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Label Letter

Union Label & Service Trades Department, AFL-CIO

It's Better in a Union

A Look Back at Unprecedented Year for Working People

By Liz Shuler, AFL-CIO President

We are looking back with gratitude at a dynamic, thrilling and unprecedented year for working people and our labor movement.

Every day, we grew stronger and built power that will propel us into 2024 and far beyond:

- 71 percent of Americans said they support unions in 2023, the highest level in 60 years.
- 88 percent of young workers, under 30, said the same thing.
- 900,000 unionized workers won double-digit wage increases this year through new contracts.
- 70 percent of union members who ran for elected office in the 2023 cycle won, with 366 union members elected in all.

Our 2023 wins through strikes, collective bargaining and organizing work will be remembered decades from now as pivotal moments for our industries, our economy and our country as a whole. Our strikes and contract campaigns made national headlines and changed lives—from the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America's (UAW's) 25% wage increases and pathway to good, unionized electric vehicle jobs to the Writers Guild of America's (WGA's) and SAG-AFTRA's transformative contracts on artificial intelligence (AI) and UNITE HERE's monumental wins across the hospitality sector.

We continued to make organizing our number one priority across every sector of the economy. National Nurses United (NNU) made history by organizing Louisiana's first health care worker union. United Food and Commercial Workers (UFCW) and the Communications Workers of America (CWA) organized some of the country's most prominent companies, including REI and Google. AFSCME continued to break new ground, organizing museum workers and medical residents. The American Federation of Teachers (AFT) racked up a remarkable 80 plus organizing wins in one calendar year. And many others had breakthrough campaigns as organizing ramps up at a clip not seen in decades.

We defined new industries on our terms, putting a stake in the ground on clean energy and AI. We were a 24/7 political force, using our collective muscle and infrastructure to help pro-worker candidates in local, state and national races win. We led the fight for racial justice and equity, returning to our roots and recognizing what Dr. Martin Luther King Jr. and others have long observed: that our struggles for economic justice and racial justice are deeply intertwined.



We showed young workers that this is not their grandfather's labor movement, but a modern, diverse movement of people of every background—White, Black, Brown, Asian American and Pacific Islander, and Indigenous; LGBTQ+; young and old; white-collar and blue-collar—coming together to take on the greed and inequality we see at the very top of our economy.

As we enter 2024, we're geared up for the biggest mobilization of working people in American history to re-elect President Biden, protect our democracy and support pro-worker candidates up and down the ballot nationwide. This past cycle was proof of concept that our new approach works. Now, it's time to put it into action on a massive scale.

We thank you for all we have accomplished together in 2023. We could not be more excited to build on this extraordinary progress and continue fighting for the dignity and respect of workers everywhere.

VACATION



DO BUY

Most travelers plan their summer vacation in the month of February. The Union Label and Service Trades Department, AFL-CIO, wants to help you plan your next union-made get away. Search our database for more information.

COCKTAILS



Celebrate the warm breezes by sharing a tropical union-made cocktail. In a large pitcher, stir together Dole pineapple juice, Captain Morgan spiced rum, and Del Monte fresh lime juice. Refrigerate until chilled. Serve over ice.

PACKING



Whether heading to the beach or having a stay-cation by the pool, be sure to pack your union-made Coppertone or Bain De Soleil sunscreen, some Chapstick for your lips and some Solarcaine, just in case.

ROUTES



Amtrak operates inter-city rail service in 46 of the 48 contiguous U.S. states and three Canadian provinces. Its trains are operated, staffed and maintained by union members. Greyhound buses are operated and maintained by members of the ATU which also represents the operators, drivers and support workers for the DC Metro transit system. As well, Avis and Budget Rental are union.

DESTINATIONS



Many family-friendly destinations from national and state parks and landmarks, American's favorite baseball stadiums, Disney World and most other theme parks are union staffed. Union members can find discount admissions tickets to select theme parks from Union Plus online at www.unionplus.com. Other union destinations include Broadway shows, Sporting events, Smithsonian galleries, museums, and zoos, and the Grand Ole Opry, just to name a few.

HOTEL



Find your union hotel by visiting the UNITE HERE Fair Hotels website: www.fairhotel.org

TICKETS



Book your flight on a union airline. Most U.S. airlines are union staffed from pilots and crew to mechanics and reservation call centers.



U.S. Passports are issued through your union staffed post offices. TSA Agents at Airports are AFGE members.

PASSPORT



AFGE

Labor Mourns the Passing of Edward Smith, ULLICO Chairman and CEO; Friend of the Union Label Department



Edward Smith (1954-2024), chairman and CEO of ULLICO passed away on January 3, 2024, with his family by his side.

Smith, began his career with Illinois LiUNA Local 773 at the mere age of thirteen, working his way through the ranks of the union being elected its business manager at only twenty-one.

Smith later became an International Union Vice President and Midwest Regional Manager for the international union. He also served as assistant to the general president.

Throughout his time in Illinois, Smith served on the Central Laborers' Pension Fund and the Illinois State Board of Investments. He also expanded LiUNA's political influence, lobbying at statehouses and urging members to run for local office.

"A champion of the American Labor Movement with a visionary business mind, Ed Smith left a tremendous impact on the labor world and touched the lives of many," read the statement from ULLICO on his passing.

Smith joined ULLICO in 2008. His bold leadership helped grow the company during a time fraught with serious financial obstacles. Smith used his financial where-

withal and decades in the labor movement to create invest in labor, knowing it was not only the right thing to do, but a path forward for ULLICO. For more than a decade, he traveled the country, convincing labor leaders to invest in what was then just an ambitious idea, the ULLICO Infrastructure Fund. That fund, which focuses on investing in north American infrastructure projects that use union labor, is now a pillar of the ULLICO company plan.

"Ed was an incredibly smart and generous man who was a strong supporter of the Union Label Department" says Rich Kline, Union Label & Service Trades Department President. "Not only giving financially but giving of his time and friendship. He will be dearly missed."

Biden Administration Issues Final Rule on 'Gig' Work



On January 9, the US Department of Labor issued a final rule that could prevent employers from misclassifying workers as "independent contractors," a step that could bolster both legal protections and compensation for millions of workers. The rule, which will take effect on March 11, restores an earlier standard that required companies to weigh a variety of economic factors together to determine whether a worker is an employee or an independent contractor.

"Misclassifying employees as independent contractors is a serious issue that deprives workers of basic rights and protections," explained Acting Secretary of Labor Julie Su. "This rule will help protect workers, especially those facing the greatest risk of exploitation, by making sure they are classified properly and that they receive the wages they've earned."

Under the Federal Labor Standards Act (FLSA), employees are entitled to minimum wage, overtime pay, and other benefits. Independent contractors are not entitled to such benefits.

The DOL's final rule directs employers to consider six criteria for determining whether a worker is an employee or a contractor, without predetermining whether one outweighs the other.

THE SIX CRITERIA INCLUDE:

1. The degree to which the employer controls how the work is done.
2. The worker's opportunity for profit or loss.
3. The amount of skill and initiative required for the work.
4. The degree of permanence of the working relationship.
5. The worker's investment in equipment or materials required for the task.
6. The extent to which the service rendered is an integral part of the employer's business.

That's a change from the Trump-era rule, which prioritized two criteria: how much control a company has over its workers and how much "entrepreneurial opportunity" the work provides.

A Rising Tide Lifts All Boats

John F. Kennedy is credited with popularizing the aphorism “a rising tide lifts all boats,” to suggest that investing in economic development can benefit everyone who participates in the economy. In the labor movement we’ve seen first-hand how true this adage really is. Take for example the wage increases issued at non-union automakers after the United Auto Workers (UAW) historic Stand-Up strikes.

Seven Asian and European automakers gave generous wage increases to their hourly production workers in the US shortly after the UAW agreed on new contracts with the Detroit Three.

“Toyota isn’t giving out raises out of the goodness of their heart,” said Shawn Fain, UAW President. “They could have just as easily raised wages a month ago or a year ago, they did it now because the company know we’re coming for them.”

Fain made the remarks as he announced the union’s intent to organize the 13 non-union automakers across the country.

In what the US Treasury Department calls “a first-of-its-kind” report on labor unions and their effect on strengthening the middle class and growing the economy at large, Deputy Assistant Secretary for Microeconomics Laura Feiveson outlines how unions make the economy more equitable and robust.

The Treasury’s report challenges the view that worker empowerment holds

back economic prosperity but instead suggests that strengthening unions will improve the well-being of the middle class.

Among its key finding, the report states that unions raise wages for their members by 10-15 percent, improve fringe benefits and workplace procedures such as retirement plans, workplace grievance policies and predictable scheduling. It also states that unionization has spillover effects that extend well beyond union workers.

“Competition means workers at non-unionized firms see increased wages too,” the report finds. “Heightened workplace safety norms can pull up whole industries. Union members improve their communities through heightened civic engagement; they are more likely to vote, donate to charity, and participate in a neighborhood project. And the higher pay and job security of both union and nonunion middle-class workers can further spill over to their families and communities through more stable housing, more investment in education, and other channels.”

The report was issued by the Treasury Department’s Office of Economic Policy. It represents one of over 70 actions implemented by the White House Task Force on Worker Organizing and Empowerment, chaired by Vice President Harris. A full copy of their finding can be found online at <https://home.treasury.gov/news/press-releases/jy1706>.

Bank Employees in Delaware File for Union Election

Wells Fargo workers in Wilmington, DE, have filed for a union election, following the lead of employees at a Wells branch in Albuquerque. The workers in NM became the first employees at a major US bank to unionize in decades.

The employees of the Wilmington’s Fairfax branch filed their intent to unionize with the National Labor Relations Board to join the Communications Workers of America (CWA) as members of the Wells Fargo Workers United (WFWU).

In a statement on the filing, Scott Keehn, senior premier banker at Wells’ Fairfax branch said, “Well Fargo workers’ historic union vote in Albuquerque created a ripple effect of worker solidarity nationwide, and we are excited to join them, becoming the first Well Fargo workers in Delaware to petition for a seat at the table at one of the largest banks in the country.”

In Albuquerque, the workers voted 5-3 to join CWA-WFWU in December. Union representatives told reporters that they had chosen to unionize to address understaffing, salaries, and lack of career mobility.

Wells branches in Daytona Beach, Fla, and Atwater, Calif have also filed for elections.

In May, Wells Fargo shareholders voted on a proposed Freedom of Association policy brought forth by the AFL-CIO that would have ensured better protections for workers seeking to unionize. Although the proposal failed to pass, Arizona-based Wells employee and WFWU member Trevor Brown told the publication Banking Dive that putting forth the proposal with the shareholders was a “huge first step to being able to show that we actually exist and that we want to form a union and be recognized.”



The report’s key findings are:
Middle-class workers reap substantial benefits from unionization.

Unions raise the wages of their members by 10 to 15 percent. Unions also improve fringe benefits and workplace procedures such as retirement plans, workplace grievance policies, and predictable scheduling.





Union Busting is Big Business

“Minimize the likelihood of future union encroachment,” is a statement appears in the letter of engagement between Motor Appliance Corporation (MAC) and the union-busting firm, Sparta, a division of International Labor Relations, Inc.

The letter, which was obtained by Huffington Post through a public records request was included a July 2023 article entitled, ‘Workers Wanted a Union. Then the Mysterious Men Showed Up.’

The article, which is part of a Huffington Post series called ‘The Persuaders’ lays bare how union busters operate. This article focuses on MAC’s use of Sparta to thwart a unionization campaign where workers wanted to join the International Association of Machinists (IAM).

The article tells the story of union buster Jim Teague who used the pseudonym Jack Black to conduct his work in the field. Teague or Black has earned millions over the years by providing employers with “persuaders”—consultants who try to convince workers not to organize or join a union.

With promises to keep the union out, Teague charged MAC an upfront \$5,000 retainer and a \$375 per hour consulting fee. MAC would also be responsible for all expenses incurred by Sparta persuaders including airfare, travel, and meals.

Teague, who never actually went to Missouri, sent Sparta persuader Eric Grumbrecht, who, like Teague also used a pseudonym. Going by the name Aleks Green, Grumbrecht held captive audience meetings where, according to testimony from workers at an unfair labor practice hearing, he claimed a vote for the union would be a “f--- you to the company.”

The union lost the election but won multiple unfair labor practice charges

against the company and Sparta, including a judge’s recommendation that MAC be required to bargain in good faith with the union due to the breadth of violations.

There are hundreds of other firms like Sparta out there raking in millions to keep unions out.

Union busting is a more than \$400 million a year industry, says the Economic Policy Institute (EPI). Union avoidance firms earn big money helping companies like Starbucks, Amazon, and Apple thwart union initiatives.

Amazon alone spent more than \$14.2 million on them in 2022. The retail giant paid consultants about \$3000 per day, plus expenses, according to Department of Labor filings.

The EPI thinks the \$400 million number isn’t even close to accurate. Citing a lack of accurate data, the non-partisan think tank says much of the employer expenditures spent on union avoidance goes unreported because of loopholes that only require employers to document dealings with consultants who communicate directly with employees. That loophole allows law firms like the notorious anti-union Littler Mendelson to collect millions for anti-union activities at Starbucks which the company doesn’t have to report, because the attorneys don’t meet directly with the employees.

AS INTEREST IN UNION MEMBERSHIP GROWS, SO DOES THE BUSINESS OF UNION BUSTING

The Labor Relations Institute (LRI), a misnomer for sure, is a business built on union busting. The company, which reportedly operates using a network of subcontractors across the country, seems to be getting more business as more workers try to unionize. According to a report from the LaborLab, a non-profit that tracks and investigates union busting, the company saw an increase in payments to its persuaders of 29 percent in 2021 and another 19 percent in 2022. Those numbers tracked with union election petitions filed by workers, says Bob Funk, who authored the LaborLab report. Funk says that many companies are hiring firms like LRI preemptively.

“We have seen a resurgence of union popularity across the US,” says Rich Kline, Union Label and Service Trades Department President. “To ensure that workers have the right to organize without interference, I believe the labor movement needs to work to pass legislation and elect politicians that will support labor law reforms. Now is the time to secure workers’ rights.”

Bipartisan Group of Senators Question Amazon's Labor Practices

"Amazon needs to stop these union-busting techniques, needs to stop punishing workers for standing up for themselves," said Senator Chris Murphy, D-CT, in a press conference on Capitol Hill in early January. The remarks come after Murphy and a group of Democratic and Republican Senators made public a letter, they sent to Amazon CEO Andy Jassy regarding reports that Amazon inflicts persistent mistreatment on its Delivery Service Partner (DSP) drivers.

In the letter, the lawmakers accuse Amazon of using a subcontracting arrangement to avoid "legal liability" regarding drivers' pay and working conditions.

Twenty-five Democrats and three Republicans signed the letter, including Josh Hawley, R-MO; JD Vance, R-OH; and Roger Marshall, R-KS.

The letter comes after the International Brotherhood of Teamsters (IBT) organized a group of subcontracted Amazon drivers in California last year. The IBT says a majority of the workers signed union cards and asked Amazon to recognize the bargaining unit. Amazon declined to do so, claiming the delivery service partner, Battle-Tested Strategies, had "a history of failing to meet their obligations" and was on the verge of losing its contract with the retailer.

But driver Rajpal Singh says, "we deliver in an Amazon van, wearing an Amazon uniform, but when we petition Amazon, they ignore us." The Senators want Amazon to explain why.

Senator Vance told the Huffington Post that he "doesn't buy that drivers aren't Amazon employees."

The Senators have given Jassy until February 10 to respond to their inquiry.



Florida Bill Rolling Back Child Labor Laws Advances in Florida House

Florida House Republicans have advanced a bill in the Florida legislature that removes child labor protections for 16- and 17-year-olds. HB 49, would allow teens to work longer hours per day and per week and be given fewer mandatory break periods during work hours.

The bill passed along party line.

Business groups, especially the tourism industry, are backing the bill saying it would "help alleviate the labor shortage in the Florida hospitality industry." But opponents, including labor unions, say teens would be harmed by the bill.

Republican Rep. Linda Chaney sponsored the bill and has made it clear that she doesn't think 16- and 17-year-olds need protecting. In comments to the House, Chaney told lawmakers that "this bill is not about children, this bill is about teenagers. They're 16- and 17-years-old. They're driving cars. They are not children. This is not child labor."

But Ellen Baker, teacher from Palm Beach County, worries about the implications of the bill on children's education. Baker, speaking as an opponent of the bill said, "I see kids falling asleep with the laws we have now. This is so emotional for me because I see this every day, and I think it's going to get so much worse."

The bill has cleared two House committees and has one more before being placed before the full House chamber. A Senate companion bill, SB 1596, has not yet moved forward in that chamber.

According to the Economic Policy Institute, Florida is the 16th state to propose legislation to ease child labor restrictions.

Emails obtained by the non-profit media outlet, More Perfect Union, show that a right-wing think tank, the Foundation for Government Accountability (FGA) is behind the Florida legislation, as well as legislation in other states. More Perfect Union obtained public records, including emails and text messages, which it posted to its Substack page (<https://substack.perfectunion.us/p/a-billionaire-megadonor-is-behind>) between Rep. Chaney and FGA lobbyists.

The group says the Florida bill is part of a "nationwide campaign led by the FGA to roll back longstanding state-level child labor protections."

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EndNotes



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By Rich Kline, *President, UL&STD*

Democracy and Unions



Some people don't value democracy. But it is vital to union members.

Trade unions operate on democratic principles. Free speech is a necessity. The right to associate and to organize is essential. The right to stand up to economic power is irreducible.

And in society at large, union members participate in various organizations, groups, religious assemblies and other affiliations. Each of which associations is based upon the inherent liberties enjoyed by citizens of a democracy.

A look at history or, indeed, the present, shows numerous instance of democracies that fell into fascism, authoritarianism or totalitarianism. Germany, Cuba, Russia, China, Poland and Hungary are but a few examples of nations that had or have democracies that either fell entirely or partially into despotism.

The current issue of the *Label Letter* describes the activities of union busters. Union busting in undemocratic lands is a government project. Workers and their rights are confined in government authorized and controlled labor organizations. The interests of workers are a distant second to the concerns of

the powerful interests in control of the government.

The recent triumphs of members of the United Auto Workers and the SAG-AFTRA in negotiations, to name but two, occurred within our democracy. Look abroad for similar victories in repressive countries and you will find none.

The world is imperfect and all nations face challenges. Democracy remains the best means to address the needs of a people in a fair and equitable way.