



# Label Letter

Vol. XXXVI, No. 5  
Sept-Oct 2011

Union Label & Service Trades Department, AFL-CIO



## Congress Approves Free Trade Agreements; Ignores Labor's Protests

As this edition of the Label Letter goes to press, the link between Main Street's economy and Wall Street's free trade agreements was underscored when Congress approved job-killer free trade agreements with Colombia, Korea and Panama. Later in this session, they could entertain yet another free trade agreement known as the Trans Pacific Partnership covering dozens of nations in the Pacific rim.

(More on page 3)

## Trade Agreements, Deficit Discussions, Occupy Wall Street Demonstrations—It's All Tied Together

As James Carville once famously reminded candidate Bill Clinton: "It's the economy, stupid." Demonstrators in New York, Los Angeles, Washington and hundreds of other cities across the nation are emphasizing that point again. They are students, workers with blue and white collars, from the public and private sectors (including a smattering of bankers and lawyers), retirees, former homeowners and current homemakers.

Although the media initially tried to ignore the demonstrators and later

criticized the movement for its "lack of leadership," the rest of America is getting the message.

AFL-CIO President Rich Trumka hailed the demonstrations, vowing that union halls and community centers would be open to demonstrators. He said the movement had "captured the imagination and passion of millions of Americans who have lost hope that our nation's policymakers are speaking for them" and he applauded demonstrators for their "determination to hold Wall Street

accountable and create good jobs."

Tumka pointed out that union workers have spontaneously joined the demonstrators "to call for fundamental change" all across America, defining the protests as an expression of "frustration—and anger — about our country's staggering wealth gap" along with the lack of jobs and "the corrupting of our politics by business and financial elites." He said the 99% of the nation who "keep the country running are being robbed not only of income but of a voice."

✓ DO BUY

# ALL-AMERICAN LIVE MUSIC FROM MEMBERS OF THE AMERICAN FEDERATION OF MUSICIANS



*AFM represents Louisiana's famous Treme Band.*

*The AFM has made it easy to find and hire live professional musical entertainers online. Go to: [www.gopromusic.com](http://www.gopromusic.com). Want the best in music education? AFM members are also available as music teachers: [www.goprolessons.com](http://www.goprolessons.com). You'll be glad you did.*

For a great night out at the theater, make sure you look for shows featuring members of the **Actors Equity**. Scenery and staging for union theater performances is built by members of the **International Alliance of Theatrical Stage Employees (IATSE)**.

The professional musicians of the AFM demand union-made-in-the-USA instruments. Union-made (UAW) horns and brass carry the brand names of Conn-Selmer, Bach or Bundy & Bueschler. Readers who can suggest other sources for brand name, union-made musical instruments should do so on the union label website: [www.unionlabel.org](http://www.unionlabel.org).

\* Members of UAW Local 2359 at the Conn Eastlake, OH, plant went on strike on July 26, 2011. The strike is ongoing. The AFM has asked its members to refrain from purchasing Conn-Selmer products until the strike is settled. The company also manufactures in facilities in Cleveland, OH, Elkhart, IN, Monroe, NC and LaGrange, IL.





# Congressional Votes on Trade Pacts

There are links on the Union Label website ([www.unionlabel.org](http://www.unionlabel.org)) showing the roll call for each of the three votes. The votes were: Korea 278-51; Panama 300-129; Colombia 262-167. In the Senate, the votes were: Korea 83-15; Panama 77-2 and Colombia 76-33.

Media attention has been drawn away from the deliberations of the Congressional 'Super Committee' assigned to come up with budget cutting proposals to eliminate \$1.5 trillion in government spending, but the lobbyists working for Korea, Colombia and Panama spent considerable time lobbying members of that Super Committee. Why?

According to reports filed by lobbyists trying to lock in passage of the free trade agreements, business leaders in Korea, Colombia and Panama are concerned that the timing of the deficit actions might have made Americans nervous about trade deals.

The AFL-CIO came out firmly against the agreements, launching an all out blitz on Capitol Hill with a series of ads and a fly-in of union members who have already lost jobs, or soon will, as a result of free trade agreements. That effort was backed up with thousands of phone calls from union members urging their representatives to vote against the measures.

The federation's ads declare: "25 million Americans are still searching for full-time jobs. Yet Congress is considering three new trade agreements built on the flawed models of the past that make CEOs richer and ship our jobs away... tell your members of Congress to stop these dangerous trade deals and start putting Americans back to work."

The Economic Policy Institute estimated that the Korea agreement will cost 159,000 U.S. jobs. Moreover, the AFL-CIO pointed

out, Colombia has made no headway in improving conditions for workers in that country. In fact, Colombia continues to be the most dangerous place in the world for union organizers; and Panama has taken no steps to tamp down its deserved reputation as a tax dodge and money-laundering haven. In short, the AFL-CIO and dozens of individual unions pointed out, the benefits of these agreements are devoted exclusively to the economic elites in those three countries and the U.S. The trade agreements also reward three nations for policies that are directly contrary to the interests of U.S. workers.

The AFL-CIO has challenged the White House to take a different tack on the Trans Pacific Partnership (TPP) by putting President Obama's personal "stamp" on it. In March of this year, AFL-CIO President Rich Trumka said that an agreement that addresses the needs of working people rather than multi-nationals could enjoy labor's support. Trade negotiators are still at work on the final version of that pact. The AFL-CIO will reserve judgment on TPP until the talks are concluded.

The Korea, Colombia and Panama trade agreements were concluded during the Bush Administration under "fast track authority" that required Congress to vote up or down on the entire package. That authority has since expired. Unless Congress votes to renew fast tracking, the TPP or any other future agreements would be subject to scrutiny, debate and amendments by Congress. In September of this year, Senate Minority Leader Mitch McConnell (R-KY) tried to get fast track reauthorized, but that bill was rejected 55 to 45.

## UAW Contracts Will Bring Jobs Back to U.S.

The United Autoworkers (UAW) has concluded negotiations with Ford for some 41,000 hourly and salaried workers at 27 facilities nationwide. The four-year agreement will add nearly 6,000 jobs to the company's workforce. Ford had already added 12,000 U.S. jobs to its production lines earlier in the year to handle output on some of its electric models and new lines. All of the new Ford jobs should be filled before the end of 2012, the UAW said.

Referencing the Ford announcement and a similar agreement with General Motors, UAW President Bob King declared: "The American auto industry is on its way back."

The contract includes \$16 billion to produce new and upgraded vehicles and components, \$6.3 billion of that will be

invested directly in retooling and upgrading. Areas targeted for expansion and new investment include plants in Flat Rock and Wayne, MI, Kansas City, MO, Louisville, KY and Avon, OH.

In the agreement, Ford is committed to start producing several of its leading products in the U.S.— including the Fusion, the next generation of the Mustang, the Ford Transit Commercial Van (now made in Europe), a new unnamed vehicle, the 2012 Escape, the C-Max (hybrid and plug-in), and its medium truck and frame assembly (now produced in Mexico).

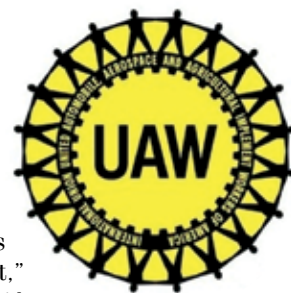
"UAW members sacrificed when the company was struggling, and this agreement ensures that our members will now share in Ford's prosperity. While new jobs investment and new products for our plants are the most important components of a secure future

for our members, we were also able to make important gains in both income and benefits in this agreement,"

said UAW Vice President Jimmy Settles, who directs the UAW Ford Department.

Ford workers will receive a \$6,000 settlement bonus, \$7,000 in inflation protection, and competitive lump sum payments over the term of the agreement. The pact simplifies the profit sharing plans, with average payments of \$3,750 this year.

At GM, the UAW contract was approved by a two-to-one vote on September 28. UAW negotiators are currently concluding talks with Chrysler for the workers there.



# CWA Presses for AT&T Merger With T-Mobile

## Promise of 5,000 New U.S. Jobs Hangs in Balance



While Congress dithers about deficits and ponders enactment of three controversial trade agreements, cooperative efforts between major unions and their employers focus on the promise of job creation. AT&T has pledged to the Communications Workers of America that it will bring back 5,000 call center jobs now located offshore if it can win approval for the proposed merger with T-Mobile.

Meanwhile in Detroit, the United Automobile Workers (UAW) has concluded negotiations with two of the big-three U.S. automakers—General Motors and Ford—and continues talks with Chrysler. The dealmaker in all three sets of negotiations is the promise of bringing auto jobs back to the U.S.

AT&T and T-Mobile argue that the acquisition would benefit consumers.

They say it would lead to fewer dropped and blocked calls and faster mobile Internet connections for subscribers by allowing the companies to combine their limited wireless spectrum holdings at a time when both are running out of airwaves to handle mobile apps, online video and other bandwidth-hungry services.

They also say the transaction would position AT&T to cover more than 97 percent of the U.S. population with its new high-speed, fourth-generation wireless service.

Finding more airwaves to keep up with the explosive growth of wireless broadband services and ensuring that all Americans have access to high-speed Internet connections are both top priorities of the FCC and the Obama administration.

Earlier this year, AFL-CIO President Rich Trumka said labor is tired of waiting for Washington to act on job creation. He said unions will work with state and regional initiatives on job creation. He used the example of the Los Angeles initiative—America Fast Forward—which will speed up construction over 10 years instead of the planned 30 years for a rapid transit network that will ultimately create 160,000 new jobs for building and operating the system. That project relies on federal, state and local funds, but fast tracking the project will help generate quicker and much needed economic activity throughout Southern California.

## NEW ORLEANS



Members from 17 unions along with representatives from the state NAACP and the Jefferson Parish Chamber of Commerce took part in a rally and march to save Avondale Shipyard from a looming 2013 shutdown. The 5,000 union workers at Avondale earn an average annual salary of more than \$60,000 in a state where the average annual salary is less than \$40,000. The shipyard's workers are represented by the Metal Trades Department of the AFL-CIO. Union members in the march included teachers, musicians, electricians, laborers, painters, insulators, hotel and restaurant workers, firefighters, machinists, boilermakers, service employees, maritime trades, steelworkers, sheet metal workers, ironworkers, plumbers and elevator constructors.

## Made-in-China Mints to Promote Detroit?

Detroit, one of America's biggest union cities, is handing out "made in China" mints to prospective visitors. VisitDetroit.com cites "cars, culture, gaming, music, and sports" among its assets, all highly unionized sectors of its local economy. Detroit has ample options for union-made giveaways. The BCTGM members produce hundreds of confectionery treats appropriate as promotional items, all Detroit needs to do is ask. Go to VisitDetroit.com and let them know their promotional materials should be Union-Made-in-the-USA.





## Ohio AFL-CIO GOTV Effort to Repeal SB 5 *Rights of 350,000 Workers at Stake*

In Ohio working families are urging friends and neighbors to vote to repeal SB 5. The Ohio AFL-CIO, working with affiliated unions and aligned civil rights and religious groups, has encouraged voters to take advantage of the state's early voting rules to make their voices heard. The measure hits Ohio public workers hard with restrictions on what can be negotiated and how public unions in the state must operate. Much about this contest was overshadowed by the dramatic events in Wisconsin earlier this year, but the impact of the pending law will be no less harsh than anything imposed in Wisconsin. The outcome will be decided once the polls close on November 8th.

## Indiana: Right-to-Work Menace

Indiana's unions are mobilizing to fight another onslaught from right-to-work forces in the new year. About 500 union members gathered at the state house in a show of solidarity against the measure when it came before a General Assembly study group in October. Gov. Mitch Daniels and the Republican majorities in both houses of the Assembly are intent on bringing the issue up again in 2012. State AFL-CIO President Nancy Guyott has urged union members in the state to let their lawmakers know how they feel about right-to-work laws. "Don't wait. In 2012 it will be too late," she said.

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## No Let Up for Beleaguered Postal Service

Postal workers and letter carriers face a bleak future as Congress continues to ignore calls for relief from onerous requirements for pre-funding retiree health care. Leaders from the National Association of Letter Carriers (NALC) and the American Postal Workers Union (APWU) are speaking out against the USPS response, which is to reduce service standards, shut down facilities and shed huge numbers of workers.

Sen. Max Baucus (D-MT) has introduced a bill to give the USPS breathing space on the strength of a \$7 billion appropriation while the unions battle what the USPS Inspector General says has been a gross \$75 billion overcharge on the pension issue. Several other members of the House of Representatives have reduced similar measures.

Among the changes USPS says it will make are to cut out Saturday mail delivery and shut down some 250 processing facilities.

The NALC says that the 5-day delivery plan—part of the "slow it down" concept that the USPS is proposing—will wreak havoc on consumers—especially those who rely on their mail carriers to deliver prescription drugs and other necessities in a timely fashion. It will also be an open invitation for competitors to undermine USPS services further.

APWU President Cliff Guffey underscored that point in a letter to union members. "The APWU vehemently opposes the USPS proposal to eliminate 60 percent of existing mail processing facilities and to make corresponding cuts in service standards," he wrote, adding: "If adopted, this proposal would deprive postal cus-

tomers of needed service, damage the economy, and drive customers away from the Postal Service."

Both unions say that there is a simple and logical solution. Congress can allow the USPS to use its own money, by freeing up the \$75 billion that the USPS has been forced to set aside for prefunding.

"With the Postal Service being the centerpiece of a \$1.3 trillion mailing industry that supports about 9 million American jobs, it is incumbent on Congress to address the financial burdens it has imposed on the USPS—and not to dismantle this valuable universal network," said NALC President Frederic V. Rolando.

*In the previous edition of the Label Letter we inadvertently misspelled NALC President Frederic V. Rolando's name. We apologize for the error.*



# Facts for Union Leaders

- Down 6.7%:** Average household income since the recession officially “ended” in 2009. The U.S. declared the recession officially over in June 2009. Since that time, through June 2011, inflation-adjusted median household income fell by 6.7 percent, to \$49,909. During the recession, household income fell by less than half that—3.2%. So, in four years, American households lost a total of 9.9%. Authors of a Census Bureau report containing that data say that two main forces appear to hold down pay: the number of people outside the workforce and the loss of real income for hourly employees as fuel and food prices have jumped.
- Down 17.5%:** Wages of workers who have found jobs after an extended period of unemployment. Princeton Economics Professor Henry S. Farber says that people who lost jobs in the recession and later found work took an average pay cut of 17.5%.
- Down 7.8%:** Annual median income since 2007 for households headed by whites, to \$56,320.
- Down 6.8%:** Annual median income for households headed by Hispanics, to \$39,901.
- Down 9.2%:** Annual median household income for African-Americans, to \$31,784.
- Up to 9.6%:** Nationwide 2010 unemployment rate.
- Up to 15.5%:** 2010 unemployment rate for Americans between 20-24 regardless of education.
- Up to 10.9%:** 2010 unemployment rate for those between 25-29 regardless of education.

# Signs of Recovery?

Sales of light trucks in the U.S. rose in September 2010 by 19.3%. U.S.-made light vehicle sales rose to a 9.9 million annual rate in September after falling slightly in August. The sales pace for cars rose only slightly to 4.02 million, while the pace for light trucks jumped to 5.9 million from 5.4 million in August. Unadjusted sales of cars rose 0.9% from September 2010 on a daily rate selling basis.

*Source: U.S. Dept. of Commerce*

## Walk In My Shoes

### RECERTIFIED BOSUN WILLIE MARSH Seafarers International Union

The first thing I do every day is have a meeting with the mate in the morning. We come up with projects, line up who is going to work them and what each of us will do. I mix up paint for the upkeep of the ship, which can become somewhat complicated because of the different functions of the different types of primers and other paints. Basically I oversee what goes on with the unlicensed folks on the ship and I work with everyone on the ship.

Being a mariner for so long, I feel like I'm able to mentor some of the younger generations of seafarers. I don't want anyone to waste the advantages that being a mariner and SIU member gives them.

I've been in the union for 34 years and ever since it's given me nothing but opportunities. Being an SIU member has given me a chance to find ways to challenge myself that couldn't be possible if I was doing something else. The union will help you get your dream. The union has the people to help you through the tough times and get you back on your feet and headed towards success. The union has always been here for me. They've helped me make a roadmap for life.



Bosun Willie Marsh in Kenya on safari with shipmates on a recent shore leave.



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# EndNotes

By Rich Kline, *President, UL&STD*

## Behind Closed Doors, They Decide Our Future

In our world of "hyperinformationality," we have plenty to divert us. Celebrity romances, box office standings, sports



scores and wacko political personalities, all these and more are subject to intense scrutiny. About these things we know far more than we need to know. But, what do we know about deals that are made behind closed doors

by diplomats that will affect everything about our communities—from the source of the food we will eat, the commodities we will see on store shelves, the jobs in our economy today and into the future and our very living standards. Can you say "trade agreements"? Inattention is lavished upon much that is important to us. Too little ink and electrons are focused on harsh economic issues that have implica-

tions not just for us here in real time, but for our children long into the future.

### How Many Jobless, Really?

The unemployment rate is not what it appears to be, for example. The press reports the government's base figure and says it may not include those who are too "discouraged" to continue looking for a job. But insiders know that the government compiles a far more accurate and comprehensive unemployment statistic called the "U6" rate. U6 includes the jobless, the long term and without further-benefits jobless, the discouraged and the underemployed. Currently, U6 stands at over 16 percent.

Another topic that gets little attention is the number of children who are living in poverty. Over 16 million kids in the US live in households below the poverty line. That's 2.5 million more than in 2000. News of this and of the growth of poverty got some coverage when the stats came out. Stay tuned to see how long the topic is newsworthy.

### Impact of Free Trade

A matter of real consequence to union label advocates and the public at large is the continuing expansion of Free Trade Agreements (FTAs). We have warned of the likely harm to result from the Obama administration's support for the Bush-era FTA negotiations with Colombia, Panama

and South Korea. The administration says any adverse effects will be redressed by Trade Adjustment Assistance (TAA). Of course, Republicans oppose TAA funding, even in a reduced amount. TAA's effectiveness is dubious when it comes to training the displaced and jobless for good jobs that really exist and that they can find without having to disrupt the lives of themselves and their families; real jobs that pay an adequate wage.

### Next Up: TPP

And it goes on. How much have we heard about the Trans Pacific Partnership? Not much, right. The Trans Pacific Partnership will be one huge FTA, encompassing Brunei, Chile, Singapore, New Zealand, Australia, Malaysia, Peru, Vietnam and the United States. The TPP FTA is based on ending 90 percent of the tariffs among its participants. Other countries like Japan and Canada have expressed interest in joining.

The impact on employment in America has not received much notice, but neither has the TPP.

Globalization is racing along with little notice in the press or in political leaders' policy statements. Nonetheless globalization will affect us. It will increase the figures on unemployment, poverty and child welfare in the United States.