



Labor Letter

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News From the AFL-CIO

Meeting Nov. 13 to review AFL-CIO's political mobilization program, federation's Executive Council approved "broad campaign for economic renewal" that included election campaign-style mobilization "of millions of union members" in support of restoring workers' freedom to form and join unions and other working family priorities. Campaign in support of the Employee Free Choice Act and other working family priorities builds on the AFL-CIO's unprecedented grassroots mobilization, in which 250,000 volunteers helped elect Obama and labor-endorsed candidates. "Unless we restore the power of working people to bargain with their companies for a better life, economic growth will not be broadly shared and income inequality will not diminish," Council stated in a resolution. Council called on the new Administration and Congress to address current financial crisis with "a comprehensive economic revitalization agenda."

As part of its economic mobilization plan, AFL-CIO moved to counter expected multimillion-dollar campaign against the Employee Free Choice Act by corporate and anti-union interests. Federation will use techniques learned during political mobilization campaign to respond to "the outrageous lies and scare tactics" spread by the anti-union Center for Union Facts and other corporate leaders. AFL-CIO said state union leaders met last month to map out member mobilization plans for their states, "including member education and contact strategies for reaching out to their allies and partners along with their senator and representatives." AFL-CIO will assign many of its field and communications staffs to cover the targeted states and affiliates were urged to release staff for the effort. "We do not have the luxury of taking a post-election break and waiting until January to gear up," AFL-CIO Council said in approving campaign.

AFL-CIO President John J. Sweeney Nov. 5 called Sen. Obama's (D-Ill.) victory in the presidential race and the Democratic majorities in the House and Senate a working families' mandate for "broad-based economic change." "We salute labor leaders and volunteers all across our country for a record turnout of voters from union households—they made the difference in critical states like Pennsylvania, Michigan, Ohio and so many others. We congratulate Barack Obama and Joe Biden. Our prayers and our continuing support are with them as we begin the arduous task of turning our country around," he said. AFL-CIO leader said Nov. 4 election of Obama was "one of the brightest days in my lifetime of fighting for working men and women." He said the election marks "the first step" in a large-scale union mobilization to push through economic reform.

AFL-CIO asserted solid turnout by members of union households carried several key battleground states for President-elect Barack Obama. According to the federation's internal polling, union voters supported President-elect Obama 67 percent to 30 percent over Sen. John McCain. In key battleground states the difference widened with union members going for Obama 69 to 28, a 41-point margin. McCain won voters ages 65 and up, but active and retired union members older than 65 went for Obama by a 46-point margin. Union veterans went for Obama by a 25-point margin while McCain won among non-union veterans. Obama also won among union gun owners by 12 percent while losing that group in the general public by 25 percent. Union vote in the 2008 presidential election was 21 percent of all voters, down from 23 percent in the 2004 election and 26 percent in 2000 election, according to Guy Molyneux of Peter D. Hart Research Associates Inc.

Annual AFL-CIO King Day celebration, scheduled for Jan. 15–19, 2009, in New Orleans, planned to honor legacy of Martin Luther King Jr. which “helped pave the way for” the historic election of President-elect Barack Obama. Federation said participants “will examine what the 2008 election means for our nation and working families and give back through community service in a city that continues to suffer from the effects of Hurricane Katrina, which hit three years ago.” AFL-CIO Executive Vice President Arlene Holt Baker said King often tied the civil rights and union rights movements “as one in the same.” Union members at the celebration also will “deliver a strong message to the new Congress to pass the Employee Free Choice Act.”

Release of a health care report Nov. 12 by Senator Max Baucus, Senate Finance Committee chair, is “a giant step towards the comprehensive health reform that Americans so badly want and need,” said AFL-CIO head Sweeney. He said Sen. Baucus “rightly sounded the urgent plea to get comprehensive reform done early in the next Congress” while recognizing that “the failure to act has dire and unacceptable consequences” for the nation. Baucus called for a Medicare buy-in for 55 to 64 year olds, a public plan option to compete with private plan options in a health insurance exchange, subsidies to make coverage affordable and a requirement that all but small businesses either offer coverage to their workers or pay into a fund to cover the uninsured. But Sweeney expressed concern over his support for taxing employer-provided health care benefits.

International Labor News

International Labor Organization (ILO) said recently that an additional 20 million jobs could be lost worldwide as the result of the current financial crisis. ILO Director-General Juan Somavia said their preliminary estimates revealed that the number of unemployed could rise from 190 million in 2007 to 210 million by late 2009, which would be the first time that worldwide unemployment topped 200 million. Number of working poor living on less than a dollar a day could rise by some 40 million, and those earning less than \$2 a day could rise by more than 100 million, he said. ILO projected a global unemployment rate of 6.4 percent for 2009. Somavia said construction, automotive industry, tourism, finance, services, and real estate were among employment sectors likely to suffer the worst.

National and Political Events

Percentage of elections won by unions increased during first half of 2008, according to NLRB data analyzed by the Bureau of National Affairs, a private research and publications firm. BNA reported unions won 518 of 776 private sector elections (66.8 percent) held in first six months of 2008, up from 454 wins (58.5 percent) in the same period of 2007. Unions affiliated with the AFL-CIO won greater percentage of elections in the first half of 2008 than those unions affiliated with the Change to Win federation, but CTW affiliates participated in more elections and organized more workers than AFL-CIO affiliates, BNA said. Teamsters organized 6,519 workers in first half of 2008, up from 4,744 workers organized in the same time period last year. Service Employees International Union organized the next highest number of workers. Union organized 5,596 workers—winning 70 percent of 56 elections in which the union participated, according to BNA.

President-elect Barack Obama Nov. 7 called for new economic stimulus plan and said it will be his first order of business if plan is not approved this year. “I want to see a stimulus package sooner than later,” Obama said in his first news conference as president-elect. “If it does not get done in the lame duck session, it will be the first thing I get done as president of the United States.” Senate reconvened week of Nov. 17 while



Labor

December 2008
AGENDA

Election 2008:

America Says: "Yes, We Can."

*By Gerald McEntee, President
American Federation of State, County & Municipal Employees*

(Pres. McEntee also serves as chairman of the AFL-CIO Political Committee. This column is based on a statement he issued Nov. 5 following the election of Sen. Barack Obama.)

Throughout this extraordinary campaign, Barack Obama challenged us to believe that we have the power to change America, and to change the world. On Election Day, America responded to his challenge with a resounding "Yes We Can."

As a result, we can now begin the urgent work of rebuilding the middle class at home; restoring America's reputation in the world; and transforming our government into a vibrant force that solves problems, stands with American families and empowers people and communities to improve their lives.

Americans voted for a new direction because this country is in crisis:

Two wars that are costing lives and draining the treasury of badly needed resources; an American middle class at risk in the worst economic crisis since the Great Depression; a broken health care system that wreaks havoc on families, overwhelms government budgets and makes businesses uncompetitive; retirement security gone by the wayside; and a state and local fiscal crisis that is crippling

the ability of government to meet the ever-increasing demand for vital services.

This election was about hope and unity. In response to an Administration that has told Americans "You're on your own" for the last eight years, voters have said "No we're not. We're in this together."



Americans have voted for a president and a Congress that will rebuild government in the public interest and make it a force for creating opportunity and prosperity, supporting and protecting our families, and strengthening our communities.

With Barack Obama, we will have a president who values the workers who make America happen at home and defend it abroad.

Along with a Congress that supports us and with historic gains at the state and local level, we have the opportunity to make a huge difference in the lives of America's working families.

With Barack Obama and Joe Biden, we will have a team of proven fighters committed to providing state and local fiscal relief, fully funding and supporting public services and the workers who provide them, and guaranteeing that everyone in our country has quality, affordable health care they can count on.

Over the past year, as I met with working families across the country, one could see that people were yearning for change. I can't begin to describe all the disappointments they've had over the last eight years of a rigged economy that has favored the privileged and left the rest of us behind.

What they experienced, however, didn't destroy them. It motivated them to work like never before for change.

More people than ever got involved through the AFL-CIO's political program, the smartest, biggest and broadest effort we've ever run.

We put 250,000 union volunteers into action, combining cutting-edge voter communications with massive grassroots strength. Our people created the largest, most efficient independent voter mobilization initiative in American history.

We knocked on 10 million doors, made 70 million phone calls, and distributed more than 27 million workplace flyers focusing on economic issues.

AFSCME alone spent \$67 million on political activities, including our aggressive independent expenditure campaign which played a key role in the most competitive House and Senate races.

Forty-thousand AFSCME members volunteered along with more than 500 staff because we all knew we could not afford four more years like the last eight.

Among union households in battleground states, there was

(Continued on back)

A Transformational Election

By Roger Smith, President & CEO, AIL/NILICO

All working families--and all of America for that matter--can share in the election of Barack Obama and Joe Biden. It was an emotional and heart-stopping victory, waiting for all of the results from the states to be counted.

We are participants in one of the truly historic events in the life of our nation. The full impact of what happened on November 4 may take years to fully realize. But the immediate result will



Rep. James McNerney speaks to union volunteers, members of OPEIU Local 277 employed at AIL's Foti-Jatoft agency in California.

America Says "Yes We Can."

Continued from front
clear momentum for Obama on the eve of the election.

What moved people?

The issues, and talking to workers one-on-one. For example, in Pennsylvania, polls showed Barack Obama gained 22 percent since August for a 63% - 27% advantage going into Election Day.

(The) election was a mandate for building an America that lives up to its ideals, an event that has broken down old barriers and opened up new doors.

As we celebrate this victory, we also face monumental challenges as a country. Working families are ready to join with President-elect Obama to meet these challenges and enact a bold agenda for change.

bring sanity, respect and common sense back to the running of our nation.

Organized labor and union families should take enormous satisfaction in the outstanding political membership mobilization that helped Sen. Obama achieve this victory. He certainly could not have won without the all-out support, financial and feet-on-the-ground, of the American labor movement. AIL/NILICO salutes the AFL-CIO, Change to Win, all of the unions and union members nationwide for the outstanding contributions you made.

AIL/NILICO stood proudly by America's unions during this election, encouraging our union employees, members of Office and Professional Employees Local 277, to take part in Labor 2008 and whole-heartedly committing the corporate resources that are legally permissible in support of the Obama-Biden ticket.

I personally supported Barack Obama for many reasons. He shares my values of putting people first and restoring fiscal responsibility to government. I trust him to do the right thing.

Yes, I am a corporate CEO. But I have never forgotten my working class roots. My success, and the success of our company, depends upon the ability of working families to earn a decent living, provide for their families and afford the insurance protection that families need in times of stress.

I'm convinced President Obama will restore fairness and compassion to America so that everybody has the opportunity to get and keep a good job at a living wage.

We have hope now

that a friend of working families is in the White House and in control of the government.

The government, however, cannot replace the free market system. But the government can implement the policies that unleash the free market system to do what it should do best: create jobs and wealth for the citizens on Main Street as well as for those on Wall Street.

As a first step, Congress should pass, and President Obama has pledged to sign, the Employee Free Choice Act. America can only be strong when working families have the free opportunity to form and join the union of their choice. Collective bargaining through union membership is one of the best economic policies our nation can embrace to improve living standards and insure fairness on the job.

Now the hard work begins for the new president and his administration. The challenges are great. But America is a great nation. We have overcome great challenges in the past. I am convinced we can overcome any crisis now and in the future. To successfully meet the challenges ahead, we must be united as a people and as a nation.

To echo the rally cry that was heard from coast to coast and border to border during Barack Obama's campaign: Yes We Can.



From left to right are: Greg Feere, CEO of Contra Costa Building Trade; Don Foti, AIL State General Agent; Rep. Jerry McNerney; John Jatoft, AIL State General Agent; Pam Aguilar, Executive Director of Contra Costa Central Labor Council

House members returned the following week for what was expected to be a busy lame-duck session. Obama stressed that any economic stimulus plan must focus on jobs. "The one thing I can say with certainty is that we are going to need to see a stimulus package passed either before or after inauguration," Obama said. "We are going to have to focus on jobs because the hemorrhaging of jobs has an impact obviously on consumer confidence and the ability of people to buy goods and services."

With unemployment reaching its highest level since 1994, most economists predicted current recession could be the worst in 25 years. Labor Department's Bureau of Labor Statistics reported Nov. 7 that 240,000 jobs were lost in October, pushing jobless rate to 6.5 percent in October, up from 6.1 percent in September when 284,000 jobs disappeared. Unemployment is now the highest since March 1994, surpassing the peak following the 2001 recession of 6.3 percent in June 2003 during the "jobless recovery," BLS said. Nearly 10.1 million workers were unemployed in October, 2.8 million more than a year ago. "It is possible that November payroll declines could be even larger than in October, despite the removal of these temporary drags," said Aaron Smith, an economist at Moody's Economy.com. October employment numbers "show clear-cut intensification of the recession," said Maury Harris, UBS chief economist.

News From Around the Labor Movement

After reaching new agreement Nov. 1 with International Association of Machinists to end 57-day strike, Boeing and the Society of Professional Engineering Employees in Aerospace (SPEEA) concluded negotiations on new four-year pact that provides wage increases averaging 5 percent annually over contract term. SPEEA represents 14,000 engineers and 7,000 technical workers. Deal follows settlement of four-year contract with 27,000 airplane production workers represented by IAM District 751 which calls for wage increases of 15 percent over the contract term. In addition, workers will receive lump sum payments of \$8,000. Both four-year deals are longer than the unions usually accept to give company labor stability over that time period. Machinists' agreement expires Sept. 8, 2012 while SPEEA's pact runs to Oct. 6, 2012. Job security concerns were major issues for the Machinists which led them into the lengthy walkout.

Colorado labor celebrated defeat of two controversial anti-union ballot measures, Amendment 47, so-called "right-to-work" constitutional amendment, and Amendment 49 which would have barred automatic deductions of union dues from government workers' paychecks. But labor vowed to challenge Amendment 54 which narrowly passed. Measure prohibits campaign contributions unions that represent government workers, Mike Cerbo, executive director of the Colorado AFL-CIO, hailed defeat of both anti-union measures, but warned that passage of Amendment 54 "would just start up another battle." "All three of the measures are attacks on unions," said Ernie Duran III, director of organizing for the United Food and Commercial Workers Local 7. Labor groups made defeat of the constitutional ballot measures a major priority, outspending business interests 4-to-1 in their campaign against them.

Service Employees Union and UNITE-HERE Nov. 2 called on U.S. Department of Agriculture and Congress to "strengthen the nutrition safety net for our nation's children." The unions noted that country's historic economic crisis is forcing more families to rely on school-based food programs. "Working families have relied on child food programs for years," said Anna Burger, Executive Vice President of SEIU. "But now more than ever we have to make sure that our nutrition safety net is strong enough to withstand a crisis." In comments submitted to the Food and Nutrition Service of the USDA, SEIU and UNITE-HERE urged the agency to ask Congress to improve meal programs in school and child care settings by increasing funding for healthy foods, ensuring broader participation, and creating training opportunities for food service workers. Both unions represent more than 250,000 workers in early care and education settings nationwide.

U.S. auto industry "cannot succeed in today's unstable economic environment without immediate help from the federal government. And the costs of failure are unacceptable," UAW President Ron Gettelfinger told news media last month. He warned that millions of jobs and hundreds of billions of dollars in sales and revenue would be lost if even one U.S. automaker fails. He said bipartisan efforts under way in Congress to aid U.S. automakers are "a good deal" for U.S. taxpayers because the alternative would result in "severe human and economic costs for us all..." Meanwhile, U.S. senators from southern states where non-union foreign

automakers operate said they would oppose federal bailout for U.S. auto firms. Republican Senators Richard Shelby and Jeff Sessions of Alabama, and James DeMint of South Carolina are among lawmakers trying to derail Democratic plans to provide at least \$25 billion in loans to the three U.S. companies.

United Steelworkers locals that engage in oil bargaining adopted contract goals Oct. 27. National oil industry bargaining is set to begin in late January. Current oil industry contracts expire Feb. 1, 2009 and cover 30,000 workers with six major companies, including Shell Oil, British Petroleum, Chevron, Exxon Mobil, Amoco, ConocoPhillips, as well as 38 independent refiners, in the production, refining, marketing, transportation and pipeline sectors of the oil industry throughout the United States. "By adopting the policy the local unions agree that their contracts will not conflict with it. Any deviation from the policy requires specific approval from the international president, me, and the oil policy committee," said USW international vice president Gary Beevers. In addition to other items, USW's bargaining goals include wage increases with a cost-of-living adjustment and 100 percent company-paid health care of the premiums.

Screen Actors Guild and major Hollywood studios and networks announced Oct. 27 that they would meet with federal mediator in effort conclude long-stalled contract talks. In requesting federal mediation, SAG chief negotiator Doug Allen said that the union's goal was to secure "a good contract without a strike." Alliance of Motion Picture and Television Producers (AMPTP), which represents the networks and studios, warned SAG against expecting better agreements that were reached with other entertainment unions earlier this year. SAG and AMPTP have not held formal contract talks since June 30, when the AMPTP made its last and final offer, which was rejected by SAG July 10. Major sticking points are payments for new media in addition to other economic gains. Allen said union's goal remains securing "a favorable contract without a strike."

Change to Win labor federation said its members would press for passage of Employee Free Choice Act in first 100 days of new Congress. "We have an opportunity to reclaim the American dream," Anna Burger, chairwoman of Change to Win, said at news briefing. "What we want to do in this first 100 days is give workers a voice on the job. We do want to win health care for every single man, woman, and child in America. ... We think that is what people voted for, that is how people got elected, and that is what we are ready to do." She said Change to Win will not be deterred from pushing for passage of bill even though supporters do not have enough votes to end expected Senate filibuster against measure.

In the Public Sector

In recently filed court papers, New York City's Transport Workers Local 100 President Roger Toussaint pledged that the union has no intention of going on strike now or in the future. Toussaint made the pledge in an effort to have economically crippling sanctions lifted from the union resulting from an illegal strike in 2005. Union is asking court to restore automatic dues collection from 38,000 city transit workers that it represents. TWU Local 100 was fined \$2.5 million and stripped of dues check-off as punishment for its 60-hour strike in December 2005, which violated state's Taylor Law barring strikes by public-sector unions. In an effort in September 2007 to regain the check-off, Toussaint signed an affidavit saying that the union did not assert the right to strike, but he omitted no-strike pledge about union's future intentions. City officials, who opposed similar attempt last year by the union, said they will not block union's motion this time.

NLRB Rulings and Significant Court Decisions

U.S. Court of Appeals for the Second Circuit held Nov. 4 that a New York meat processing company violated federal labor law when it unilaterally stopped making fringe benefit contributions required by a collective bargaining agreement despite the expiration of the contract and a merger of union benefit funds. Upholding National Labor Relations Board decision, Judge Robert A. Katzman said Cibao Meat Products Inc. failed to show that its financial problems or a merger of UNITE HERE benefit funds justified company's failure to make its monthly payments. Cibao, a Bronx, N.Y., maker of sausage and meat products, employed production workers, mechanics and drivers represented since 2000 by UNITE Local 169. While bargaining for a new contract during 2006, Cibao announced that an impasse had occurred which was disputed by the union. UNITE-HERE filed unfair labor practice which was upheld by the NLRB.