

National Labor Relations Board Holds American Water Illegally Slashed Employee Benefits

For immediate release: August 4, 2014

For more information contact: Sam McKnight, (248) 354-5608 Washington, D.C.

The U.S. National Labor Relations Board has issued a decision holding that American Water illegally slashed healthcare and other benefits for 3,200 workers in nearly 70 different bargaining units in fifteen states across the U.S.

The July 31, 2014, decision finds that American Water illegally imposed cuts in employee healthcare, retiree health, and disability benefits on January 1, 2011 without having notified state mediation agencies about the ongoing bargaining dispute, as required by federal labor law.

The decision orders the company to pay back pay with interest to all affected workers and to restore the illegal cuts in employee benefits. The Utility Workers Union of America, which filed the charge against the company, estimates American Water's back pay liability in the case to be several million dollars.

"This decision is another huge step in our efforts to win justice for American Water employees," declared Michael Langford, UWUA National President. "We will continue challenging this company's unfair attacks against working families until American Water learns that it is not above the law."

The NLRB decision involves benefit cuts imposed unilaterally by American Water – the largest for-profit water utility company in the U.S. – in January 2011 during negotiations for a new national benefits agreement. The NLRB rejected the company's claim that it was not required to notify state mediation agencies about the dispute, despite an explicit provision of the National Labor Relations Act providing that any available state mediation agency must be notified.

The agreement is negotiated by a coalition of nine national and international unions led by the UWUA, and covers 3,200 union workers across the U.S. The UWUA represents the largest number of American Water bargaining units and 2,400 of the company's 7,000 employees. The NLRB decision applies to union workers at American Water locations in California, Florida, Illinois, Iowa, Indiana, Kentucky, Maryland, Missouri, New Jersey, New York, Ohio, Pennsylvania, Tennessee, Virginia, and West Virginia.

The UWUA represents 50,000 working men and women in the utility and related industries throughout the U.S., including 2,400 employees of American Water in eleven states. A copy of the NLRB's decision is available at <http://mynlrb.nlr.gov/link/document.aspx/09031d45817ed695>.

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