can Help*

*working* ★ FOR  
**America**  
AFL-CIO INSTITUTE

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*When a Workplace Shuts Down...*

# Local Unions *Can* Help

Layoffs aren't new to the American workplace. But in recent years, new technologies, corporate restructuring, changing markets and increased global competition have vastly increased the possibility that American workers will change jobs several times during their working lives.

Losing a job is never easy, especially for people who have worked steadily most of their lives. Laid off workers are often angry and fearful. They may feel betrayed by the company and their union. Their future is suddenly uncertain.

You, as a union leader, can help workers weather this crisis by responding to their concerns and needs and by acting as an advocate for those needs with the employer and public service agencies. Help from the union can mean the difference between successful reemployment and despair.



# *Local Unions* Making a Difference

## Role of the Local Union

Laid-off workers who have a union to represent them are fortunate. They have a valuable resource and an advocate to help them meet the challenges of dislocation. Many local unions discover they can make a real difference in their member's lives during these trying times by:

- ▶ Planning a union response to a layoff situation, and when appropriate, developing strategies to prevent the current layoffs or for reducing the potential for future layoffs. Such strategies often involve layoff aversion and prefeasibility analysis.
- ▶ Playing an active role in the formation of a joint Labor-Management Committee (LMC) where they can discuss the impact of the closure on the workforce, develop strategies to deal with that impact, and create an effective process for coordinating services to affected workers.
- ▶ Identifying/contacting labor-sponsored programs, designed specifically to meet the needs of dislocated workers.
- ▶ Organizing and facilitating on-site worker information meetings, in coordination with the state Rapid Response program, where members can get facts and advice about assistance that is available.
- ▶ Brokering special reemployment and supportive services tailored to meet their members' needs.

*This brochure describes each of these.*

# *Planning Your Union's* **Response to Layoffs**

Your union may want to mount a response to layoffs planned at your member's workplace. As you plan your approach, consider these questions:

- ▶ What does the collective bargaining agreement provide in the way of protections for those laid off? Does the agreement provide for severance benefits? If so, what are these protections and benefits?
- ▶ Has the employer provided adequate notice under the provisions of the Worker Adjustment and Retraining Notification Act (WARN)? This federal law requires at least a 60 day notice in advance of a closing under certain circumstances.
- ▶ Does the state where your members worked have a state law on notification. If so, is the state law stronger and more beneficial to the workers than WARN?
- ▶ What is the employer's plan for layoff? Will the employer layoff everyone at once, or will the separations be spread over a period of time?
- ▶ Is there a labor-management committee in place? If so, is the union coordinating its activities with the committee to avoid duplication of services?
- ▶ Has the union considered alternatives to a closing? Your national or international union can advise you on strategies some unions have used to save their member's jobs, such as an employee buy-out and work restructuring. You can get assistance from your state Rapid Response unit to study these options to see whether they are feasible.
- ▶ Have you identified public agency resources to help your union cope with these layoffs? Have you been in touch with the state Dislocated Worker unit; the local One-Stop Career Center; the local Workforce Investment Board?
  - Have you taken full advantage of the resources available to you in the labor movement? Have you talked to your international? To the AFL-CIO Community Services Department? To the new Union Community Fund? To the AFL-CIO Working for America Institute?

## *Preventive Measures* **Layoff Aversion**

Even if your union is not faced with layoffs now, this may be the time to establish protections for your members against layoffs in the

future. As a first step, your next round of contract negotiations could address the issue of layoffs and plant closures and ways to lessen the impact on affected workers. Strategies for establishing an “early warning” system for identifying the possibility of a closure as quickly as possible should be considered. Knowing that there are public resources available to help you look at options to closing a plant, may also be helpful.

## *Labor-Management* **Committees**

Your state has established a Dislocated Worker Unit under Title I of the Workforce Investment Act (WIA). As a union leader, you will want to be alert to the services

available for your members through the unit.

When the state Dislocated Worker Unit learns of an upcoming layoff, it is responsible for contacting the affected union and the employer to offer assistance through its Rapid Response team. One of the most important services that the Rapid Response team can provide is assistance to interested unions and employers in establishing a Labor-Management Committee (LMC). The LMC, made up of workers and management, can then take charge of coordinating the services that are available to workers who are about to lose their jobs.

A LMC has an equal number of labor and management representatives and usually a neutral chairperson. The Committee can:

- Develop a strategy to meet the needs of laid-off workers.
- Consider layoff aversion strategies.
- Furnish early-intervention services, such as informing workers about their option for reemployment assistance.

- Provide additional services such as peer support, job fairs, job search workshops and job clubs.
- Identify organizations to provide outplacement services and training.
- Help workers to network with each other on potential job openings as well as to share their success stories and boost morale.

## Rapid-Response Workshops

Often, local unions will sponsor worker information meetings for their laid-off members in coordination with the program provided by the state Rapid Response team.

These workshops teach workers how to take advantage of resources that will help them cope with their layoff and find a new job.

The AFL-CIO Working for America Institute has years of experience in helping unions and LMC's conduct reemployment workshops. The Institute can provide guidance to unions on how to plan and organize the sessions, arrange for speakers, and prepare materials for the workers.

A typical workshop consists of one or more half-day sessions, often held in the union hall. Workshops are most successful when they take place as soon as possible after the layoff is announced. The agenda normally includes:

- An update on the current status of the layoff and the availability of layoff benefits and services.
- The LMC strategy for meeting workers needs.
- Advice from the local One-Stop Career Center and other workforce development agencies on how to conduct a job search and where to get help in setting occupational goals.

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- Information on the wide variety of social services offered by the AFL-CIO Community Services agencies
- Advice on training and reemployment services, presented by representatives of the local Workforce Investment Board (LWIB) and other workforce development agencies.
- An opportunity to learn about Unemployment Insurance (UI) and sign up for benefits with a local representative of the UI office.
- Additional information on services available from community-based organizations, community colleges and other local programs.

## *Core, Intensive, Training and* **Support Services**

There are three types of services that potentially are available to your

members through your state's One-Stop system:

- ▶ All workers have access to core services like those listed below through the local One-Stop Career Center. You should receive information on these services through your Rapid Response team. This is the first step in obtaining information such as:
  - Unemployment Insurance
  - Pension benefits and health insurance coverage
  - Job search assistance
  - Job referral
  - Local area job openings
  - Resume assistance
  - Job Training

- ▶ If the core services do not produce results, you may be eligible for one-on-one assistance, group career workshops, and other assistance such as:
  - Assessment of your skills and abilities
  - Resume writing classes
  - Help in planning how to get back to work
  - Stress and financial workshops
  - One-on-one job counseling
  
- ▶ Training services, like those listed below, may be available to help you get a good job. If you qualify for help you will have access to a broad range of training services. Your local One-Stop Career Center can establish your Individual Training Account (ITA) and will have a list of training programs, descriptions, and costs to help guide you in the decision-making process.
  - Occupational skills training
  - On-the-job training
  - Skills improvement
  - GED preparation
  - English as a second language
  - Math and reading training
  
- In addition, supportive services such as transportation, child care and housing assistance as well as needs-based payments may be available at the discretion of your local One-Stop Centers.

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## Labor Resources

Local unions can look to their national or international union and the AFL-CIO for strength and support in coping with dislocations and job loss. Both your international union and the AFL-CIO can be of assistance in designing strategies for responding to layoffs and may be able to put you in touch with other local unions that have dealt with similar circumstances.

The AFL-CIO and its affiliated unions have worked hard to strengthen protections for laid-off workers through federal and state legislation as well as through collective bargaining language. In addition, State Federations and Central Labor Councils are often a tremendous resource concerning state and local programs and agencies that deal with a plant closure or major reduction in force.

AFL-CIO Working for America Institute also provides assistance to dislocated and displaced workers through the support of varied initiatives — peer support, One-Stop centers, labor management planning committees and individualized assistance and promotion of worker oriented training and education — that provide members with assistance when layoffs occur or plants close.

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*For more information on responding to a layoff or plant closure contact:*

**Other reference websites include:**

*<http://www.workers.gov>*

*[www.doleta.gov/individ.asp](http://www.doleta.gov/individ.asp)*

*[http://www.doleta.gov/youth\\_services/default.asp](http://www.doleta.gov/youth_services/default.asp)*



**815 16th Street, NW**

**Washington, DC 20006**

**800-842-4234 • 202-466-8010**

**fax: 202-466-6146**

**E-mail: [info@workingforamerica.org](mailto:info@workingforamerica.org)**

**[www.workingforamerica.org](http://www.workingforamerica.org)**

*The AFL-CIO Working for America Institute works with unions and their allies to create and retain good jobs and build strong communities through promoting high road economic strategies for individuals; employers and industrial sectors; and public economic and workforce development systems.*

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*This brochure is also available in Spanish.*

*Este folleto también está disponible en Español.*