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# Label Letter

Union Label & Service Trades Department, AFL-CIO

## Workers' Compensation Law Rollbacks Have Created a Crisis Across the U.S.

**"A critical part of the safety net is being both attacked and eroded in no small measure because there are no federal minimum standards for workers' compensation"**

**— DOL Secretary Tom Perez**

A recent U.S. Department of Labor report lays out in gory detail the problems with workers' compensation programs in the U.S., noting that those hurt on the job are at "great risk of falling into poverty" because state workers' compensation systems are failing to provide them with adequate benefits. Unfortunately, the DOL has no oversight of workers' compensation programs and has not monitored state compliance since 2004 because of cutbacks.

According to the report, more than 30 states have changed their workers' compensation laws since 2003, favoring employers far more than workers. In most instances, states have decreased benefits to injured workers, created hurdles to medical care, raised the burden of proof to qualify for help and shifted costs to public programs, such as Social Security Disability Insurance, Medicare and Medicaid.

Employers are reaping the rewards—the cost of insurance has decreased dramatically and insurance companies are paying their overages back to corporations in the form of dividends. Since 1988, the average cost to employer has declined from \$3.42 for every \$100 paid in wages to \$1.85 per \$100.

"With this report, we're sounding an alarm bell," Secretary of Labor Thomas Perez said in an interview with ProPublica, which had published a series of articles with NPR on the issue over the past year and a half (<https://www.propublica.org/>

series/workers-compensation).

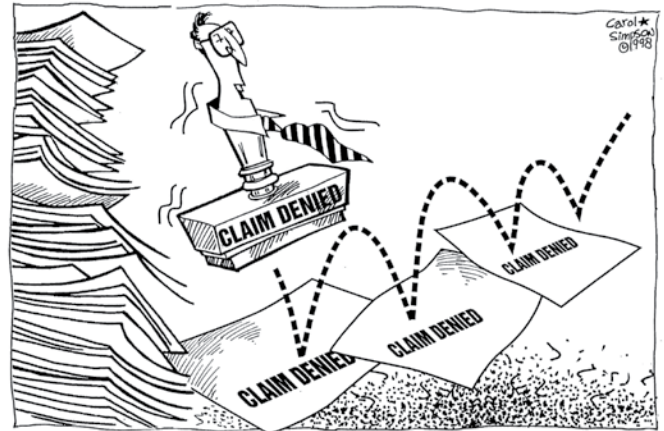
### THE GRAND BARGAIN

Workers' compensation was created more than 100 years ago. It was a response to challenging and horrific workplace injuries which left workers devastated and employers vulnerable to lawsuits. Labor and business compromised: workers injured on the job gave up the right to sue their employers for personal injury damages in return for less generous but more certain benefits, guaranteed pay and medical care. The compromise became known as The Grand Bargain.

In 1972, The National Commission on State Workmen's Compensation Laws in its final report to Congress noted that "in general, workmen's compensation programs provide cash benefits which are inadequate."

Now, with the rollbacks of the laws' protections, the programs are not only inadequate, they are a burden on injured workers and on taxpayers. In fact, in some instances, employers have set up a system that require workplace injuries be reported before the end of a shift, which leads to a denial of a claim of injury that only becomes apparent after leaving work or even a few days later.

"A critical part of the safety net is being both attacked and eroded in no small measure because there are no federal



*Corporate America simplifies the complex maze of Worker's Compensation.*

minimum standards for workers' compensation," said Perez.

In 1972, the National Commission agreed on five basic objectives for workers' compensation programs: broad coverage of employees and work-related injuries and diseases; substantial protection against interruption of income; provision of sufficient medical care and rehabilitation services; encouragement of safety; and an effective system for delivery of the benefits and services.

### NO FEDERAL OVERSIGHT LEADS TO STATE CUTS

Compliance with the report's recommendations increased substantially over the next decade, despite no federal law compelling compliance. By the mid 1980s, though, states realized that federal intervention to enforce the Report's recommendations was not forthcoming, and the rollbacks began.

No one was paying attention except the employers reaping the rewards and the legislatures responding to lobbyists who pushed for changes.

CONTINUED ON PAGE 7

## PUT A UNION LABEL ON IT

# Major League Baseball Uniforms are Union-Made



Lucille Silva, working on pants for Jose Peraza, #9 on the Cincinnati Reds.



Diane Honey, a 62-year employee at VF Majestic. The spry 86-year-old attributes her longevity on the job to the fact that she "just enjoys sewing so much." She also noted that she was trained in all different jobs performed at the plant, so she could fit in anywhere on the line.

As the world watched the Cleveland Indians and the Chicago Cubs battle it out in the World Series, members of the Workers United PA Joint Board, an affiliate of SEIU, can proudly say that regardless of who won the series, every player on the field was wearing the union label.

The Major League Baseball (MLB) uniforms that are worn by the 30 MLB teams are all union-made-in-the-USA by the more than 400 workers at VF Majestic in Easton, PA.

Lynne Fox, who heads the 80,000-member national Workers United, as well as the Philadelphia Joint Board, says that her union's members are the "new face of American manufacturing" and are leading the way in the revival of the country's industrial base.

The VF Majestic factory has the MLB contract at least through the 2019 season. In 2020, MLB uniforms will be contracted with Under Armour. But Workers United Executive Vice President and PA Joint Board Manager David Melman said: "We are determined to fight to retain these jobs in Pennsylvania, no matter who the license holder is."

The workers at VF Majestic showed their dedication to the job in late September, when popular Miami

Marlins Pitcher, Jose Fernandez died in a boating accident on September 25. The league contacted the company on the day Fernandez died, a Saturday, and by Monday night's game, every Marlins player was sporting a jersey with Fernandez's name and number on it.

"They could not have done it unless our members stepped up," said Melman.

The occasional emergency aside, work-

**"We need politicians to recognize that American manufacturing in the apparel industry is still here and hanging on"**

ers at VF Majestic work most of the year making three to five sets of custom uniforms used by each player, and the official team jerseys sold to fans around the league. The company's busiest time of year is from early spring through opening day, when players are trying out and being traded between teams.

The workers also make custom made jerseys for celebrities who throw out the first pitch and have even made custom

jerseys for Presidents Bush and Obama, among others.

Fox said the dedication of unionized workers like the members at VF Majestic, and hundreds of other apparel workers in her union, shows that American manufacturing in the apparel industry, which has been declining for decades, can be revived if "policy makers put their faith in workers like these and stop making trade deals that drive good paying jobs to other countries"

"We need politicians to recognize that American manufacturing in the apparel industry is still here and hanging on," said Fox. "All we need is a renewed commitment to preserving and expanding this kind of American manufacturing, in order to revive the middle class." ■

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### ARE YOU ON OUR E-MAIL LIST?

Have you joined our blast e-mail list? Have you visited us on facebook or twitter? The ULSTD is active on social media, posting union news and product information we believe is important to union members. If you haven't already, find us on facebook, and make sure you sign up for our email list on our website at [unionlabel.org](http://unionlabel.org) to receive important news right in your inbox.

# WALK IN MY SHOES

## School Bus Driver Renita Smith, AFSCME Local 2250



**“There wasn’t a bus attendant with me that day to do the count,” said Smith. “So I knew I had to go back on the bus to make sure I got all my babies.”**

Renita Smith, a school bus driver in Prince George’s County, Maryland, and a member of ACE-AFSCME Local 2250, was honored recently by students and school system officials as a hero after she saved 20 children when her bus caught fire September 12.

Smith, a 17-year veteran driver in Prince George’s County, acted quickly when she smelled smoke and then saw flames while driving her daily route in the suburban Maryland neighborhood.

When asked about the ordeal, Smith said that she realized that calling in to her supervisor wasn’t going to help solve the crisis, so she put the radio down and “got my babies up and in a straight line in aisle. I had them hold hands.”

Smith then led all 20 children off the bus and to safety, far away from the smoke and flames. Then, without hesitation, Smith went back onto the bus to make sure no child had been left behind.

“There wasn’t a bus attendant with me that day to do the count,” said Smith. “So I knew I had to go back on the bus to make sure I got all my babies.”

Smith says she was just doing her job. But Prince George’s County School CEO Kevin Maxwell said, “To get off that bus and to go back again to make sure that everybody was safely off the bus is heroic.”

Students that were on the bus that day agreed, calling Smith “our hero,” during an assembly held in her honor.

But Smith brushed off the praise. “As I’m driving that bus, they’re my babies,” she said. “I’m their mom until I drop them off to their biological moms.”

### WHAT’S YOUR STORY?

In 150 words or less—accompanied by a picture of you at work...Help us walk in your shoes. We’re open to all union members, active, retired, laid off.

“We want rank and file members to help us to illustrate the rich, diverse tapestry of hard working men and women who make up the American labor movement. They are proud of their work and proud of the contributions they make to their communities,” explains Union Label Department President Richard Kline. “We want to demonstrate to American consumers and businesses that union labor gives added value in quality and reliability to products and services that are bought and sold.”

The pictures and stories we get will be published in the Label Letter and posted on the Department’s website—and perhaps in posters and other promotional materials. E-mail a Walk in Your Shoes to: [unionlabel@unionlabel.org](mailto:unionlabel@unionlabel.org); or send by regular mail to:

#### Walk In My Shoes

c/o Union Label & Service Trades Dept. (AFL-CIO)  
815 16th St. NW,  
Washington, DC 20005 ■

# Spotlight the Label

**INTERNATIONAL ASSOCIATION OF FIRE  
FIGHTERS (IAFF)**



The IAFF is the driving force behind nearly every advance in the fire and emergency services in the 21st century. With headquarters in Washington, DC, and Ottawa, Ontario, the IAFF represents more than 300,000 full-time professional fire fighters and paramedics in more than 3,100 affiliates. IAFF members protect more than 85 percent of the population in communities throughout the United States and Canada.

The IAFF is governed by an executive board that is chaired by General President, Harold Shaitberger, and consists of the General Secretary-Treasurer and 16 District Vice Presidents. The board is responsible for all policy decisions and is influential in providing beneficial services to members of the International. ■

## Union Made Holiday Cards

Looking for union-made holiday cards? Homestead Cards has an online catalog where you can shop, order and even address and mail your holiday cards quickly and easily. Be sure to visit their website to order your union-made holiday cards at: [www.homesteadcards.com](http://www.homesteadcards.com). ■





# Holiday Dining

Hosting family and friends this holiday season? Be sure to look for these union-made items at your local store. Or visit your local union retail bakeshop for ready-made items.

## TURKEY

Foster Farms  
Butterball  
Hoffmann's Turkey breast  
Honest John Turkey  
Boar's Head  
Thumann's

## HAM

Cook's Spiral Sliced  
Honey Ham  
Tyson

## DINNER ROLLS

Parkerhouse  
Arnold  
Francisco  
George Weston  
Sara Lee

## VEGETABLES

Birds Eye  
Hanover Foods  
frozen vegetables  
Del Monte

## CRANBERRIES/ CRANBERRY SAUCE

Dole  
Ocean Spray

## STUFFING

Stroehmann  
Kraft Stove Top Stuffing

## SIDE DISHES

Betty Crocker  
Kraft Mac & Cheese  
Dole Fresh Potatoes  
Ore-Ida

## DESSERT

Redi Whip and Cool Whip  
Entenmann's  
Marie Callender's  
Sara Lee

## WINE

Andre Champagne  
Chateau Ste. Michelle  
Columbia Crest  
Saddle Mountain  
Farron Ridge  
Scheid Vineyards Inc.  
Balletto  
Charles Krug  
C.K. Mondavi  
C.R. Cellars  
Gallo of Sonoma  
Gallo Estate  
Turning Leaf  
Arbor Mist  
St. Supery  
Tott's Champagne  
Almaden  
Berelli Creel  
Bartles & James  
Black Box  
Carlo Rossi

## RETAIL BAKESHOPS

Giant  
Albertsons  
Brown & Cole  
Byerly's  
Dave's Supermarket  
Fred Meyer  
Haggen's  
Jerry's  
Kroger  
Roth's family Markets  
Rosauer's  
Safeway  
Schnuck's  
Supervalu  
(Albertsons, Cubs)  
Vons

Editors note: as with all Do Buy lists this list does not include all available union-made products and services. We welcome your suggestions and invite you to add your union-made products to our online database at [www.unionlabel.org](http://www.unionlabel.org)





# Fallen New York Fire Fighter's Daughter Follows Her Dream with IAFF Help

Reprinted from IAFF in Action

Alycia Foti, daughter of Uniformed Firefighters Association (UFA) of New York Local 94 member Robert Foti (Ladder 7), is well on her way to becoming a doctor, thanks in part to the IAFF W.H. "Howie" McClellan Scholarship.

The scholarship provides financial assistance for sons, daughters or legally adopted children of IAFF members killed in the line of duty to attend a university, accredited college or other institution of higher learning.

Foti's father paid the ultimate sacrifice responding to the terrorist attack on the World Trade Center on September 11, 2001. Foti ran into the South Tower to help others to safety and was still inside when it collapsed.

"From a very young age, I have always wanted to help those who cannot help themselves," says Alycia Foti. "My mother and I were looking at financial aid and scholarship options when my father's local, Local 94, suggested we look into IAFF scholarships."

Foti began her college education at UCLA and is now a fourth year medical student at St. George's University School of Medicine (Grenada, West Indies). While the McClellan scholarship did not pay for everything, it has lessened the financial burden on the Foti family.

"The IAFF has not only helped me follow my dreams, but the union – especially, Colorado Springs, CO Local 5 – has also been very generous," says Alycia.

Rosemarie Foti, Alycia's grandmother, has attended the IAFF Fallen Fire Fighter Memorial every year since Robert died and every year she has cooked pasta and meatballs, her specialty, for the members and their families. This year, for the first time since her father's passing, Alycia attended the memorial service with her grandmother.

Alycia says it is such an honor to attend the Memorial and to have the opportunity to personally thank General President Harold Schaitberger and the IAFF for helping her achieve her dream of becoming a doctor.

Schaitberger presented Foti with a personal IAFF Challenge Coin. She now carries the coin with her every day. ■

## Apprenticeships Experience Renaissance

*"Apprenticeships are experiencing a modern renaissance in America because the earn-while-learn model is a win-win proposition for workers looking to punch their ticket to the middle-class and for employers looking to grow and thrive in our modern global economy"*

— U.S. Secretary of Labor Thomas E. Perez

The United States Department of Labor (DOL) held its second annual National Apprenticeship Week November 14-20, 2016.

In October, President Obama and U.S. Secretary of Labor Thomas Perez announced a new \$50.5 million investment in State Expansion Grants to expand apprenticeships across the country in a diverse array of industry sectors. This initiative, called ApprenticeshipUSA, is part of the Administration's strategy to grow and diversify apprenticeship.

The AFL-CIO Working for America Institute (WAI) received a \$1.37 million contract from the DOL to expand multi-employer apprenticeship programs in two important sectors with potential for job growth — manufacturing and hospitality.

The contract between WAI and the DOL will be implemented in collaboration with the UNITE HERE restaurant and hospitality union, the AFL-CIO Industrial Union Council and workforce intermediary organizations in the hotel, hospitality, culinary and advanced manufacturing industries.

"UNITE HERE's training programs are the foundation of helping our members

achieve a middle class life. These training programs are the key to our members moving forward and gaining new job opportunities in our hotels, food service and gaming industries," said UNITE HERE President D. Taylor in a press statement issued by the AFL-CIO. "Boston, LA and Las Vegas are great examples of how our members can advance with employers that participate and support these important training facility locations. This grant will help tremendously with our training efforts."

IUC executive director Brad Markell said, in the AFL-CIO statement, "Manufacturing apprenticeships are a key element in labor's agenda to revitalize manufacturing and increase U.S. employer competitiveness in a global economy. The AFL-CIO Industrial Union Council is pleased to work with the WAI to expand critical apprenticeship opportunities that promote the growth of the manufacturing sector and advance the skills and wages of industrial workers."

According to the Department of Labor, for every \$1 invested in apprenticeship,

employers get \$1.47 back in benefits and 97 percent of businesses with apprenticeship programs would recommend apprenticeship to other companies.

Additional contracts were issued to the North American Building Trades Unions (NABTU) and the labor-management group, Healthcare Career Advancement Program (H-CAP).

Although the apprenticeship model is traditionally seen in the construction industry, H-CAP is using its contract to create what they call a "competency based model" that "could move workers more quickly into demand positions — with credit for what they know and do and targeted training for what they need. H-CAP points to training for doctors and nurses already in use, but not called an apprenticeship. Their hope is to offer training for those seeking jobs in the growing fields of community health, medical coding, home care, medical assistants, and others.

The argument for using the apprenticeship model is good. According to the DOL, 91 percent of apprentices are employed after completing their programs. And, the average starting salary for someone coming out of an apprenticeship program is over \$60,000 per year. And, in many cases, apprenticeships offer a debt-free alternative to traditional college degrees. ■

# SAG-AFTRA Strikes Eleven Video Game Companies

On October 24, more than 350 picketers turned out for a rally and picket line at EA offices in Playa Vista, Calif. in response to failed negotiations with video gaming companies that union officials say have been unwilling to meet even close to where the needs of its members are.

The strike involves the following video game employers: Activision Publishing, Inc.; Blindlight, LLC; Corps

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## WORKERS COMP

*Continued from page 1*

During the recession, states used the rolled back laws to attract businesses to their states.

Twenty-two states now set arbitrary time limits on injured workers' temporary wage benefits. Ten states allow "independent medical reviews" of workers' compensation claims to assess the recommendations of the injured workers' doctors. Ten states have also increased the use of pre-existing conditions to limit or deny care after workplace injuries. There are now 37 states that restrict a workers' ability to choose their doctor. In 18 states, employers can select the physician who treats their injured workers at least initially, according to the Workers Compensation Research Institute. In another 19 states, the injured worker is required to choose from a list of doctors — sometimes as few as four — approved by their state, insurer or employer.

"Again and again, American workers are being robbed of their rights, health protections and fair compensation," said Rich Kline, president of the Union Label Department. "This is just another example of how the anti-government, anti-regulation agenda pushed by big business is fragmenting our laws and destroying working families in the process. No one should be pushed into poverty because they are injured on the job."

"If you work in a full-time job, you ought to be able to put food on the table," said Perez. "If you get hurt on that job, you still should be able to put food on the table, and these laws are really undermining that basic bargain."

"I hope that Congress will step up," he added. "We have to fix this system." ■

of Discovery Films; Disney Character Voices, Inc.; Electronic Arts Productions, Inc.; Formosa Interactive, LLC; Insomniac Games, Inc.; Interactive Associates, Inc.; Take 2 Interactive Software; VoiceWorks Productions, Inc.; and WB Games, Inc. The strike applies to games that went into production after February 17, 2015, for the aforementioned employers.

In a statement issued in early October by the union, SAG-AFTRA President Gabrielle Carteris said, "Through many months of bargaining with interactive employers, we have not reached a fair agreement covering SAG-AFTRA performers working in video games — often the most popular games in the world. Our members have been clear, now is the time for employers to negotiate a modern contract that covers this highly profitable industry."

"A strike is not to be entered into lightly, but when the employers leave us with no recourse, we must stand firm for our members. It is imperative that we secure for them the protections, compensation and benefits they deserve," Carteris added.

The Union's Chief Contracts Officer Ray Rodriguez noted that members working in

the video game industry were negotiating to reach a fair contract, but that progress had essentially been stalled for more than a year.

"We need a contract that fits the needs of our members working in video games," said Rodriguez. "So far employers have been unwilling to meet us even close to where the needs of our members are."

**AFL-CIO President Richard Trumka made the following statement regarding the SAG-AFTRA Video Game Strike:**

*The AFL-CIO stands in solidarity with the SAG-AFTRA voice-over and motion-capture performers who are on strike after failed negotiations with eleven video game employers. Performers deserve a modern contract that offers the protections necessary to work in today's video game industry.*

*No one wants a strike. But, for nearly two years video game employers have been unwilling to meet basic demands necessary to bring this collective bargaining agreement up to the standards of other mature industry contracts. We urge video game employers to negotiate in good faith and work with SAG-AFTRA to bargain a fair agreement.* ■

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## IBEW Organizes Electrolux Manufacturing Plant in Memphis, Tenn.

**W**ith the assistance of the IF Metall, the union the represents Electrolux workers in Sweden, IBEW Local 474 successfully organized a new 700-member bargaining unit in Memphis, Tenn.

"This is the most important manufacturing victory in a southern, right-to-work state in my memory," said IBEW Director of Professional and Industrial Organizing Carmella Thomas.

Workers voted by more than 2 to 1 to form a union at the plant in southwest Memphis. Workers make high-end stoves and ovens for the Swedish manufacturer Electrolux.

The successful organizing campaign came just over a year after the union

filed multiple unfair labor practice claims against the company for violating labor laws.

Thomas said that the unfair labor practice convictions got the attention of the leadership of IF Metall who pressured the company to honor the global neutrality agreement it had signed with the union and cease interfering with the organizing drive. Leadership also recorded a video supporting the organizing drive that was distributed by the IBEW before the vote.

"It is awe inspiring," said Thomas. "This is a win for our new brothers and sisters, it is a win for working families in the South and it is a model of how the labor movement can confront globalized companies with a global labor movement." ■

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# EndNotes

By Rich Kline, *President, UL&STD*



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## Show the Flag, Show Our Unity



Americans can breathe a collective sigh of relief now that the 2016 election campaign is over, regardless of which candidate they favored.

The election campaign in itself, a travesty of mud-slinging, policy discussion avoidance and underhanded shenanigans, is over. Who knows what the future holds? More of the same or a return to civility and an acceptance of democratic norms.

The infrastructure of democracy needs repair across the length and breadth of our land. Perhaps if we turn to a symbol of that democracy, a symbol held dear across the political divisions among us, we can close the breach over time.

After this campaign America needs to come together. We have an idea about one way to demonstrate American unity: show the flag. Display an American flag before and after the election to signify our unity and dedication to the basic principles embedded in the Constitution and our laws.

If you don't have a flag, we suggest getting a American-made, union-made American flag. You can find a flag made by the Annin Company at [flagstoreusa.com](http://flagstoreusa.com) or by calling 1-877-664-3640. An online search will reveal other sellers of Annin's American-made, union-made flags.

Show the flag, show our unity as a nation. ■

