



Label Letter

Vol. XXXVII, No. 2
March–April 2012

Union Label & Service Trades Department, AFL-CIO

Living Union

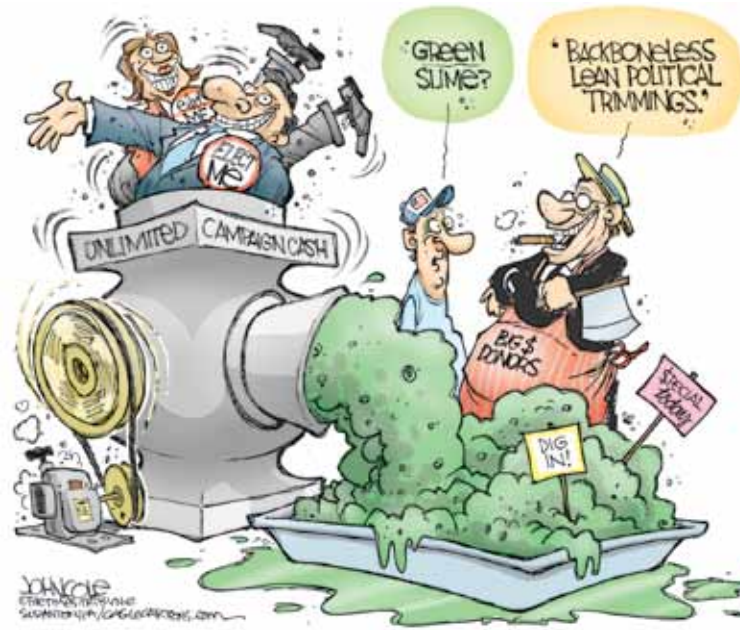
The Union Label Department is undertaking a project to graphically illustrate the range of union-made-in-the-USA products and services available to America's consumers. The project envisions a day when thousands of consumer choices for union products and services—from purchasing appliances to engaging in home improvement services or buying an automobile—will be available at the click of a button and a cyber connection.

As this project evolves, it will include interactive social media applications and a web presence inviting unions, their members and others to submit information and to browse products and services that interest them.

“The intention is to create a new platform that is engaging and useful so that people will return to it again and again while they're shopping or when they make plans for travel or entertainment,” said UL&STD President Rich Kline.

At one time, the annual Union Industries Show served this purpose “until the logistics and expense of producing such a show made it impractical to continue,” Kline explained. “Technology now offers the opportunity to work with our unions and their employers to present their union-made products in an attractive setting and sharply define how union workers add value and quality to the products they make. More importantly, this virtual showcase reaches all corners of the nation, providing a far wider audience than we could draw from annual trade shows.”

Kline said the Department will call on affiliated unions and their communications professionals as the first development step to explore ways to get the information the Department already has on its website into the hands of millions more people to make them more informed consumers. Kline said the Department has engaged the services of Mosaic Learning, an all-union company, to bring the Living Union message to a wide public. ■



Oakland to SF Bridge Made In China, To Open Labor Day 2013

On Labor Day 2013, dignitaries will cut the ribbon on a new \$12 billion bridge linking San Francisco and Oakland. It will be a bittersweet ceremony marking the end of a project that employed hundreds of union construction workers under the terms of a Project Labor Agreement. But, the steel assembly for the 52-story building in the center of the bridge and all the decking is a made-in-China product, floated across the Pacific on a barge for U.S. workers to piece together. All the steel on the bridge is Chinese.

“What happened here is a shame,” declared Dick Zampa, a retired Iron Worker and former Secretary-Treasurer of the California Building Trades. Zampa says the Building Trades had lobbied as far back as the 1980s with then California Gov. Gray Davis to secure a made-in-the-USA requirement for bridge construction. When George H.W. Bush was elected in 1988, all that was swept aside.

Initially damaged in the 1989 Loma Prieta earthquake, California lawmakers authorized work to begin on the bridge in 1996. At the behest of then Gov. Arnold Schwarzenegger, the state bypassed the federal Buy American requirement and contracted with the Chinese who formed a partnership with American Bridge and the Fluor Company.

The rationale for going to the Chinese, according to congressional testimony by American Bridge CEO Robert Luffy, was that there is no one U.S. steel company capable of producing a sufficient quantity for the project. There were, however, several U.S. companies willing to form a consortium to meet the challenge. Luffy told a congressional hearing in 2007 that the decision to select the Chinese bid was because it would be cheaper and the company that won the bid had 32,000 people working in the one facility whereas there

continued on page 3



AN ALL UNION VACATION— YOU CAN DO IT IF YOU TRY!



Planning a Summer Vacation—Make it Union!

Wherever you go for a summer vacation, your family is likely to enjoy the services of union members—getting you to your destination safely, on time and comfortably; preparing and delivering food, keeping you safe and entertaining you. Check out the Union Plus website (www.unionplus.org). Its travel and entertainment section offers exclusive discounts for union members.

When you take in a live performance, a concert or show, a major sporting event, stay in a comfortable hotel or take a meal in a classy restaurant...more than likely, union members will be part of the experience.

Did you know that the most successful U.S. theme parks are staffed by thousands of union members?

Disney's two major parks: Orlando and Anaheim employ some 36,000 union members from 18 different unions—including musicians, actors, stage hands, hotel and restaurant personnel from UNITE HERE, Teamsters and many more. Likewise, Sea World—which recently began a major expansion to double its size—employs thousands of union members who interact with the public as well as others responsible for the care and feeding of the park's featured marine animals.

AFSCME represents thousands of municipal workers at city and state parks and zoos. U.S. Interior Department workers who staff federal parks and monuments are also union-represented—by NFFE, an affiliate of the IAM. AFGF represents many employees who build exhibits, conduct research and maintain the world renowned Smithsonian Institute Museum in Washington, D.C.

Thousands of employees working in Major League baseball stadiums are represented by several unions—including AFSCME, UNITE HERE and the Service Employees.

The Actors' Equity Association recently concluded a master agreement covering cast members working in smaller theme parks.

If you're planning a family vacation, check the Union Label website (www.unionlabel.org) for hotels, airlines, rail service and highway transportation available in the region you'll be visiting. Most major U.S. airlines (with the exception of Jet Blue and Delta) are union front to back. Continental has union pilots, but other elements of the line are non-union. Amtrak passenger service is all union. Greyhound buses are operated and maintained by members of the Amalgamated Transit Union (ATU) which also represents the operators, drivers and support workers for the Metro (Washington) transit system.

Do Gooder Appeal Often Masks Bad Corporate Behavior; CREDO is Front For Non-Union Sprint Cellular

You can fool some of the people some of the time. That's the key to a marketing stratagem by a company called CREDO, a firm billing itself as the only wireless carrier that supports progressive values. What CREDO is not disclosing is that it is not a carrier at all, but a mobile virtual network operator (MVNO), and "virtual" means exactly what it says—not real. Behind CREDO's curtain its marketers are re-selling Sprint cellular services, promising to contribute 1% of annual revenues to progressive causes. For every penny CREDO contributes to progressive causes, another 30 cents goes to CREDO's supplier, non-union Sprint Communications.

Sprint isn't trying to market directly to progressive individuals and organizations because it has earned the antiunion label in recent years—outsourcing most of its call center work to India, the Philippines and Mexico; using Ericson for its network management; closing down a call center; committing 50 unfair labor practices and firing all 235 workers in its Latino subsidiary, La Conexion Familiar, after those workers had signed an NLRB representation petition; retaliating against workers in North Carolina who fought for eight years for union representation; training managers to maintain a union-free workplace and generally making

it clear that workers who seek to join a union put their jobs and livelihoods at risk.

Pointing out that "CREDO is non-union, plain and simple," Larry Cohen, president of the Communications Workers of America (CWA), asserts that workers rights are a fundamental progressive value. In a letter to all unions, Cohen notes that, "while Verizon and Sprint continue to aggressively oppose union organizing efforts, AT&T Mobility respects workers rights to make a free choice to join a union."

Cohen's letter goes on to point out that CWA has facilitated negotiations between the AFL-CIO, Union Plus and AT&T Mobility to provide discounted wireless service (22% for organizations; 18% for union staff and 15% for union members).

"If you care about workers' rights, then AT&T Mobility, with 45,000 proud CWA members, is the only union choice for wireless. We encourage you to switch to AT&T Mobility if it is not already your carrier," Cohen concluded. ■

Interested in finding out more about AT&T Wireless service for your union? Contact Judy Miller at Union Plus (800-472-2005, ext 819), or e-mail: jmiller@UnionPlus.org.

Oakland, *continued from page 1*

was no one U.S. steel firm that could fabricate sufficient steel to get the job done.

No one thought to ask Luffy to explain why, when the Chinese steel workers made roughly \$12 a day, for working six days a week and more than 16 hours a day to produce the steel for the California bridge, that the state was only going to save approximately 3 percent on the total cost of the bridge.

Schwarzenegger claimed that sourcing the steel in China would save the state \$400,000 million. If that estimate was true (and no one can really confirm it) on a \$12 billion project, that figures to be less than 3 percent of the overall cost. Clearly, the estimate doesn't factor in the positive economic impact that the work would have on the region, the state and nationwide if U.S. workers could have fabricated the thousands of tons of steel components for the eight-mile long bridge. The U.S. lost millions in income taxes, social security contributions and the entire economy lost the spending that decent steel manufacturing wages generate.

Furthermore, when initial inspections found that some 65 percent of the welds by the Chinese fabricators didn't meet specifications, Schwarzenegger had to send 200 engineers and contractors from the California Department of Transportation for an extended stay in Shanghai to scrutinize the work.

As investigative reporters Donald L. Barlett and James B. Steele commented in a report published in mid-October 2011:

"By creating jobs for Chinese steelworkers, today's politicians are making it all but certain that the American steel industry will get even weaker. If it is an industry in which no one company today is capable of doing the work itself, then after another Bay Bridge or two, not even multiple U.S. companies will be able tackle such undertakings. The blue-collar workers will be followed out the door by the white-collar professionals, the engineers and draftsmen, as is already happening."



Once upon a time, U.S. construction workers assured themselves that they, perhaps alone among U.S. workers, hold skills that cannot be outsourced. That's no longer true today. As Zampa points out, at one time crews of Ironworkers and Boilermakers once built container cranes in ports like Oakland from scratch on the spot with domestic steel beams. Now those cranes come in on Chinese barges for assembly by small crews of U.S. Ironworkers.

According to Barlett & Steele, China Construction Company, a firm wholly owned by the Chinese government, has been hard at work on public works projects in the U.S. And, although they are using U.S. construction workers, the profits don't go to U.S. firms, they go back to China.

China Construction built the Lake Marion High School and Technology Center in right-to-work South Carolina. The same company built the convocation center at the University of South Carolina in Aiken. China Construction is working well beyond the right-to-work South. They are also performing a major renovation on the Alexander Hamilton Bridge between Washington Heights and the Bronx in New York City and the new train station at New York's Yankee Stadium. ■

State Legislatures Pummeling Workers

In **New York**, at the request of **Gov. Andrew M. Cuomo**, the state legislature created a two-tier retirement system for public workers—new hires get less. In **Vermont**, teachers are fighting the legislature over a proposed pay freeze. In **Rhode Island**, **Gov. Lincoln Chafee** proposes to let local jurisdictions decide if they wish to reduce retiree benefits for their public workers.

In **Virginia**, the legislature okayed a plan to discontinue state workers compensation coverage for shipyard workers and longshoremens who suffer serious injuries on the job. The federal Longshore and Harbor Workers Compensation program will continue to cover those workers. The repeal means that maritime workers will have to rely solely on the federal protection, but that law is not as comprehensive for some kinds of injuries—such as loss of a limb.

One of the state senators voting for the repeal was **Sen. Frank Wagner** of **Virginia Beach**. Wagner is president and CEO of **Davis Boat Works** in **Newport News, VA**, whose employees will be affected by the bill. The Republican-dominated legislature found no conflict of interest in permitting Wagner to vote on the measure. ■

DO SUPPORT NEW YORK'S Union Taxi Drivers

The **New York Taxi Workers Alliance (NYTWA)** is the newest **AFL-CIO** affiliate. The organization has recruited 15,000 members (speaking 80 different languages) among the city's **Yellow Cab** drivers fighting for a bigger cut of the pie for the drivers. **New York's** taxi system depends upon the mostly immigrant drivers who are considered independent contractors, saddled with steep leasing costs for their vehicles and virtually no protections.

The 15-year-old organizing movement is boosted by a weekly radio music and talk show airing at 1 a.m. on Fridays and hosted by performer and driver **Beresford Simmons** (billed as the "King of Reggae"). The Alliance's struggles are chronicled in **Biju Mathew's** book, entitled, "Taxi!" depicting the lives of drivers. The Alliance also prints a widely circulated monthly newsletter discussing self-help programs, aid for drivers injured on the job and news of the city's taxi regulation and enforcement divisions. ■



The Failed Promises of Free Trade

Maybe there is justice in the world. For all the negatives that free trade has inflicted on America's working families, consider this one positive: The Korean free trade agreement allows U.S. law firms for the first time to set up shop in Korea. Reportedly, a swarm of America's biggest law factories have taken the challenge to offer advice on international law and whatever else they provide to an unsuspecting Korean populace. Working people will find little else to celebrate in this the third decade of free trade.

NAFTA killed jobs, not just in the U.S., but also in Mexico and in Canada. Thirteen years after the North American Free Trade Agreement was enacted, the toll in lost U.S. jobs stands at 682,900, according to

a briefing paper produced by the Economic Policy Institute and published last May.

Predictions that the agreement would produce U.S. trade surpluses with Mexico were also way off the mark, according to that analysis.

With \$423 billion in total trade in 2010, Mexico is America's third largest trading partner—behind Canada and China—accounting for 12.5% of all U.S. trade. The 2010 U.S. trade deficit with Mexico was \$97.2 billion.

All of this begs the question: If free trade is so bad for the U.S. economy, why do big business, the U.S. Chamber of Commerce, corporations and the U.S. finance sector all love it. Answer: It opens the doors to speculation, investment and profits even as it kills off employment in the U.S.

Since NAFTA, the U.S. welcomed China into the World Trade Organization (in 2001) and concluded FTAs with 17 countries, including: Australia, Bahrain, Canada, Chile, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Peru and Singapore. Three agreements approved by Congress last October—Colombia, Panama and Korea—are just now being implemented.

U.S. Trade representatives are currently negotiating a multilateral free trade agreement—the Trans Pacific Partnership—that will involve the nations of Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam.

Walk In My Shoes

PETE TRINIDAD,

MILLWRIGHT AT ACCELORMITTAL, BURNS HARBOR, INDIANA

VICE PRESIDENT USW LOCAL 6787 AND CONTRACT BENEFITS COORDINATOR

I have several titles and lots to do. I don't work on the shop floor as much as I once did. As contract coordinator, I oversee benefits administration for around 25,000 to 30,000 workers, retirees, spouses and dependents. That includes workers' compensation, health care, sick and accident coverage... anywhere that benefits intersect with federal and state law.

One of my jobs is to talk to new hires. I always ask them: How many of you took this job because you want to file a grievance? No hands go up. Then I ask: How many of you took this job for the wages and benefits? Every hand goes up.

In 2002, our company went bankrupt. That's when management and the union realized that once jobs are gone, there's nothing to fight over. Whether you're union or management, when your job is gone, it's gone. Everything changes. We've got to be out front innovating and flexing to keep the playing field level for our members.

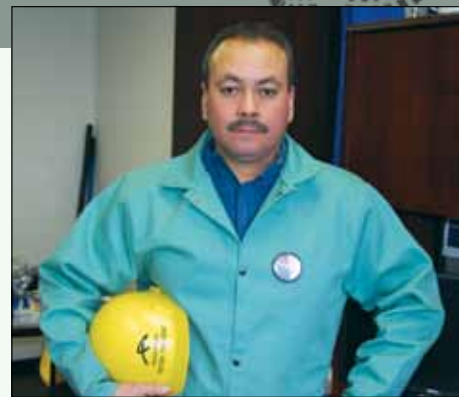
Today, we have a partnership with the company and we're stakeholders in the industry. We recognize that we've got to

navigate these waters together. Labor and management need each other. We can disagree, but at the end of the day we have to move forward as partners.

Nowadays, it's not good enough to just know the contract. Anyone representing workers has to be familiar with the jobs, the company and the industry—pricing, overhead, competitive issues and market conditions.

We wanted to avoid having our plant become a swing facility—meaning it would be one of the first to cut back or shut down. Management was willing to restructure here to make us more cost effective. So, we signed a memorandum of understanding with the company which was ratified by our membership two-to-one. Under the MOU, we agreed to adjust compensation in the plant in return for corporate investment to expand here. Based on that, management upgraded the plant. Today, we're running three shifts and making more product than ever before.

Since 2010, here at Burns Harbor, they've hired 500 additional people. The long-term result: we got better job security



USW Local 6787 VP & Benefits Coordinator Pete Trinidad: "Labor and management need each other. We can disagree, but at the end of the day we have to move forward as partners."

and the company expects to see a return on their investment with growing output.

Last year, USW President Leo Gerard and Vice President Tom Conway invited me to testify on behalf of the USW before the International Trade Commission about how countries like Korea, Indonesia, India, Italy and Japan are dumping subsidized foreign steel plate in the U.S. market. We succeeded in getting duties extended on India, Indonesia and Korea for another five years, and that was a major victory for the union.

The USW understands that every ton of subsidized steel plate dumped in the U.S. is a ton that a steelworker can't make. ■

Backers of free trade agreements sell the concept by claiming that all they want is to eliminate or reduce "barriers" that keep U.S. products and investments out of foreign markets, but the free trade lobby is far more interested in investments than hard goods. NAFTA didn't spawn increased demand for U.S. manufactured goods and electronics in Mexico. It did attract U.S. investment to set up plants where manufactured goods—from clothing to appliances, autos and electronics—would be produced to be sent unimpeded to U.S. markets. The evidence is in the figures. The vast majority of additional U.S. exports to Mexico immediately following NAFTA came in the form of equipment, tools and machinery to set up Mexican factories for outsourced goods.

EPI points out that proponents of NAFTA also claimed that the rising tide of trade would "lift all boats"—i.e. that Mexican and Canadian workers would share in the promise of prosperity. Not so, the EPI found.

Prior to NAFTA, Mexico had high tariffs on industrial goods and agricultural commodities, along with requirements that foreign companies employ local managers. There were other regulations in place to protect workers and domestic producers. The safety net in Mexico included a public health system and rural property rights that supported subsistence farmers and prevented agribusinesses from converting small plots to industrial farms.

NAFTA forced Mexico to scrap those regulations and the wave of speculative investing that hit Mexico almost overnight

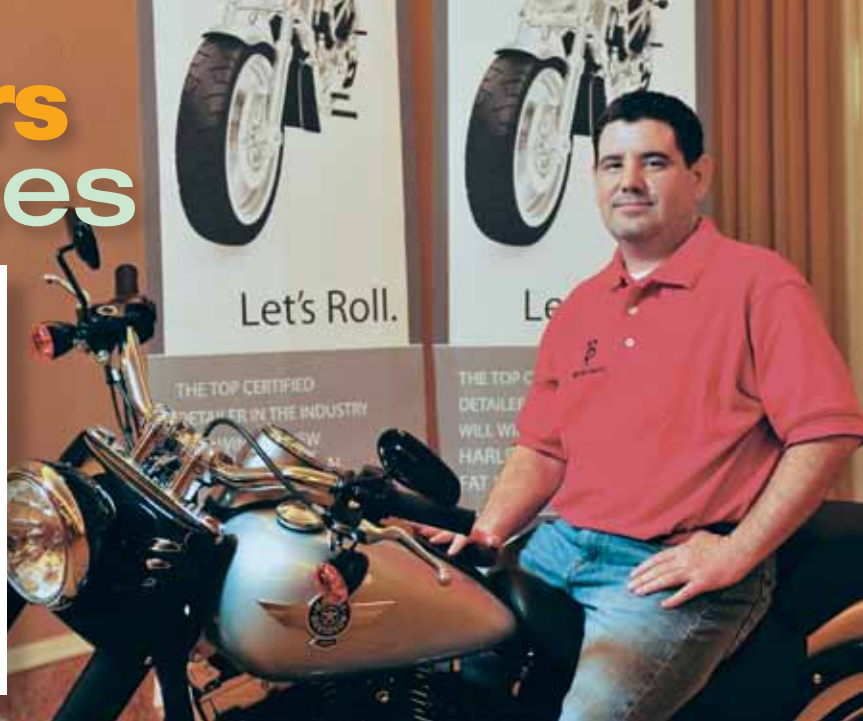
after NAFTA was enacted forced some 1.3 million small farmers and campesinos off their land when a flood of cheap subsidized corn flowed into Mexico from the United States.

Ironically, the devastating U.S. recession reduced U.S. trade deficits with all its trading partners (U.S. consumers just couldn't continue to buy cheap imports in the years from 2007 through 2009) but as recovery took hold, those deficits began to swell again.

It's too soon to tell if the NAFTA-like agreements with Colombia, Panama and Korea that were approved by Congress over labor's protests last year will have the same negative impact. History suggests that the U.S. will get less from the pacts than will the trading partners. ■

SMWIA Honors Top Apprentices

Sheet Metal Worker Joey Hovarter of Moore, Oklahoma took home a new Harley Davidson, awarded to the best “detailer” in the 2012 SMWIA contest held in Las Vegas in March. In the unionized sheet metal industry, detailers lay out complex duct systems using the union’s patented Benchmark® auto cad software. Hovarter, a member of SMWIA Local 124 in Oklahoma City and an employee of Matherly Mechanical, competed against the top dozen detailers in the nation in the only category of the contest open to both journeymen and apprentices. The contest involves 250 apprentices competing in five other categories including HVAC, service, industrial welding, architectural and testing and balancing—all critical skills in the 21st Century sheet metal industry. ■



Bread & Roses Centennial

2012 marks the centennial of the Lawrence (Massachusetts) Textile strike that ended on March 12, 1912 after 25,000 workers walked off the job for 63 days to protest miserable pay and working conditions. The textile workforce of that era was made up largely of immigrants, including women and children. The Lawrence struggle inspired the famous poem by James Oppenheim, which read, in part: “Our days shall not be sweated from birth until life closes. Hearts starve as well as bodies, give us bread, but give us roses.” The strike sparked a congressional investigation, and mill owners surrendered in a victory attributed to the women of Lawrence whose words and deeds turned the tide. ■

SAVE THE DATE: June 9, 2012 Michigan AFL-CIO Label Council Sets ‘Renew America’ Expo

Unions of the Michigan AFL-CIO will display the work and products of union members in the state at the first Renew America Expo. The daylong event, on Saturday, June 9th, at the UFCW Local 876 Hall in Madison Heights, will feature a vendor marketplace displaying union wares, educational forums, raffles and giveaways for all age groups.

Interested readers can follow the progress of the Expo on the Council’s Facebook page: <http://www.facebook.com/unionlabelmi> ■

SAFE
JOB
SAVE
LIVES
KEEP THE PROMISE ALIVE

APRIL 28 • WORKERS MEMORIAL DAY • AFL-CIO

PERIODICALS
POSTAGE PAID
WASHINGTON, D.C.

TIME VALUE

In This Issue...

UL&STD Debuts 'Living Union'	1
California's Chinese Bridge	1
Do Buy An All-Union Vacation	2
State Legislatures Pummel Workers	4
Walk in My Shoes	5
Michigan Unions Set Renew America Expo	7
Get Ready for Workers Memorial Day, April 28th	7

Downloadable versions of *Label Letter* are posted on our website: www.unionlabel.org With the exception of copyrighted material, permission to reprint is hereby granted, but credit to source will be appreciated.

EndNotes

By Rich Kline, *President, UL&STD*

Fear and Loathing at Verizon



A chance encounter with two CWA Local 1104 members who displayed a banner outside a Verizon Wireless store reminded me that Verizon has not signed a new contract with its CWA and IBEW employees. The union members have worked since August under their old contract.

The men I met on the street told me that the company's top executives were making multi-millions while seeking the right to extensively cut jobs, benefits and wages. Negotiations are not progressing because Verizon is stalling.

The banner that the pair held stated Verizon was destroying middle class jobs. It's something to keep in mind if you're in the market for phone service.

I asked if I could make a brief video interview of the two men. They said

they'd prefer not for fear of retaliation. That reaction says a lot about Verizon's labor relations, too.

We have lived in a climate of fear for too long. People fear losing their homes, their jobs, their benefits, their Social Security and their Medicare.

They fear that the power elites are advancing a selfish, greedy agenda that will further exaggerate the inequality that increasingly identifies our society.

Once upon a time in America, one of the bulwarks of security was sound labor relations based on the mutually perceived advantages of collective bargaining. But collective bargaining and union rights are under strong attack. Corporate strategists, their political allies and a media dominated by corporate interests press the attack.

Some politicians on the right would take us back to the labor relations of the robber barons, the 12-hour days, child labor and the fear of being blacklisted. Instilling fear in the working public is part of the right wing campaign, as is their attempt to divide organized from unorganized, public from private sector, young workers from old.

An informational counter-campaign that is equal to the anti-union, anti-worker attack is key to regaining the ground that we have lost. ■

TAKE THE **Buy** **UNION** PLEDGE

Stand up. Fight back. Tell the world you've had enough. Union families are telling merchants: "we want UNION-MADE products" on store shelves and showrooms. Hundreds have already taken the Buy Union Pledge. Add your name to the list.

If you can't find it union made, maybe you don't need it.

Union workers are fighting this battle on two fronts—Retail purchases and institutional buying. On the consumer front, our buying power (14 million union members and the families they support) are prepared to just say no to inferior, non-union goods and services.

On the wholesale and institutional level—we're getting together to send the message to school systems, charities, churches, political parties, municipalities, states, counties and the federal government that when they make buying decisions, they need to give top priority to those suppliers who support good jobs, the kind that make for quality communities—union jobs.

Take the Buy Union Pledge. Go on line to www.unionlabel.org and get with the program. ■