



Vol. XL, No. 6
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Label Letter

Union Label & Service Trades Department, AFL-CIO

IMPLICATIONS OF THE GIG ECONOMY

TEMPORARY EMPLOYMENT WITH BIG DRAWBACKS

Amazon.com announced at the end of September that they were going to create an “Uber” version of their delivery service. You could work for Amazon, set your own hours, and deliver packages for them using your own vehicles.

This is quickly becoming the new normal. Uber, AirBnB, Etsy. The U.S. workforce is rapidly becoming a workforce of freelancers or contractors. No one is employing them, supposedly. Ostensibly, workers are able to come and go as they please, set their own hours, and bill the company for their work. While there are no definitive statistics around the number of workers involved in the on-demand economy, consulting firm MBO Partners estimated 17.9 million people worked in 2014 as independents for 15 hours or more a week.

But in this “gig” situation, what is really happening? Companies are the real winners. Digital hiring halls may give workers freedom to work whenever they want, but these workers are denied the type of worker protections provided to those employed by corporations or other organizations. Companies evade paying health care, unemployment compensation, auto insurance (for those in driving

professions), and workers compensation. Companies also evade overtime laws. Workers must pay their own employment taxes and their social security.

In advertising for drivers, Uber, for example, claims that drivers can build their own businesses, making up to \$90,000 per year in some areas of the

country (for example, New York and parts of California). But that claim doesn’t account for the 15.3 percent the new “business owner” has to pay out-of-pocket for his Social Security and Medicare taxes, in addition to insurance, car maintenance and repair, as well as gas and tolls.

Amazon Mechanical Turk is a “crowdsource marketplace” that relies on freelancers to scan image sites and label the photographs and images appropriately, de-duplicate data, such as phone directories or product catalogs, or double-check restaurant listings, write product descriptions or transcribe podcasts. It is estimated to employ around 500,000 workers. One of the researchers for the National Employment Law Project found that “90 percent of tasks posted on Amazon’s Mechanical Turk paid less than 10 cents.” Further, the researcher determined that “a task worth \$1.00 with an average completion time of 12.5 minutes resulted in an effective hourly wage of \$4.80.”



THE TABLE

- ❖ Homer Laughlin China (GMP)
- ❖ Fiestaware (GMP)
- ❖ Anchor Hocking (GMP)
- ❖ Libbey Glassware (USW and GMP)
- ❖ Clauss Knives (USW)
- ❖ Pyrex (USW)
- ❖ CorningWare (USW)
- ❖ Bennington Pottery (UNITE HERE)

THE FEAST

FRESH WHOLE TURKEY

- ❖ Butterball (UFCW)
- ❖ Foster Farms (UFCW)

HAM

- ❖ Appleton Farms Ham (UFCW)
- ❖ Black Forest Ham (UFCW)
- ❖ Butterball Ham (UFCW)
- ❖ Cook's Ham (UFCW)
- ❖ Farmland Old Fashioned Pit Ham (UFCW)
- ❖ Farmland Original Pit Ham (UFCW)
- ❖ Hormel Honey Roasted Ham (UFCW)
- ❖ Tyson Ham (UFCW)

STUFFING

- ❖ Manischewitz (UFCW)
- ❖ Stroehmann Bakery Products (BCTGM)

CRANBERRIES/ CRANBERRY SAUCE

- ❖ Ocean Spray (IAMAW)
- ❖ Dole (IBT)

VEGETABLES

- ❖ Andy Boy (UFW)
- ❖ Muranka (UFW)
- ❖ Eurofresh (UFCW)
- ❖ Birds Eye (UFCW)
- ❖ Mann's (UFCW)
- ❖ Sunripe Produce (UFCW)

POTATOES

- ❖ Dole Fresh Potatoes (IBT)
- ❖ Mann's Fresh Culinary Cuts Sweet Potato (UFCW)
- ❖ Betty Crocker Specialty Potatoes (BCTGM)

BREAD

- ❖ Pillsbury Rolls (BCTGM)
- ❖ Stroehmann Bakery Products (BCTGM)
- ❖ Aunt Millie's Bread Products (UFCW)

PIE

- ❖ Entenmann's (BCTGM)
- ❖ Marie Callender's (UFCW)
- ❖ Pillsbury Pie Crust (BCTGM)
- ❖ Sara Lee (BCTGM)
- ❖ Banquet Fruit Pies (UFCW)

PIE FILLING

- ❖ Kroger brand pumpkin puree (UFCW)
- ❖ Food Club canned pumpkin (UFCW)
- ❖ Del Monte Fresh Apples (IBT)



Holiday DINING

RECIPE

From the kitchen of:

Union-made Double Layer Pumpkin Cheesecake



DIRECTIONS

Preheat oven to 325 degrees F (165 degrees C).

- 1) In a large bowl, combine cream cheese, sugar and vanilla. Beat until smooth. Blend in eggs one at a time. Remove 1 cup of batter and spread into bottom of crust; set aside.
- 2) Add pumpkin, cinnamon, cloves and nutmeg to the remaining batter and stir gently until well blended. Carefully spread over the batter in the crust.
- 3) Bake in preheated oven for 35 to 40 minutes, or until center is almost set. Allow to cool, then refrigerate for 3 hours or overnight. Cover with whipped topping before serving.

- 2 (8 ounce) packages of Horizon or President Choice cream cheese, softened
- 1/2 cup of Domino Sugar
- 1/2 tsp Kroger or other union label vanilla extract
- 2 union-label eggs, like Horizon
- 9 in. prepared graham cracker crust from union-label grocery store
- 1/2 cup Kroger brand pumpkin puree
- 1/2 tsp cinnamon
- 1 pinch ground cloves
- 1 pinch ground nutmeg
- 1/2 cup Giant brand or other union-label frozen whipped topping, thawed

Reprinted from UFCW

WALK IN MY SHOES

UA Local 376, Norfolk, Virginia

A Union Brother since 2005, Brian Jerlin fondly remembers being selected at age 17 to begin apprenticeship in a new program called Public Works Center (now Naval Facility Engineering Mid-Atlantic). With a desire to excel and motivation to learn, Brian was the first Pipefitter to finish this state wide program.

Brian shared very matter-of-factly that as a youngster, he was hot tempered, a fighter and loved a challenge. He smiled as he thanked his mentor, Brother Steve Newsom for his wisdom, patience and guidance. Brian stated that his mentor took a sincere interest in his aspirations. Brian wants those currently in apprenticeship programs to know that hard work pays off. "Always show up on time with a willingness to learn. Treat each other with respect.

Be committed to do the work. Set goals. Encourage each other. Always remember that every problem has a solution. Be willing to search for the knowledge." Brian continued, "our union brothers and sisters learn by doing – together."

In 2014, Brian was elected President of United Association (UA) Local 376 in Norfolk, Virginia. Brian stated that in addition to the duties and responsibilities that come with being a Union President, he loves working side by side with his brothers and sisters. "That's how you get to know each other." Brian stressed that as President of Local 376, he trusts his representatives. "From the Steward on up – each union member has a voice – use it. Your opinion matters. Show up to the meetings and immerse yourself in your local union." Through his leadership, Brian stated, "we identify and



address concerns before they become issues."

Even the photo is indicative of the unity of Local 376. President Jerlin is the one wearing the Captain America T-shirt. This photo was taken after they went to the home of a brother who was out of work, recovering long term from an illness. The men in support of their fellow brother surprised him and his family by completely replacing a much needed sewage line at his residence.

Camouflaged under the working gear of President Jerlin is a true warrior spirit. "I still have that fire burning within – but I have learned to

temper it." You see, President Jerlin is an Applied Wing Chun Student and Instructor (Wing Chun's most famous student – Bruce Lee). "*Strength tempered with wisdom*" is my motto." President Jerlin stated that as with anything – be it pipefitting, HVAC, plumbing, sprinkler fitters, management, negotiations, Wing Chun, etc., much practice is required to be precise and accurate; there are no short cuts.

With his unquenchable thirst for knowledge and his passion for teaching, President Jerlin traveled to China in October to instruct and continue to learn the art of Wing Chun. ■



SPOTLIGHT THE LABEL

The International Union of Painters and Allied Trades (IUPAT)

The International Union of Painters and Allied Trades (IUPAT) represents a growing force of over 160,000 active and retired men and women in the United States and Canada. Its members work in the Finishing Trades as Industrial and commercial painters, drywall finishers, wall coverers, glaziers, glass workers, floor covering installers, sign makers, display workers, convention and show decorators and in many more exciting occupations. IUPAT members'

skills are in high demand at every construction project in North America.

The IUPAT membership extends far beyond the workplace, however. Recognized as one of the most active unions in the labor movement IUPAT members help shape their communities in many ways: through an abiding commitment to service, by fighting passionately for workers' rights that benefit all working families, and through effective and aggressive political mobilization. ■

How will Amazon.com delivery drivers, who won't get tips like Uber drivers, perform in this employee-as-an-independent-contractor reality? If the employee can't work for a few weeks because of a disabling illness or other issue, he misses out on those hours. If a delivery driver gets into a car accident while carrying Amazon packages, does the driver's insurance have to cover the cost of the accident? If the business decides to sever its relationship with the driver, there are no unemployment protections – the company is not the employer, just the “facilitator,” according to their business model.

Many are touting these jobs as the future of the workforce. There are claims that gig jobs create a better work-life balance, allowing for those in these jobs to choose their work hours can mean that they can take an hour to pick up their children from school or coach soccer. For Etsy and Ebay-type sellers, who are likely using the Internet to sell hand-crafted items as a side job or hobby, the work-life balance is probably already in

The isolation of workers in this digital on-demand age gives companies an unfair advantage.

place, but for an Uber or Amazon.com worker? If the drivers can't meet quotas or make their ratings, it's not likely the company will keep using them. Turning down work will likely mean a black mark on their record, and less likelihood for a call next time. In fact, according to court documents, Uber eliminates drivers who have low “dispatch acceptance rates” and will deactivate driver accounts when the market is saturated or business is slow.

And what about long-term stability? There are no guarantees in on-demand work. It's harder to plan life longer

term when it's unclear how much money you're going to be making next year. There are no paid vacations or paid sick leave and retirement planning is entirely up to the worker.

The National Employment Law Project issued a report in September that called for labor standards to protect on-demand workers as well as those employed in traditional workplaces.

RIGHTS ON THE JOB: *Like other workers, on-demand workers should enjoy the protection of baseline labor standards, including the right to the minimum wage for all hours worked and the right to a voice on the job. The label assigned to a worker by an on-demand company should not determine or defeat their ability to have decent jobs. Workers in app-based jobs also need new protections to guard against the misuse of company-held data.*

SOCIAL INSURANCE PROTECTIONS: *All workers need and deserve the protections afforded by basic social insurance programs. Businesses in the on-demand economy should not get a free pass on making contributions to existing social insurance programs, such as Social Security, Medicare, workers' compensation, and unemployment insurance, on their workers' behalf. And the social insurance programs now being developed, such as earned leave and supplemental retirement savings, should extend to on-demand workers.*

BROAD AND EQUITABLE ACCESS TO TECHNOLOGY: *If the future of work is that we access it via the Internet, all workers should have meaningful access to the necessary technologies to secure it.*

The isolation of workers in this digital on-demand age gives companies an unfair advantage. Taking action, such as unionizing, or even demanding basic benefits, can be impossible for employees who've never even met their bosses in person, let alone a co-worker. According to NELP:

New technologies should not be allowed to displace existing protections for the many on demand workers who are, in fact and in law, employees. We must ensure

that these workers' rights are recognized and enforced. As new technologies develop, we must also develop new models of delivering core labor rights, including the right to take collective action aimed at expanding those rights and adapting them to specific industries.

Unions are exploring ways to reduce gig worker isolation so that they can band together to demand their rights. Creating networking events or social events or even collaboration events geared towards these workers will help build camaraderie among these workers and show them a way to get a voice.

MISCLASSIFICATION OF EMPLOYEES

California's Labor Commission ruled in June that an Uber driver was actually an employee of Uber. The decision said that because Uber controls the tools the driver uses, monitors their performance and can terminate them if they fail to achieve the company's predetermined rating, drivers were employees. Eight states have issued rulings that classify Uber drivers as independent contractors: Georgia, Pennsylvania, Colorado, Indiana, Texas, New York, Illinois, and California, which made such a ruling in 2012 that applied to only a specific case; but Florida, Utah and now California have found otherwise. Uber has had at least 100 lawsuits filed against it.

Lyft, another on-demand ride service, faces at least one misclassification lawsuit and has faced several others previously. A class action suit filed in July against the home services company Handy claims that it has violated the Fair Labor Standards Act by failing to pay minimum wage and misclassifying its workforce as contractors. A similar company, Homejoy, shut down after facing lawsuits on misclassifying its workforce.

The on-demand meal company Sprig changed its so-called contractors to full employees in August after facing significant pressure. In an interview, Sprig founder Gagan Biyan said, “One of the reasons we're moving to employees is to offer more training and development to better communicate our mission. We're starting to take our inspiration from



IMAGE CREDIT: MARK WARNER VIA FLICKR

Creating networking events or even collaboration events geared towards these workers will help build camaraderie and show them a way to get a voice.

fine dining restaurants, with our servers [delivery people] being able to talk to you at your door about your meal.”

A grocery delivery company Instacart also changed its employment model for its shoppers in several of its locations, claiming that they needed to provide more supervision and training to its workforce because “grocery shopping can be complicated,” according to CEO Apoorva Mehta. It has not moved its drivers into employee status, however.

Other companies providing on-demand services have classified their

workforce as employees and found success. A personal assistant company called Alfred, an office cleaning service called MyClean, and a mailing company called Shyp, issue their workforce W2s. Shyp made the change because, it says, it would gain efficiency, be able to train its workforce, review their performance and direct them to accept jobs. Munchery, another company that has changed its workforce to employees, has said that “it became much easier to expect them [its workers] to show up on holidays or Sundays.”

Handy had a provision in its terms of service that if it were found liable for back taxes on its workforce, it would pass that liability onto its customers. The provision told customers that if Handy were found liable the customers would have to “immediately reimburse and pay to Handy.com an equivalent amount, including any interest or penalties.”

When the Wall Street Journal investigated the provision, Handy removed it. However, it has said that if it loses its pending lawsuits, it would have to raise its rates and drop its hourly pay to contractors. ■

Union Veterans Council Fights for Those Who Have Fought for Us

By Will Fischer, Executive Director, Union Veterans Council

Whenever I am asked to provide remarks somewhere I always take a moment at the beginning to ask all the veterans in the room to stand. I do this for one main reason. No, not to simply say thanks—I’ll leave that for the football games. My reasoning is to remind all in attendance that our union ranks are chock-full of veterans. In fact, not once have fewer than 35 percent stood up. Sometimes it’s more like 75 percent.

That shouldn’t come as a surprise to anyone. You see, that’s because the working class and the veterans class are one in the same. When

you’re talking to people who work, you’re often also talking to people who served. When you see folks fighting for their rights on the job here at home, often those same folks fought for our rights overseas.



We want veterans and all working people to enjoy the freedoms we fought to protect. That’s what the Union Veterans Council is all about—we fight for those who’ve fought for us, and we stand together for a better life.

Join us (unionveterans.org) and share information about the Council with your sisters and brothers at work and at meetings. ■

Will Fischer is the Executive Director of the Union Veterans Council. A Marine Corps veteran of the Iraq War, Will is also a member of the International Union of Painters and Allied Trades. He can be reached at wfisher@aflcio.org.

LABEL IT, SCAN IT, REPORT IT

SMART Introduces New Union Labels and App



During the 2013 AFL-CIO Convention, the Union Label and Service Trades Department introduced, and had passed, a resolution encouraging all AFL-CIO affiliated unions to negotiate language in collective bargaining agreements that requires a union label verifying that products and services are made, or provided by, union workers.

The International Association of Sheet Metal, Air, Rail and Transportation Workers (SMART) has built on that idea and created two new union labels that work in conjunction with its newly launched smartphone app. The yellow label is used to enforce subcontracting standards and wage equalization and the blue label is used on production products.

“The label is a tool for protecting union jobs, wages and benefits. And it’s an essential tool for enforcing contracts. The labels encourage employers to use union-made products,” says Joseph Sellers, Jr. SMART General President.

How does the system work? SMART members working in a fabrication shop put

the label on its union-made products. Then SMART members installing the products check for the yellow label at construction sites. If there is no label on a yellow-label product, installers should contact their business representative.

On products with labels, installers can use the bar code scanner included in the SMART app, or check the numbers on the label, to find information about which union shop produced it, and the shop’s wage rate. “Only then can wages be equalized,” says Sellers.

SMART representatives say the system relies on the vigilance and commitment of SMART union sheet metal workers throughout the process.

“By using the labels, we protect existing union jobs, secure more work, and protect union wages. For individual sheet metal workers, it means more work, better pay, and healthier benefits. The job you save may be your own. And the more union members participating in the health care and pension systems, the better those benefits will be for each union member,” Sellers explains. ■

IAMAW Among the First to Employ Electronic Union Authorization Cards

Because of a new rule issued by National Labor Relations Board (NLRB) on September 1 allowing for electronic signatures on union authorization cards, unions can now present electronic evidence of employee authorization in support of a request for a secret ballot election. The new policy only applies to the private sector.

For decades, the most common way a union could request the NLRB hold a secret ballot election for representation was to gather signed paper authorization cards from employees and submit them to the NLRB along with a petition for election. The new rule however, affords unions the ability to collect ‘signatures’ using various electronic formats. Unions can use email to solicit information and support to which the signer can reply, or they can create a webpage soliciting information along with a spreadsheet showing data received after the electronic signer clicked a submit button.

Requirements of the new policy are actually more stringent than the traditional paper authorization cards. The electronic version must contain the signer’s name, e-mail address or social media account, phone number, authorization language agreed to, date and name of the employer. The signature cannot contain private identifying information like birthdate or



social security number and the union has to submit a declaration attesting to the methods used to validate the signature.

Since the new rule went into effect, the International Association of Machinists has begun collecting electronic authorization cards from employees at Boeing South Carolina and recently in its drive to organize CVS Pharmacy and Distribution Center workers.

“We fully expect the use of electronic authorization cards to provide a boost to many of our organizing campaigns moving forward,” said IAMAW Organizing Director Don Barker. “Workers often cite fear of harassment or retaliation as a reason for not signing an authorization card. This eases that concern by allowing them to sign at their convenience and in the privacy of their own home.” ■

PERIODICALS
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TIME VALUE

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EndNotes

By Rich Kline, *President, UL&STD*



Label Letter

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THE UNION LABEL MEANS BUSINESS



Some of our affiliates are using their union label to gin up business. The Bakery, Tobacco, Confectionery and Grain Millers Union has its label on baked goods, for example.

The Painters union maintains a digital database of its business managers to encourage individuals and companies to employ its unionized workforce.

International Brotherhood of Electrical Workers has an online resource of materials made by its members too.

And there are many other organizations doing similar things. We would like to learn of more such promotional activities.

At the 2013 AFL-CIO Convention, a resolution submitted by the UL&STD called for contract negotiations to seek agreement on placing the union label on products and services. We would like to hear from unions that have been successful in doing so.

In fact, technology offers additional means to identify union-made wares; bar codes and scans, which are readable on many devices, could make identification easy.

The UL&STD website links to union websites that list union-made goods and services. We also promote them in the *Label Letter* and in social media. We look forward to adding more such products and services and the union programs designed to promote them to our own campaigns. ■

Technology offers additional means to easily identify union-made wares. **Look for the union label.**

America is at its best when we say and shop UNION YES!