

Apple to withhold latest employee perks from unionized store

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Apple Inc. is withholding its latest employee benefits from staff who work at its sole unionized retail store, a move that could potentially inflame labor tensions at the technology giant.

The company told retail and corporate staff this week that it will increase benefits for outside educational classes and [health care](#), according to people familiar with the matter. Workers will get more funds to pursue coursework, and employees in some states will be able to access new health plan benefits, said the people, who asked not to be identified because the program hasn't been announced publicly.

It's part of a broader effort to reward [workers](#) at the Cupertino, California-based company, which has had to navigate inflationary pressure, a tight labor market and changing demands of workers during the pandemic. But the company was quick to inform the employees at its unionized retail location—a store in the Baltimore suburb of Towson, Maryland—that they wouldn't get the new perks.

The reason given was that the Towson store needs to negotiate benefits with Apple via the collective bargaining arrangement that comes with a union. The approach isn't unique to Apple. Excluding unionized stores from new benefits has also been a flashpoint in the labor dispute at Starbucks Corp., where about 250 cafes have voted to unionize over the past year. Starbucks rolled out a series of new perks at nonunion stores, including raises and student-debt coaching, while saying that it can't legally provide them unilaterally to sites with union activity.

Apple's move could dissuade employees in other cities from unionizing their stores, but it also could further upset workers. The company declined to comment.

Employees at an Apple store in Oklahoma City are due to vote this week whether to join the Communications Workers of America, and labor groups are looking to mobilize workers at more of the company's US stores in the coming months. The iPhone maker also has contended with some [employee](#) pushback in its office staff, which was ordered back to in-person work in recent months.

The new benefits include:

- Apple prepaying some tuition for outside education. The company has long reimbursed employees for a portion of education costs, but the iPhone maker will now pay the amount in advance. This will start at a small amount of colleges, though the list is expected to expand over time.
- A program with Coursera Inc. beginning on Jan. 1 that gives Apple employees a free membership. Coursera is an online-course provider that normally charges \$399 per year for its premium subscription.
- In certain states, including Connecticut, New York, Georgia, Washington and New Jersey, employees will get access to a new health care plan that waives co-pays for some Apple-approved doctors within the UnitedHealth Group Inc. network.

Apple's behavior could be deemed by the National Labor Relations Board to violate [federal law](#), which forbids anti-union threats or discrimination, labor experts said. The timing of the new benefits could be particularly significant, since it comes on the eve of the Oklahoma City election.

"It's hard to see how they could come up with a legitimate reason for the timing other than to influence the outcome of the election," former union attorney and NLRB Chair Wilma Liebman said in an email.

Apple has expanded other benefits for workers over the past year. The company previously upped vacation and sick days, and it has long-offered health care and product discounts.

The store in Maryland, which is represented by the International Association of Machinists and Aerospace Workers union, is preparing to begin formal negotiations with Apple. Its labor group in recent days

supplied employees with guides to negotiate with Apple and hold conversations with managers.

According to an internal survey provided with the guide that was obtained by Bloomberg News, the No. 1 bargaining priority at that location is general wage increases, followed by cost-of-living adjustments, improved work-life balance, better communication and more staffing.

The union said Wednesday that it remained committed to negotiations at the Maryland store.

"Our goal is still the same," the IAM union said in a statement. "We are urging Apple to negotiate in good faith so we can reach an agreement over the next few weeks."

Apple's union-related moves have been under heavy scrutiny in recent weeks, with the NLRB and CWA accusing the iPhone maker of discriminating against pro-union employees.

In the Starbucks case, the union said it waived the right to negotiate over receiving perks that were already being provided to other stores—meaning employees should just get them automatically. Workers United, the group attempting to organize Starbucks cafes, described the denial of benefits as a union-busting tactic.

While it is true that the law restricts companies from making unilateral changes at unionized shops, nothing prohibits management from offering to give union workers the same new perks that other staff are getting, said Harvard Law School professor Benjamin Sachs.

That's true even if there isn't yet an overall collective bargaining agreement yet, he said. "They can't impose the increases, but they can

offer them to the union," Sachs said.

"If you give benefit increases to nonunion workers and withhold them from [union](#) workers, you're sending a message of favoritism and discrimination," he said. "You're trying to discourage workers from forming unions."

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