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A UNION THAT'S LESS THAN IT SEEMS

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It's hard to know who to trust in the latest tussle over a private equity company going billions into debt to buy a nursing home chain. With nursing homes, it's probably best to trust no one. If you've been in one lately, as a visitor, worker or patient, you know what I mean.

Like most people, I find it hard to trust the corporate giants that seem determined to treat nursing homes as commodities. In this dispute, Goliath is the Carlyle Group, which owns Dunkin' Donuts and Hertz and promises to deliver a quality nursing home product.

Carlyle is buying HCR Manor Care, which owns 500 nursing homes in 33 states, including 29 in Florida and seven in Palm Beach County. The homes operate under the Heartland, Arden Courts and Manor Care names. The price for Manor Care is $6.3 billion, of which $5.5 billion will be borrowed.

On the other side, complaining that Carlyle will lay off employees to shave costs, is an anachronism -- a growing American labor **union**. The Service Employees International **Union** (SEIU) has begun a national campaign against the sale with newspaper ads demanding hearings in six states, including Florida. A recent ad in The Palm Beach Post cited a New York Times investigation that described how staffing cuts often follow takeovers by private equity firms. "Carlyle should outline its plan to improve care for Florida's seniors," the ad says, "before we give them licenses to operate nursing homes."

It looks as if the **union** is unloading on Carlyle out of a sincere concern for workers and nursing home patients. That would be the **union's** preferred response to the ads, but that response would be far too generous.

SEIU, the nation's largest health-care **union**, is to organized labor what private equity buyers are to nursing home chains. Under Andy Stern, its president since 1996, SEIU has been throwing out the confrontational labor-vs.-management model. Instead, it is seeking a collaborative role, as Mr. Stern described in his book Getting America Back on Track: A Country That Works. "Employees and employers," he wrote, "need organizations that solve problems, not create them."

What he means is clear because of groundbreaking reporting by SF Weekly, a San Francisco alternative paper. In 2004, the paper disclosed the secret terms of a deal between the **union** and major California nursing homes. Mr. Stern's **union** agreed to use its influence to lobby in the state Assembly for payment guarantees, which passed, and reduced legal liability for nursing homes, which didn't. In return, the **union** got to **unionize** a third of the homes. As a further concession, the **union** agreed not to strike.

Among the other concessions in the "Agreement to Advance the Future of Nursing Home Care in California," now available on the Internet, is the "negative rhetoric" clause. It states that the parties "recognize the need to present a united voice on common goals." It bans personal attacks and goes on to say that "neither the employers nor the union shall involve external organizations (i.e., media, legislators, regulators, health-care providers) in any effort to damage the reputation or credibility of the other party, nor will the union attempt to leverage employer acquiescence through voluntary adverse reporting to any regulators or other oversight agency," except for major abuse as required by law.

So, if your mother is not being turned every day, and the bed sores are literally killing her, and the workers know this is happening but can't do anything about it because on some shifts there are only two caregivers for 47 patients, the workers, through their union, have pledged to say nothing. To no one.

Ah, what price silence? I'd love to support the SEIU's efforts to force closer scrutiny of Carlyle's buyout. But it's hard to trust an organization that would promote the California deal, and a similar one now being pushed in Washington state.

If the SEIU can make life miserable enough on Carlyle -- already Congress and the Pennsylvania legislature have agreed to hold hearings -- it must believe that it can force Carlyle to the negotiating table. If that happens, expect the ad campaign against Carlyle's buyout to halt. If a union sellout is the price of labor peace, it's too costly.

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