

EXECUTIVE COUNCIL REPORT TO THE AFL-CIO 2013 CONVENTION

THE AFL-CIO EXECUTIVE COUNCIL is pleased to present this report on the activities of the AFL-CIO since the 2009 Convention to the delegates to the 2013 Convention.

Despite a very challenging environment—limited resources, a deep recession and myriad attacks from a vicious, extreme right wing—the AFL-CIO and its member unions have worked relentlessly and made real progress toward our mission of moving all working families closer to a future in which all people who work are valued, respected and rewarded.

This document includes reports on the activities of the past four years from President Richard Trumka, Secretary-Treasurer Elizabeth Shuler and Executive Vice President Arlene Holt Baker, as well as reports from the AFL-CIO's six trade and industrial departments. Also included are the financial and membership reports.

REPORT OF PRESIDENT RICHARD TRUMKA

Changing the Labor Movement to Speak for Working People Now and in the Future Through Growth, Innovation and Political Action



OVER THE YEARS since the 2009 Convention, working people have faced daunting challenges, but we also have experienced major victories as we pursued a strategy to grow and broaden the labor movement to rebuild strong middle-class living standards and to strengthen the collective voice of working people. So we come to this Convention with a taste for triumph and a desire for more. And we ask ourselves how we can learn from our losses, build on our wins and continue to grow a bigger, stronger movement to meet the needs of all working families now and in the future.

Workers' wages have been flat or falling for decades. Jobs have been hard to come by. And the gloves came off, as right-wing politicians and short-sighted employers attacked our unions and blocked the efforts of workers to organize. In 2012 the percentage of U.S. workers who belong to unions dipped to just 11.3% overall and 6.6% among private-sector workers. These crisis-level figures underscore the basic failure of America's economy today, and help

to explain weak consumer demand and the pressure on government budgets from the local level to the federal level.

At the AFL-CIO, we have responded to these conditions by revamping the way we work in electoral politics and advocacy, and by embracing new ways to organize. The lessons we have learned and ideas we have gathered will be the subject of much of our work at the 2013 Convention. We are committed to growing the labor movement, and will take steps forward wherever possible to continue to do so with innovation, political action and a new spirit of openness.

Growing Our Movement

The AFL-CIO helps affiliate unions organize workplaces and bargain contracts. Those efforts have gone global even while we have maintained a local focus on increasing the capacity of affiliate organizing and bargaining. Since 2009, we have played significant roles in more than a dozen organizing

campaigns (see box) and we remain engaged in multiunion campaigns and strategies in Oregon (especially Portland) and Texas.

In our global work, in partnership with CWA and UNI Global Union, we worked with Deutsche Telekom and T-Mobile workers' unions from seven countries to form the DT/T-Mobile Union Alliance. We also helped implement the first International Trade Union Confederation (ITUC) Global Organizing Academy training held in Brussels on strategic campaign approaches, with participants from ITUC affiliate unions from around the world.

Since September 2009, the AFL-CIO's Organizing Institute has trained 1,396 participants at traditional three-day and campaign-specific trainings, while 754 staffers from 35 affiliate unions and 17 state and local bodies have completed Center for Strategic Research trainings.

Since 2009 the AFL-CIO has supported affiliate organizing on the following campaigns:

- AFGE/40,000 Transportation Security Officers;
- Building Trades/Building Justice;
- CWA/Delta and American Airlines Passenger Service;
- FLOC/North Carolina tobacco growers, including Reynolds American (ongoing);
- ILWU/Northern California recycling campaign (ongoing);
- Metal Trades Department/Austal Shipyard (ongoing);
- SMART/Bombardier mechanics;
- TWU/American Airlines mechanics (ongoing);
- TWU/Virgin Airlines;
- USW/Carwashes (ongoing);
- WGA East/Nonfiction TV writers (ongoing);
- USW, the Mexican Mine Workers Union "Los Mineros" and the Border Workers Committee/Finnish auto parts supplier, PKC Group, in Ciudad Acuña, Coahuila, just inside the Mexican border;
- ATU and ATU Local 1091 in Austin, Texas/Capital Metropolitan Transportation Authority (Capital Metro); and
- ILWU and workers at Bayer HealthCare in California/Bayer AG, based in Leverkusen, Germany.

In addition, we provided research and campaign planning assistance for the American Federation of Musicians and IATSE.

Organizing and Innovation

Thousands of workers have gained the benefit of union membership through affiliate organizing campaigns, yet the National Labor Relations Board (NLRB) election process has remained a trial-by-fire experience that too few workers are able to overcome—and still right-wing legislators and corporate front groups are intent on stripping the NLRB of its ability to function. As a result, a great deal of our work has gone into different types of affiliation and exploring new forms of worker representation, and shoring up the strength and effectiveness of local labor movements.

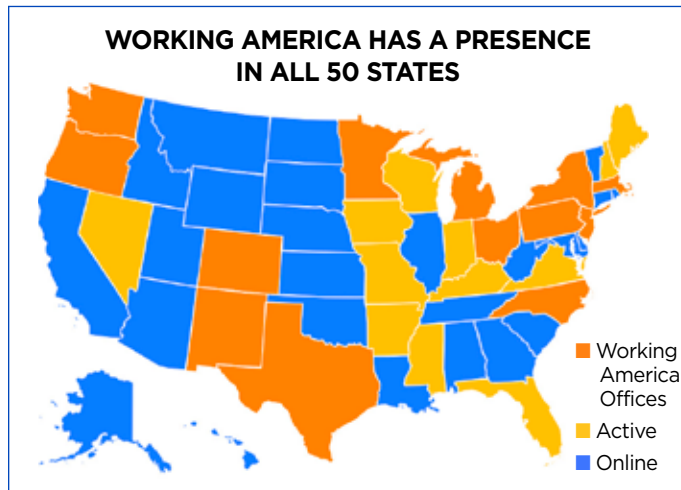
In 2011, the National Taxi Workers Alliance affiliated with the AFL-CIO as a National Organizing Committee, enabling workers in a nontraditional work arrangement to be part of the labor movement. Since then, the AFL-CIO has worked with taxi workers to build power and membership in Austin, Texas; Chicago; Dallas; New York City; Philadelphia; Tucson, Ariz.; and Washington, D.C.

Also in 2011, the AFL-CIO entered partnerships with the National Guestworker Alliance and the National Domestic Workers Alliance. These groundbreaking agreements set the stage for the groups to partner with the AFL-CIO around issues of organizing, winning rights for excluded workers and building long-term relationships.

The agreements are part of the AFL-CIO's continued outreach to excluded workers in professions that often are not afforded fundamental labor rights and safety protections under the law. These partnerships build on a 2006 decision by the AFL-CIO Executive Council to allow worker centers to affiliate with state federations, local labor councils and Working America. Since then, the AFL-CIO has entered into 16 local affiliations with worker centers and five partnerships with national worker center networks. In addition to the Guestworker and Domestic Workers alliances, national partners include the National Day Laborer Organizing Network, Interfaith Worker Justice and Enlace.

We've also worked with Voces de la Frontera and USW to assist workers at Palermo's Pizza in Milwaukee.

Working America, the AFL-CIO's community affiliate, is the largest and most longstanding effort to engage people who don't have the benefit of a voice on the job with the labor movement. In the past four years, Working America has added 1.2 million members, growing to 3.2 million strong.



Working America's members have taken more than 2 million actions in support of pro-worker issues, winning more than 20 separate issue campaigns, saving good jobs, pushing back state attacks on collective bargaining rights, winning local paid sick leave, increasing local minimum wages and expanding unemployment benefits—as well as playing a large and influential role in national political and electoral campaigns, from the fight for the Affordable Care Act to educating and mobilizing working families around 108 winning state and national political campaigns.

In its first 10 years, Working America has built a volunteer corps of more than 1,000 activists and works increasingly to support affiliate organizing.

Political Action

The political and legislative landscape has undergone dramatic changes, and so have the electoral and political programs of the AFL-CIO. The *Citizens United* decision by the U.S. Supreme Court threw wide open the door to unlimited corporate spending on elections, and also allowed labor's political education

programs to reach the general public. The continued attacks on labor unions and eroding density have diminished the traditional electoral and political clout of our unions—but we have responded by expanding our electoral programs into year-around activism, so we can fight for the leaders we want and then hold elected leaders accountable for the positions they take and the votes they cast.

In the 2010 elections, we saw the impact of the first wave of truly unprecedented corporate funding unleashed by *Citizens United*. That election gave Republicans 63 additional seats and the majority in the U.S. House, six seats in the U.S. Senate and 680 seats in state legislative races. After the election, Republicans controlled 25 state legislatures and 29 governorships.

In response, the Executive Council called for an in-depth review of our political and field programs. As a result of the review, the AFL-CIO began to transform our political program to focus on four priorities: becoming politically independent by investing more in the labor movement than in any political party; expanding our outreach and education beyond union members and families to communicate with all working people and building long-term partnerships with allied organizations; developing capacity for year-round mobilization and accountability; and providing resources to affiliates to strengthen their programs.

FOUR PRIORITIES FOR TRANSFORMING OUR POLITICAL PROGRAM

- Becoming politically independent by investing more in the labor movement than in any political party;
- Expanding our outreach and education beyond union members and families to communicate with all working people and building long-term partnerships with allied organizations;
- Developing capacity for year-round mobilization and accountability; and
- Providing resources to affiliates to strengthen their programs.

As part of that effort, we created Workers' Voice, which has enabled us to speak to millions of nonunion workers through an expanded field program, social media and online advertising. We built modern and lasting campaign structures in six key states (Florida, Michigan, Nevada, Ohio, Pennsylvania and Wisconsin). We also expanded the sophisticated campaign-management tool Labor Action Network (LAN) to all 50 states and 43 affiliates and introduced Friends and Neighbors (FAN), which enabled activists to easily communicate with their friends and neighbors, and rePurpose, which amped up activism by tracking and rewarding the efforts of volunteers.

For the 2012 presidential election, we focused our resources on building an electoral firewall in Nevada, Ohio and Wisconsin, because we knew such a strategy could block Republican Mitt Romney's path to victory and keep President Obama in the White House—and we were successful.

In the U.S. Senate, our primary goal was ensuring the election of progressive heroes, principally, now-Sens. Elizabeth Warren (Massachusetts), Tammy Baldwin (Wisconsin), and, Sherrod Brown (Ohio). Our grassroots mobilization also made major contributions to key wins in Virginia (Sen. Tim Kaine) and Montana (Sen. Jon Tester).

Altogether, our 2012 electoral campaign work generated 5.5 million phone calls and 3.25 million door knocks, with more than 100,000 volunteer shifts completed.

At the State Level

The 2010 elections kicked off a massive wave of state-level attacks on unions. The goal of our state-level electoral work has been to improve our chances on defensive battles.

As hundreds of thousands of working people took over the state capitol building in Madison, Wis., to protest Gov. Scott Walker's February 2011 attack on the collective bargaining rights of public workers, the AFL-CIO, as one of a host of unions and allies, took part in a massive, coordinated fight-back campaign with 374 documented field actions, including town

hall meetings and rallies. With recall petitions, a labor coalition helped force six anti-worker Republican state legislators onto the ballot and succeeded in protecting three pro-worker Democrats who also were recalled, and picking up two Republican seats for the Democrats. In 2012, after in-state activists launched an effort to recall Walker, more than 1 million signatures were collected to force Walker and four additional right-wing senators onto the ballot. Walker outspent our effort and won his re-election, but we were able to defeat one more anti-working family senator and help rebuild a Democratic majority in the Senate, staving off additional attacks on working families during the remainder of the 2011–2012 legislative session.

Although few governorships were on the ballot in 2012, we helped labor champions win in Missouri, New Hampshire and Washington. We also helped flip three state legislatures (Maine, Minnesota and New Hampshire) from right-wing Republican to moderate Democratic control, and helped defeat California's Initiative 32 paycheck deception move. And we made a significant contribution in 2011 to an orchestrated ground campaign of historic proportions to repeal SB 5, the unprecedented attack on public employees.

SB 5 had been passed by the Ohio state legislature and was to be the chief achievement of right-wing Gov. John Kasich. Working family activists used tactics that had never been tried before, like drive-through signature gathering, to get more than five times the number of signatures required to put SB 5 on the ballot. It took a dozen workers with dollies all day to unload hundreds of boxes filled with nearly 1.3 million signatures from a semi-trailer truck and haul them into the office of the Ohio secretary of state. And when the dust had settled after Election Day, the anti-worker, anti-union bill went down by a margin of almost 2-to-1.

We also have fought "right to work" for less pushes in Indiana, Michigan and New Hampshire, as well as fended off paycheck deception moves and fought anti-immigrant and voter suppression attempts in several states.

Legislative Action

Our electoral campaign began to transition to an accountability campaign—literally—on Election Day. We mobilized workers around the country to join the administration and Congress during the lame duck congressional session to end the tax cuts for the top bracket of income earners. We rallied to protect working families from a “grand bargain” or other moves that would cut Social Security, Medicare or Medicaid benefits—and those efforts continue today.

For four years, at the White House, on Capitol Hill and in communities across the country, we have advocated for legislation to create good jobs and to hold Wall Street accountable for wrecking our economy.

After working with the Obama administration in 2009 to pass the largest economic stimulus in the nation’s history (albeit one not big enough for the crisis we faced), we continued to lobby, negotiate and mobilize to convince the White House and Congress to create more jobs, invest in American infrastructure and bring good jobs home. We succeeded in the summer of 2010 when Congress passed a \$26 billion aid package to save hundreds of thousands of public-sector jobs, but Republicans used every procedural trick, including a record number of filibusters, to block and stall anything and everything that might improve the economy. We helped win an extension of unemployment insurance—as well as the landmark Dodd-Frank Wall Street reform bill, which created the Consumer Financial Protection Bureau and ushered in new regulations on the derivatives market, hedge funds and private equity funds. We took steps to forestall the need for future bank bailouts.

A significant legislative accomplishment of the past four years was the 2010 passage of the Affordable Care Act—Obamacare—which required a nationwide, movement-wide mobilization of union members and progressive allies. The law moved the nation closer to universal health coverage, with policies that will reduce the ranks of the uninsured by 25 million, and barred the worst insurance company abuses. Even before the law is fully implemented, it has provided

3.1 million more young adults with health coverage by allowing them to stay on their parents’ plans until age 26; allowed 71 million people to access preventive services without facing co-payments or deductibles; and reduced private premium costs by \$2.1 billion in 2012 through enforcement of the medical loss ratio rule.

However, just as important as helping to craft and win the legislation is our ongoing policy work on implementation issues, where we face significant challenges. Our goal in working with policy makers is to ensure that as it is implemented, the law helps, rather than harms, working families.

Meanwhile, the AFL-CIO contributed to the national dialogue on economic solutions by supporting the creation of a platform for broadly shared prosperity: “Prosperity Economics: Building an Economy for All.” The paper was produced by the Economic Policy Institute and written by Yale University Prof. Jacob Hacker and Roosevelt Institution founder Nathaniel Loewentheil. It called for a long-term growth plan based on investment in the U.S. economy, not austerity.

Moving Forward to a Stronger Future

The AFL-CIO and indeed our entire labor movement exists in an era of great political danger and uncertainty, but this is also a time when men and women in towns and cities large and small all across America are ready to take action together to lift ourselves up. Working people want solutions. It is not the bad actors of Wall Street or right-wing politicians that will define America, but how the working men and women of America respond to the condition of our nation and our lives. It is from the catalyst of these conflicts and perils that working people will fashion a stronger movement for America’s working families for years, even generations, to come.

The AFL-CIO is a movement that is as broad and huge as our nation itself. We exist in communities from rural areas to major cities, and everywhere in between. We make practically every conceivable item and provide every service. We are mothers, fathers,

sisters, brothers, grandparents and children. We are the mainstream of America. And we intend to seize every opportunity to transform our vision and values into reality. We have every intention of building a winning movement—a movement that will lift up all

working people and renew the social contract. If we work hard, do our part and follow the rules, we should earn a fair share of the value we create, so all will have a decent life and be able to look forward to a better life for future generations.

REPORT OF SECRETARY-TREASURER ELIZABETH SHULER

Creating a Voice and Prosperity for All in the Global Economy



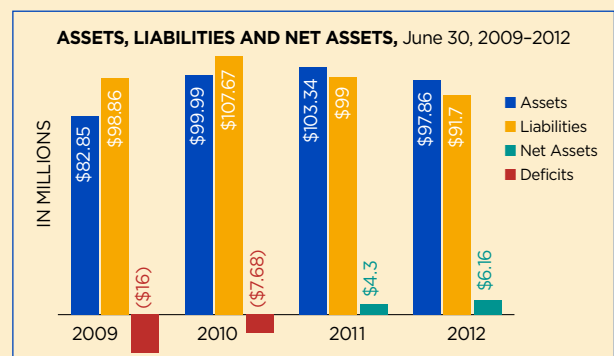
THE GOAL OF AMERICA'S ECONOMY should be broadly shared prosperity. But today, the economy is structured to funnel its bounty to those who already

have the most. In the past four years, the AFL-CIO has continued working strategically to create a path toward prosperity for all.

STRONGER FINANCIAL FOOTING

The AFL-CIO has made dramatic improvements in its fiscal outlook. In 2009, the AFL-CIO had a net asset balance of negative \$16 million. Each year through 2012, we improved the bottom line without increasing the per capita tax, dipping into our Reserve Fund or hampering strategic programs. We accomplished this by taking a hard line on savings and looking for every opportunity to use resources more wisely—from reducing the number of coffee machines and reviewing all employee expense and travel requests with a fine-toothed comb to shutting down and selling the Paris office and preparing for the sale of the National Labor College property. At the end of 2012 we reported a positive \$6.2 million net asset balance—a \$22.2 million improvement. And with our eye on both future utility cost savings and environmental stewardship, we laid the groundwork for the 2013 energy retrofit of the AFL-CIO headquarters building.

The leadership of the federation is committed to increasing income and cutting costs wherever possible. We also are dedicated to transparent financial reporting and adherence to sound budget processes with the active participation of the Executive Council. It is our goal to maintain the financial health of the federation while continuing to provide a stronger voice for workers' interests on the job, in their communities, at all levels of government and in the changing global economy.



As working families continued to struggle with high unemployment and inadequate wages in the years since the 2009 Convention, the gap between the rich and the rest of us has continued to grow.

In 2012, CEOs of S&P 500 Index companies received, on average, \$12.3 million, while America's workers averaged just \$34,645—meaning CEOs made 354 times the typical worker's pay, according to the 2013 edition of the AFL-CIO's Executive PayWatch website. Compare that ratio with earlier times in our economy: 30 years ago, CEOs were paid 42 times what workers averaged, a figure that grew to 201 times in 1992. Not only is U.S. CEO pay out of whack with historical norms, but it is off the chart globally. In no other advanced economy is the ratio of CEO pay to typical worker pay even close to as big as it is in America.

AFL-CIO SUPPORT FOR AFFILIATE BARGAINING

Every quality union contract strengthens and helps define the American middle class. The AFL-CIO supports affiliate bargaining by providing strategic assistance and mobilizing thousands of workers to support their brothers and sisters. Since the last Convention, we have provided strategic planning, fundraising and mobilization help for the 1,400 locked-out American Crystal workers in Minnesota and North Dakota, and we continue to support Mine Worker (UMWA) retirees in their fight to keep Patriot Coal from abandoning its agreements on the health care of retirees. Other examples of campaigns we have supported in recent years include:

- Evansville, Ind., Whirlpool rally, IUE-CWA Local 808 (2010)
- UFCW Mott's strike (2010)
- NFLPA contract support (2010/2011)
- AFT/AFSCME in Puerto Rico (2010)
- AFT in Rhode Island (2010)
- CWA/IBEW Verizon and T-Mobile (2011/2012)
- UWUA American Water (2011/2012)
- Maritime Trades Avondale (2011)
- AFGE Pension Fight (2012)
- UNITE HERE Hyatt hotel boycott (2012)
- APWU/NALC Protecting our Postal Service (2012)
- AFSCME/AFT Red Cross campaign (2012)
- USW Cooper Tire lockout (2012)

That vast economic disparity erodes the well-being of our working families. It underlies the economic insecurity of our households, and it has fueled populist outcries and given rise to the Occupy movement, which mobilized people from all walks of life to stand against the gulf separating the wealthiest 1% and the 99%—the rest of us.

In the Global Economy

We took our message on the need to challenge unemployment and hold corporations accountable to the global arena and worked persistently with global union allies to persuade world economic and finance bodies to shift their focus from the destructive politics of austerity to jobs and the possibility of prosperity. Economic and social conditions in Europe have demonstrated the failure of austerity as a tool to heal national economies. We also worked with partners in Europe to support a financial transaction tax and helped mobilize activists for it in the United States.

Following the horrific April 2013 collapse of the Rana Plaza garment factory building in Bangladesh that killed more than 1,100 working women and men, the AFL-CIO and the Solidarity Center teamed up with global labor movement allies and nongovernmental organizations to support the historic Bangladesh Accord on Building and Fire Safety—the first global binding agreement that has clothing brands paying for safe factories and ensuring that workers can organize independent unions. Days before the collapse, we drew attention to workers' rights and safety abuses in the global supply chain by producing "Responsibility Outsourced: Social Audits, Workplace Certification and 20 Years of Failure to Protect Worker Rights," reporting on the failure of workplace auditing of corporate codes of conduct.

The AFL-CIO took on President Obama's free trade pacts with Colombia, Panama and South Korea, and even though the agreements passed, a majority of the president's own party in the House voted against all three.

We filed complaints of workers' rights violations under the labor chapters of trade agreements with Bahrain, Honduras (CAFTA) and Mexico. And as a result of our hard work to bring attention to worker repression in Colombia, the U.S. government developed a Labor Action Plan to improve workers' rights as a condition of the agreement—while not a complete solution, the LAP has provided Colombian workers with a process for asserting their rights, and provided us a framework in which to continue to advocate for them with our own government. We have produced and published two reports on the shortcomings of LAP implementation.

The AFL-CIO also worked in Washington, D.C., and in partnership with global trade union groups to develop coordinated policy positions on the TransPacific Partnership Agreement and has begun to work with other trade union national centers on the European Union-U.S. Free Trade Agreement (TTIP).

Strengthening the Labor Movement and Reintroducing Unions to the Public

While working to strengthen the economy and workers' rights around the world, we also have undertaken new ways to strengthen the AFL-CIO itself. In addition to the financial outlook improvements noted above, we created the Campaigns Department to increase our ability to conduct year-round mobilization on strategic issues. We also created a Digital Strategies Department to develop and implement new online tools and resources for AFL-CIO and affiliate campaigns and reach broad new audiences. The department developed the Friends and Neighbors and rePurpose tools launched during the 2012 electoral campaign and has significantly ramped up the AFL-CIO's email activist and text messaging programs.

In preparation for the 2013 Convention, we also encouraged affiliates to include young people in their delegations. That's only one of the ways the AFL-CIO has been working to increase the engagement of young people and help them in their rise to leadership.

At the AFL-CIO, we also have been engaged in a process of looking honestly at ourselves, reintroducing ourselves to the public and reframing the way people see unions. We've all heard the negative stereotypes about unions—that we just protect lazy workers. That we're top down. That we're old fashioned and stuck in the past. We're not relevant to today's workforce or workplace. That all we do is fight, never problem solve.

Those attitudes are worse than unflattering—they can be very damaging. They can fuel the fire behind the attacks on union workers we've seen in many states in recent years.

As union density has declined, fewer people—especially young people—are likely to know about unions directly from a union member in their family or close circle of friends. So our research has shown that, overall, the public has little knowledge about unions—and needs to hear from us in new ways to counter negative media attention and those harmful stereotypes.

Our research has shown us that to win back the hearts and minds of the public, we need to focus on two strategies: (1) to connect with Americans in new ways and new spaces on the basis of values—values that are shared throughout the labor movement and that also reflect the best of America, like fairness, dignity, equality, opportunity for all, democracy, hard work and the power of collective action; and (2) to reshape views of unions by what we do on the ground and what we say every day.

To guide what we do and how we do it as we reintroduce ourselves, we developed these eight principles:

1. Show that unions are people who work, not institutions.
2. Put our values into action.
3. Be a real community partner—build ladders to the middle class for all.
4. Innovate.
5. Stand for the public good and high-quality work.

6. Uphold the highest ethical standards.
7. Help workers advance and prepare for the jobs of tomorrow.
8. Collaborate to solve problems.

Strategic Communication

There's a wide gulf between what we know about ourselves and what the public knows about unions. And to bridge that gulf, we need not only to do the right things but to let people know about it. Strategic communication is critical.

Over the past four years, the AFL-CIO has expanded our media outreach to state and local media by adding a field communications program that helps local affiliates through state federations and central labor councils to get out our message. We also placed new emphasis on Spanish-language outreach, enabling us to get our message out to networks like Univision and Telemundo, and expanded our outreach to Washington influentials through National Press Club newsmakers events, Christian Science Monitor breakfasts and bureau visits with outlets including the National Journal, Politico, The Wall Street Journal and The Nation.

We recreated our website, making it more engaging and interactive and adding the @Work subsite, which is an echo chamber for the eight principles that tells the stories of working people and their innovative unions. We created new communications channels with Latinos by enhancing our En Español Web subsite and launching AFL-CIO Latino on Facebook and Twitter.

Overall, we ramped up our social media reach significantly: The 8,900 Facebook fans we had in January 2010 have grown to more than 81,000; Twitter followers grew from 3,800 to more than 37,000. Website visits approach 300,000 per month, with visits to the AFL-CIO Now blog at more than 84,000 monthly.

Today's Young Workers

One of the key audiences we seek to reach through the use of multimedia and social media is young workers. Today's young people are part of the largest generation to enter the workforce since the baby boomers. People born between the late 1970s and 2000 also make up the most diverse and technologically savvy generation in America's history. But they suffer the nation's highest unemployment—about twice the national average—and the fewest job opportunities in today's economy. And this isn't just a U.S. problem—it's global.

Yet this generation of young workers is active, engaged and ready to reverse economic and social injustice. With students, civil and human rights advocates, LGBT activists and many others, young union members and nonunion workers are coming together in a powerful force.

In 2010 and 2011 we brought young workers together in Next Up summits. They formed a Young Workers Advisory Committee (YWAC) to guide the AFL-CIO's young workers initiative and to advise the AFL-CIO's policy development. YWAC has prepared resources to guide development of young worker groups in communities across the country, prioritizing groups within state federation and central labor council structures and focusing on leadership development, civic engagement and political and organizing mobilization.

In 2012, the first Young Worker Leadership Institute was held in Washington, D.C. Sixty-four emerging leaders representing 18 unions took part in the training, gaining new skills in developing, building capacity in and operating young worker groups. Also in 2012, the AFL-CIO piloted the first Young Worker Electoral Campaign Program in Boston, Madison, Wis., and Philadelphia. Participants helped get out the vote, hosted voter registration events, co-hosted student-labor Debate Watch parties, knocked on doors and mobilized young workers to make their voices heard at the voting booth.

Although as a group they are incredibly well-educated, creative and active, the unemployment that afflicts this generation can leave lasting scars. Workers younger than 34 make up nearly half of the currently unemployed. Many also are burdened by the decline of job quality—leaving them in temporary or part-time, no-benefit positions—and crushing student debt. In May 2013, the AFL-CIO Next Up program partnered with Campus Progress, Generational Alliance, Young Invincibles, the Roosevelt Institute Campus Network and Jobs with Justice to host a first-of-its-kind National Youth Economic Policy Forum—the first step in the AFL-CIO’s development of a policy platform and program to address the needs and concerns of today’s young workers.

And to keep the momentum going on all of this great work, we recently hired a national young worker coordinator. This new position will staff this range of work and ensure young worker issues are integrated throughout our programs and campaigns.

Making the Solutions Real

There are fundamental flaws in the U.S. economy, which will not fix themselves. As we go into the 2013 AFL-CIO Convention, how we fix those flaws is among our highest agenda items.

More than five years after the start of the Great Recession, it’s clear we must replace America’s high-unemployment, low-wage economic strategy with a high-wage strategy for shared prosperity.

The solutions aren’t mysteries—we know what it will take: restoring workers’ right to collectively bargain; raising the minimum wage; lifting wage and working condition standards through immigration reform with a road map to citizenship; investing in jobs so we can reach full employment; making—and buying—things in America again; placing limits on the financial sector; making Wall Street build an economy for shared prosperity; and reforming our political system so the wealthy don’t have more than a fair share of political power.

The question we face at the Convention is the role America’s labor movement can and will play to make those solutions real.

REPORT OF EXECUTIVE VICE PRESIDENT ARLENE HOLT BAKER

Building Genuine, Durable Community Partnerships and Effective Grassroots Power



BENDING THE ARC of the moral universe toward justice is hard work that calls for many hands—hands of women and men, hands of all colors and ages, hands that reach out in love to others of the same sex, hands of different abilities.

In my 30-plus years of union activism, including 18 years at the AFL-CIO, I have focused on engaging and bringing more hands and hearts into this crucial work.

We saw beautiful examples of hearts and hands coming together in Madison, Wis., when people poured by the tens of thousands into the street to rally for the rights of public employees. One day, a stay-at-home mom and her young children joined the marching chorus to demand that all people—public and private workers and every one of us—be afforded all of the basic dignities of our humanity. That mom and I marched together, and I witnessed thousands of similar connections established, and friendships made, among those who answered solidarity's call.

That profound moment—one among many over the past four years, since we last met in an AFL-CIO Convention—shows us that the very act of protest itself is often transformative, as farmers met and talked with public school teachers and college students, firefighters and snowplow drivers. All of us stood together, and we were empowered by the sheer mass of our numbers. We gained insights into our collective vision and values by sharing our public spaces and our stories.

Over and over again, across our nation and indeed around the world, our movements have been shaped and strengthened by a broad and growing wave of protests and civil action, from the Arab Spring to the Occupy movement (with more than 76 central labor councils from New York City to San Francisco and Miami providing resources, political leverage and mobilization support to the hundreds of Occupy sites around the country), from that state capitol in Madison to the Edmund Pettus Bridge.

The opponents of unionism and voting rights, civil rights, inclusion and other pillars of democracy often describe themselves as patriots, even while they attack the basic rights enshrined in the Constitution of the United States. Every time we come together to demand, in one voice, justice and basic rights and opportunity for all, we counter their cheap patriotism with deep patriotism—in the streets, in the workplace and at the ballot box.

Protecting Our Democratic Rights: My Vote, My Right

The AFL-CIO's relationships with the civil rights movement, faith groups and many community organizations have deep roots in our history. But since our last Convention, we have placed new emphasis on fostering deeper and broader relationships that are transformational rather than transactional. This means that instead of turning to our community partners when we need help building turnout for a labor event, we build day-in, day-out relationships based on shared priorities and mutual support. We also have been the center of coalitions that bring together people of shared values who might not have worked together otherwise.

The social and political landscape of America is changing, because a radical fringe of the Republican Party has staked its political fortunes on the systematic disenfranchisement of entire segments of the American public. Since the 2008 elections, the party's leadership attacked the Democratic Party's winning coalition by targeting the voting rights of the elderly, poor people, people of color, young people and college students. Voter restrictions were proposed in nearly half the states, and many of the most restrictive bills—poll taxes disguised as voter ID laws, curtailment of early voting, voter registration and other laws—were signed into law.

Labor helped unite a powerful coalition to protect the voting rights of every eligible voter in the 2012 elections. The coalition included Advancement Project, the NAACP, National Council of La Raza, the Brennan Center for Justice and the Voter Participation Center, and together we fought back against these

assaults on our fundamental democratic rights. Our coalition registered hundreds of thousands of voters. With nearly 1,300 poll workers and monitors (not including lawyers), our My Vote, My Right program worked to protect the vote in critical states, helped tens of thousands of voters obtain the IDs necessary to cast a vote and have it count and helped coordinate a massive rapid response system for voters who were challenged at the polls. The AFL-CIO also filed an amicus brief supporting the Voting Rights Act in the *Shelby County v. Holder* Supreme Court case. And we have pushed for new laws in 16 states to make the ballot more accessible to more eligible voters.

Fighting for Civil Rights, Workers' Rights and Immigrant Rights

Coalition work is at the core of every AFL-CIO mobilization around issues of concern to working people—from the Affordable Care Act and holding Wall Street accountable to protecting Social Security.

One of the most powerful examples has been the campaign to bring millions of immigrants out of the shadows and into the mainstream of America.

In November 2011, an AFL-CIO African American labor and civil rights delegation traveled to Alabama in response to the state's anti-immigrant legislation, HB 56, to study the impact and to try to persuade the Alabama legislature to repeal the measure—which targeted aspiring citizens through a rubric based on racial profiling and other discriminatory tactics.

Civil rights, labor and immigrant rights leaders and students led a five-day march from Selma to Montgomery in March 2012 to fight back against attacks on voting rights and workers' rights and to secure comprehensive immigration reform with a road map to citizenship. The AFL-CIO Organizing Institute also held teach-ins at the colleges in the area.

I was proud to be one of the more than 5,000 people who joined in the march along this historic route because it is only by linking the struggles of our diverse communities that we understand we are

engaged in a common struggle. We indeed are one—we must be one.

We also linked America's historic civil rights struggles to the struggles of working people in today's economy with an Aug. 26, 2011, national symposium on jobs, justice and the American Dream as the memorial to the Rev. Dr. Martin Luther King Jr. was unveiled in Washington, D.C. The symposium featured notable and historic civil rights activists, modern-day worker activists, elected leaders, academics and young people, drawing parallels to and framing the lessons of the civil rights movement and today's fights for jobs and justice—from public employee collective bargaining and LGBT rights to the growing movement to embrace aspiring Americans.

Our celebration of the legacy of the Rev. Dr. Martin Luther King Jr. included annual King Day observances and conferences in strategic locations at strategic times: in Greensboro, N.C., in 2010, remembering the Greensboro sit-ins in a time of rampant economic inequality; Cincinnati in 2011, when collective bargaining rights were under attack; Detroit in 2012, when the very democracy was under attack; and Philadelphia in 2013, to support public services from libraries to schools. The observances included nearly 1,000 acts of community service that helped further connect labor to the community.

The AFL-CIO is committed not just to talking the talk when it comes to full inclusiveness and opportunity for all—we are walking the walk, starting with getting our own house in order by expanding leadership diversity within our movement and engagement of people of color, LGBT workers and young workers.

Following the 2005 Convention's Resolution 2, calling for Convention delegations to reflect the diversity of affiliates' membership, at the 2009 Convention 43% of delegates were either women or people of color. In preparation for the 2013 Convention, we also encouraged affiliates to include young people in their delegations.

At Work in Our Communities

What makes the AFL-CIO unique among progressive allies is our deep roots in every state and community across the country. We've worked hard to build our capacity at the state and local level to make sure we can fully put these roots to work for working families.

The AFL-CIO Leadership Institute has trained more than 280 leaders and staff of state federations and labor councils on organizational development, power analysis, electoral campaigns, state legislative battles and federal issues, including a lobby day at the U.S. Capitol. In addition, our leader development focused on alliance building and deepening the understanding of immigrant workers' rights and racism.

In a capstone decision, in 2013 the State Federation and Central Labor Council Advisory Committee and the Executive Council enacted a plan to strengthen state and local capacity, calling for state and local bodies to develop integrated strategic campaign plans and have professional campaign managers and community engagement programs, as well as accountability programs and affiliation strategies.

AFL-CIO unions and our members are committed partners in our communities, and we've continued showing that through the community services we offer—from providing food for 560 Los Angeles-area families who were locked out by Boron in 2010 to assisting families after natural disasters and helping families keep their homes during the mortgage foreclosure crisis.

The AFL-CIO brought together the policy team of the United Way of America and the AFL-CIO's policy team to collaborate on a shared prosperity agenda. Our extensive Community Services Network, with more than 160 full-time liaisons who link their state and local labor councils with the United Way and Red Cross chapters in communities across the country, was especially valuable as communities were rescued and recovered from the damage of tornadoes, hurricanes and the devastating 2012 superstorm that hit the Northeast.

At least as devastating was the flood of home foreclosures brought to us by corrupt banking practices. By one count, more than 6 million homes in the United States were repossessed by banks between 2008 and 2012. In Atlanta, New York City, Sacramento and elsewhere, the AFL-CIO mobilized allies, partnering with the Leadership Conference on Civil Rights, to negotiate with banks to directly aid homeowners facing foreclosure.

On the national level, the AFL-CIO pushed successfully to extend the forbearance for unemployed homeowners under federal foreclosure relief programs from three months to between six months and a year. Again and again, the AFL-CIO led talks between lenders, including Wells Fargo, and struggling homeowners. In California, the AFL-CIO led multiday problem-solving sessions that saved thousands of homes from foreclosure. The AFL-CIO also highlighted the fact the foreclosure crisis was not an “equal opportunity” disaster, but one that disproportionately affected people of color.

The Ideal Worth Striving For

At the beginning of 2013, more than 46 million people—including 23% of our children—lived in poverty. Nearly 12 million—7.7%—were unemployed and searching for work. The unemployment rate for blacks was greater than 13% and over 9% for Latinos. Almost 5 million job hunters across America have been looking for work for more than six months, and millions more have given up the search for a job altogether.

All of us know all too well a job is no guarantee of a middle-class life or economic security today. The real income of working households has fallen by more than 10% since the end of the Clinton administration. To reverse this statistical trend, we need a fully functioning democracy. That’s how to win accountability and inclusivity in Washington and the workplace.

Democracy isn’t simply a word. It’s an ideal to strive for. And on Election Day we reaffirm that basic ideal by expressing our democratic voice. It’s an exercise in dignity and equality.

Ensuring that all Americans have access to the ballot box is key to rebuilding our economy with good jobs and providing security for workers and families with strong programs like Medicare, Medicaid and Social Security and a fair tax system that ends tax giveaways for corporations and the super-rich.

The work of the AFL-CIO is far from over. As I leave my position as AFL-CIO executive vice president to spend more time with my family and my wonderful granddaughters, I know the AFL-CIO’s mission of fairness and dignity in the workplace and social equity remains an ideal we strive for, and a struggle that betters us all.

Our march forward is not yet finished. I am full of hope and believe that working together strategically, the AFL-CIO and our community partners can finish the march for social and economic justice and shared prosperity for all.

BUILDING AND CONSTRUCTION TRADES DEPARTMENT

Overview of the Department's Key Activities

With the unfortunate loss of Building Trades President Mark H. Ayers in 2012, the Governing Board of Presidents appointed Sean McGarvey as president and Brent Booker as secretary-treasurer of the Building and Construction Trades Department. And since their appointment, President McGarvey and Secretary-Treasurer Booker have charted a course that will increase work opportunities for the men and women the department represents, as well as continue to promote and protect building and construction trades union members in the United States and Canada.

President McGarvey and Secretary-Treasurer Booker have focused the department's energy and resources on job creation by continuing its efforts in labor-management relations, training, marketing, legislation, organizing and health and safety. Additionally, President McGarvey and Secretary-Treasurer Booker are committed to forging new relationships in industries where building trades unions have been underrepresented. The department's activities are directed by the president and the secretary-treasurer, with oversight and governance from the Governing Board of Presidents, with representation from each of our 13 affiliated unions.

Since 2009, the Building Trades is proud of its ongoing projects and accomplishments and has undertaken many new initiatives. Those projects and accomplishments include (but are not limited to) the following:

- Legislative and political grassroots program;
- Community Workforce Agreements (CWA) and inclusive language in Project Labor Agreements that give training and employment opportunities to women, people of color and other minority groups;
- Marketing and public relations campaign that is designed to reposition the union construction

industry brand and assist in our organizing efforts and job creation efforts;

- Education, apprenticeship and training:
 - The New Building Trades Academy;
 - Building Trades Multi-Craft Pre-Apprenticeship Program—Core Curriculum 3;
 - Clinton Global Initiative commitment to training, energy efficiency and infrastructure investments;
- Project finance;
- Helmets to Hardhats—10-year anniversary, financing after loss of earmark;
- CPWR—Center for Construction Research and Training;
- DAD's Day and Labor of Love benefiting the Diabetes Research Institute Foundation;
- Establishment of relationships with owners and industries where building trades representation has been limited or nonexistent (such as the oil and gas industry, Nuclear Energy Institute, Electrical Energy Institute, Waterways Council, American Fuel and Petrochemical Manufacturers, PILMA, American Chemistry Council, etc.); and
- Labor-management cooperation culture.

Legislative and Political Program

The Building and Construction Trades Department (BCTD) has embarked upon a new and aggressive government affairs and political program. The department has identified a clear and concise public policy and legislative agenda that places emphasis on the most pressing public policy challenges facing our membership, contractors and industry partners.

Infrastructure Investment

The BCTD supports a comprehensive infrastructure policy. Our nation's schools, municipal buildings, roads, bridges and highways, water and energy systems are steadily growing older and weaker, and either are at the end of their lifecycle or nearing it and require maintenance and repair. With unemployment rates in the construction industry near double the national rate, now is the time to put our members to work.

Preservation of Labor Standards (Davis-Bacon and Project Labor Agreements)

The BCTD has been successful in spearheading a bipartisan effort to preserve and defend against attacks that seek to strip prevailing wage protections and collective bargaining rights from our membership.

Comprehensive Immigration Reform

The BCTD supports a comprehensive solution to our broken immigration laws. The solution should be founded on a few key components: a humane and practical process to adjust the status of the undocumented and offer them an accessible path to citizenship, a rational approach to border security and effective internal visa tracking systems, a fair and efficient worker authorization system and the improvement, not expansion, of temporary foreign worker programs.

Workforce Development

The BCTD, its affiliates and their related national joint labor-management apprenticeship and training committees (NJATCs) collectively spend approximately \$1 billion in private funding annually to sustain a massive training infrastructure across the country. As key stakeholders in workforce development, we have worked with allies in Congress to come up with creative public policy solutions that strengthen our efforts and build capacity to model our success in other industries.

Multiemployer Pension Plans

The BCTD is committed to working with our allies to protect multiemployer retirement plans. We recognize we need solutions that address the long-term challenges facing both business and labor. BCTD collaborated with the National Coordinating Committee for Multiemployer Plans (NCCMP) on a report that outlines a set of recommendations that will provide real solutions. The three areas of recommended action are: preservation, remediation and innovation. In order to achieve success, the plan calls for advocacy beyond Congress and includes outreach to relevant federal agencies with regulatory impact, and the Obama administration.

The BCTD is committed to employing all of our resources to leverage success—standing policy committees, local and state councils, internal research capacity, a massive training infrastructure and the combined strength of our political relationships.

Marketing and Public Relations

The Building and Construction Trades Department is moving the marketing and public relations efforts of the entire union construction industry forward in a coordinated fashion with the express purpose of making sure our combined efforts are centered upon understanding, creating and presenting information our targeted audiences actually want and need to hear. In today's environment, such informative, targeted content tells the world, and our industry, that we are engaged in seeking solutions that provide value; that we understand our markets very well; that we are valuable to do business with; and that we have a reputation as a thought leader in the marketplace of ideas.

Simply put, the overarching concept of our marketing and branding efforts is to adjust and align the various marketing platforms of the union construction industry to educate and inform a targeted audience of construction owners, and to provide substantive and enlightening answers to one basic, yet all-encompassing, question: "What problems do America's building trades unions solve for the purchasers (and potential purchasers) of construction labor services?"

To date, the BCTD has undertaken a market strategy development process that included:

- An assessment of the current market position of the union construction industry as well as our current marketing strategies and tactics;
- The identification of the marketing strategy, competitive environment, value propositions and future market positioning of the union construction industry;
- The uncovering of various market insights and specific future growth opportunities within the U.S. economy; and
- The development of new strategies and tracking metrics for a union construction industry marketing effort.

Since compiling this data, the BCTD is taking steps through our newly formed Committee on Industry Marketing to advance the marketing and public relations efforts. The idea is to get to a point whereby our unions are creating and presenting information on a systemwide basis and in a manner that positions us as solutions-oriented “problem solvers” to our critical targeted audiences. Complementing our overall marketing strategy is an aggressive media strategy designed to showcase the value our unions provide to society at large.

We have engaged reporters at the national and local levels with the intent to show them our implementation of an industrywide culture change that has been founded upon the principles of “Pride, Performance and Professionalism” is raising the bar on value and performance in order to position the union construction industry as the preferred vendor for construction labor services.

For more than a decade, our unions have been implementing major changes, such as the institution of local union accountability measures and rank-and-file membership “codes of conduct” and “codes of excellence,” each of which is designed to guide the everyday performance of the men and women who lead and comprise our unions. These accountability measures dramatically illustrate the notion that the union construction industry no longer will tolerate a small percentage of underachievers who do not live up to the high standards of value, productivity and quality that are necessary for us to compete in the 21st century.

Further, our unions are working like never before to establish formal, mutually beneficial partnerships with individual companies, elected officials, community-based organizations and entire industries. These collaborative relationships are predicated upon the “value” that our unions bring to the table in terms of workforce development and training, as well as our sophisticated, nonpartisan approach to politics that has helped produce many successes for us and our end-user partners at the federal, state and local levels.

Currently, we have systemwide contractual agreements with, among others, companies like Detroit Edison, Entergy, Exelon, Tennessee Valley Authority, The Walt Disney Company and Toyota. Further, our unions have cultivated formal labor-management industry partnerships that include the Pharmaceutical Industry Labor-Management Association and the Oil and Natural Gas Industry Labor-Management Committee. We also have developed solid and mutually beneficial working relationships with such organizations as the American Chemistry Council, the American Fuel and Petrochemical Manufacturers Association, the Edison Electric Institute, the Human Resources Policy Institute, the Nuclear Energy Institute and the Waterways Council.

As we move forward with our media and public relations activities, we intend to place a major focus on the fact that our unions and our contractors collectively operate what is unquestionably one of the most successful educational systems in the history of the United States—namely, our nationwide skilled craft apprenticeship infrastructure.

With tremendous work opportunities becoming a reality in many regions of the United States thanks to the tremendous upsurge in domestic oil and natural gas development, the union construction industry will be seeking to capitalize on the growing concern about skilled labor in America by advancing our message of being the only entity in the nation capable of delivering the safest and highest-quality skilled craft training in the industry.

Specifically, we will be disseminating the message that America’s building trades unions’ nationwide network of Joint Apprentice Training Centers (JATCs):

- Has the largest training capacity—we train 70% of all construction apprentices in the United States;
- Maintains the unique ability to mobilize a highly skilled workforce suited for a particular region’s most pressing needs;
- Ensures the highest-quality training through rigorous standards that are coupled with highly qualified, experienced and demanding instructors;

- Possesses stability through the private, union and contractor partner funding that totals upward of \$1 billion annually;
- Also includes a comprehensive “pre-apprenticeship” program that is being introduced into local school districts around the nation; and
- Operates the Helmets to Hardhats program to provide career training opportunities for transitioning military veterans.

Education and Training

In January 2013, the Governing Board of the Building Trades authorized the department to establish the Building Trades Academy. In cooperation with the National Labor College (NLC) and Michigan State University, the Building Trades Academy offers courses in organizing, collective bargaining, labor law and education techniques that are designed for building trades staff and leadership. The current list of academy courses offered by the BCTD includes the following:

- Building Trades Core Curriculum: Teaching Techniques for Coordinators and Instructors;
- Contract Negotiations in the Construction Industry;
- Labor Law in the Construction Industry;
- Organizational/Membership Development (OMD) in the Construction Industry I;
- Organizational/Membership Development in the Construction Industry II: Strategic Planning;
- Organizational/Membership Development in the Construction Industry III: Closing the Deal; and
- Organizational/Membership Development in the Construction Industry IV: Digital Organizing and New Media.

The faculty of Michigan State’s School of Human Resources and Labor Relations is providing curriculum development and assessment support to the academy. In particular, the academic support in economics and leadership education is proving useful in both the collective bargaining and organizing curricula. In addition, the department entered into a “closed cohort” agreement with the NLC, through which academy students may apply for higher education credit through the NLC. Participants in these courses also are encouraged to consider

enrollment in National Labor College bachelor degree programs, and the department continues to provide support to the NLC’s bachelor of arts program in construction management. Each year approximately 250 union officers and staff complete Building Trades Academy courses developed by the department.

Building Trades Multi-Craft Pre-Apprenticeship Program

In 2007, the Building Trades Standing Committee on Apprenticeship developed a multi-craft core curriculum pre-apprenticeship program (MC3). The purpose of MC3 is to establish a national standard pre-apprenticeship program to provide young people and adults an opportunity to learn about careers in the construction industry and, should they choose a career in the crafts, to prepare them for entry and successful completion in the registered apprenticeship programs maintained by affiliates of the department. The Building Trades Apprenticeship Committee identified a basic common core consisting of general orientation to apprenticeship; cardiopulmonary resuscitation (CPR) and first aid; the OSHA 10-hour certification course; blueprint reading; applied math for construction; and heritage of the American worker. The orientation materials include construction industry structure, tools and materials; expectations and responsibilities at work; and craft excellence.

The MC3 program was successfully launched first in Maryland and then Washington State. In Maryland, the MC3 program was adopted by the state Department of Labor, and in Washington State the program was approved by the superintendent of public instruction. Thereafter, both state programs were instituted in high schools (Washington and Maryland), in youth centers (Maryland) and in a number of community colleges in the Washington, D.C., and Baltimore metropolitan areas. As coordinators were trained in education techniques and programs conducted by the department, MC3 was offered in Kentucky, Pennsylvania, Tennessee and Wisconsin.

The usefulness of the program as an outreach system in metropolitan areas emerged and interest

developed for inclusion of the MC3 program as an effective pathway into apprenticeship for under-represented populations. At that point in 2008 and 2009, the Building Trades' Multi-Craft Core Curriculum was adopted by the U.S. Department of Labor as a recognized curriculum for use by YouthBuild programs supported by grants from the Employment and Training Administration. In addition, MC3 was modified for use in Job Corps programs. With the development of special interest in MC3 as a tool to provide pathways into the crafts for women and minorities, new modules developed by the department's Committee on Women in the Trades were added to the MC3 curriculum, including: Diversity, Sexual Harassment, Women's Health Issues in Construction and preparation for the apprenticeship entrance interview.

In 2011, the Building Trades Department entered into an informal agreement with YouthBuild to train YouthBuild coordinators in delivery of the MC3 program in cooperation with city and state building and construction trades councils. Through that agreement, the department now has conducted five classes between 2011-2013 for local YouthBuild coordinators, building trades council representatives and instructors from joint labor-management apprenticeship programs. The Department of Labor thereafter issued a directive to the field on quality pre-apprenticeship programs, which required appointees to local and state workforce investment boards (WIBs) to assess pre-apprenticeship programs utilizing a set of quality standards that included articulation agreements with registered apprenticeship programs. The Youth-Build/Registered Apprenticeship model was specifically identified as satisfying those quality criteria.

Today the department is focused on advancing public policies that may be necessary to strengthen registered apprenticeship and policies that will open pathways to apprenticeship for minorities and women. That work is an important part of the broader consideration of policies needed to support not only pre-apprenticeship but joint labor-management registered apprenticeship and journey-level training

as the most successful model for achieving a highly skilled workforce for the construction industry in a competitive economy.

Building Trades Participation in National Labor College Degree Programs

Building trades affiliates' members continue to participate in significant numbers in the National Labor College's degree programs. Participants in the department's union skills programs, now offered by the Building Trades Academy, are encouraged to explore opportunities for further study in the National Labor College's various degree program offerings. At the last graduation on June 22, 2013, 54 (or 63%) of 86 undergraduate degrees awarded by the National Labor College were to students from affiliates of the building trades. Of those 54, 26 building trades members received their bachelor's degree with a major in construction management. The construction management degree was developed through a cooperative effort of the BCTD and the National Labor College. In addition to undergraduate degrees, three building trades affiliates' members were awarded master's degrees in organizational development through a cooperative agreement between George Mason University and the National Labor College.

Clinton Global Initiative

The department joined with the AFL-CIO in 2011 in a broad commitment to further investment and training in the energy efficiency sector. The department joined with its affiliates, their employer partners and the joint labor-management apprenticeship and training community to commit sustained support of apprenticeship and journey-level training throughout the recession. Over a five-year commitment period, the department projected the joint labor-management apprenticeship community supported by its affiliates and their employer partners would maintain approximately 40,000 apprentice entrants each year and complete at least 100,000 energy efficiency and energy-sector journey-level trainings per year. The department's active participation in the Clinton Global Initiative also extended to pension investments and project finance by partnering with major construction customers to explore and

promote private-sector initiatives in infrastructure development. To date, the department and its affiliates are on track to meet their commitments, nearly equaling the commitment on apprenticeship entrants and nearly doubling the number of journey-level certification and other training programs projected, despite the significant recession, which has prevailed throughout the years in which the commitment has been active.

Protection of Health Benefits and Retirement Income Security

The last four years have been the most volatile and, in many ways, perilous to millions of active and retired workers and their families at a very direct and personal level, as the economic protections afforded by multiemployer health and pension benefit plans are at greater risk than at any time since the passage of the Labor Management Relations Act of 1947 (also known as the Taft-Hartley Act). The Building and Construction Trades Department has responded to these challenges through its leadership and active engagement with the broader multiemployer community in the aggressive defense of these programs through the efforts initiated and coordinated by the National Coordinating Committee for Multiemployer Plans (NCCMP).

Health Benefit Security Under the Patient Protection and Affordable Care Act

The passage of the Patient Protection and Affordable Care Act of 2010 (the “ACA”) was undoubtedly the landmark broad social policy legislation enacted in a generation. Among other lesser-known achievements, it contained significant opportunities for tens of millions of individuals and their families currently without health insurance to obtain access to affordable (often subsidized) coverage, eliminated many of the insurance industry abuses that prevented those with pre-existing conditions from purchasing insurance and eliminated the single largest source of individual bankruptcy by ending annual and lifetime maximums in health insurance coverage. Nevertheless, unintended consequences of that act have placed the benefits of millions of active and retired workers and their families at risk of

elimination—workers who have received the kind of superior coverage the act sought to emulate from the thousands of multiemployer health and welfare plans that have served working families for more than a half-century.

The abbreviated legislative process that resulted in the enactment of the ACA unfortunately circumvented the normal joint conference process through which final versions of legislation passed by either the House of Representatives or the U.S. Senate typically are negotiated into a final product. The conference process exists to address obvious shortcomings in drafting and to enable a thorough review of legislation for technical deficiencies. This failure in the process that produced the ACA resulted in enactment of a document that is less comprehensive than it might otherwise have been and that contains numerous “statutory gaps.” Among such gaps are the determination of how multiemployer plans should be integrated into the new system of exchanges and how to preserve a system that for decades has been recognized as providing exceptional health care coverage that is parallel to, but outside the authority of, state-supervised insurance systems (under the long-recognized legal doctrine known as “ERISA pre-emption”).

Instead, the act contains provisions that institutionalize much of the previous cost-shifting from employers who either provide no coverage or provide coverage of marginal benefit. In addition, as drafted, the ACA actually provides incentives for smaller employers to abandon health plans to which they have contributed in order to remain competitive. Compounding the problem has been Congress’ intransigence when it comes to passing technical corrections to the act, which would provide an opportunity to address these shortcomings.

Despite extensive coordinated technical and political efforts stretching across the multiemployer community, the results of efforts to rectify these technical shortcomings have been less successful than desired. Nevertheless, working through the available administrative avenues, including taking advantage

of opportunities to comment and testify on the host of notices of proposed rules and regulations required to implement the ACA, the NCCMP has had some success in communicating the perspective of the multiemployer community to regulators and in obtaining several significant modifications to proposed rules.

With the full implementation of the act and activation of the state-run exchanges coming into effect in 2014, the BCTD, along with the NCCMP, will continue to work alongside the other stakeholders in the multiemployer community to exhaust all available options and engage the regulatory and legislative branches and facilitate the most favorable interpretation and adoption of regulations that enable multiemployer plans to continue to provide comprehensive coverage to plan participants and sponsors.

Retirement Income Security

Similar challenges have been presented to workers' retirement income security and the BCTD, along with the NCCMP, has led the charge to preserve and defend workers' retirement income. Faced with the implementation of the Pension Protection Act of 2006 (PPA), which became effective in January 2008, while at the same time the economy and investment markets were devastated by the worst market declines since the Great Depression, efforts were initiated to soften the immediate effects of the recession and the PPA on plans and their participants. Beginning with the successful enactment of the Worker, Retiree and Employer Relief Act of 2010 and the subsequent passage of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act, the Building Trades Department and the NCCMP worked tirelessly to obtain much-needed relief for our multiemployer defined-benefit pension plans.

Unfortunately, the recession was deeper and the continuing lackluster recovery has taken longer than had been anticipated. As a result, the impact of the investment losses was compounded by substantially curtailing contribution income to plans in many areas of the country, preventing a more normal recovery.

Other forces also have influenced retirement security and the future of multiemployer defined-benefit plans. The loss of invested assets in the recession created new funding challenges and a renewed focus on unfunded vested benefits. Some of the oldest and largest multiemployer defined-benefit plans, as well as a minority, but not insubstantial number, of others reportedly are facing insolvency in the not-too-distant future. The multiemployer guaranty fund of the Pension Benefit Guaranty Corporation, which serves as the safety net in the event plans fail, has reported that it, too, faces imminent insolvency without congressional intervention.

Additionally, the financial services industry placed new reporting and disclosure requirements on contributing employers. Coupled with tighter lending requirements adopted to address some of the lending abuses that led to the recession, these new developments have combined to produce the realization that a clear need exists for meaningful multiemployer pension reform. Furthermore, with the multiemployer funding rules of the PPA scheduled to sunset at the end of 2014 unless Congress acts to renew or amend the current rules, the need coincides with an opportunity for more substantive reform to strengthen plans' funded position and address many of the more fundamental structural issues that have dampened the ability of multiemployer plans to retain existing contributing employers and attract new ones.

With these factors in mind, the NCCMP organized a group known as the Retirement Security Review Commission, which was made up of a broad cross-section of stakeholders from across the multiemployer community, including many from the construction sector, to engage in a process to determine the elements that would be necessary to address the system's shortcomings in order for the system to continue providing these essential retirement income programs to workers within and beyond the construction industry. More than 40 organizations participated, including both union and employer groups, individual large employers and pension plans.

The commission deliberated for approximately 18 months, with two objectives in mind: to preserve the regular retirement income of workers and, while doing so, reduce or eliminate unnecessary or unacceptable financial risks to employers that are present in current law that provide incentives for them to cease contributing and prevent new employers from joining. The result of their efforts was the development of a consensus on a broad package of reform proposals. Their recommendations included suggestions to strengthen the funding of the majority of plans that are well on their way to recovery and financial health, preserve the benefits and plans of participants whose “deeply troubled” plans are otherwise doomed to become insolvent and provide new plan designs to reduce the incentives for employers to abandon the system.

The enactment of the commission’s recommended changes to the system is a top legislative priority for the NCCMP and the BCTD for the coming months, as the construction industry is poised for a rapid expansion in the demand for skilled manpower as the country begins to address the pent-up need for new and renovated facilities and infrastructure. Failure in this endeavor is not an option, especially if both labor and the organized construction industry are to participate fully in that growth.

Helmets to Hardhats

Helmets to Hardhats (H2H) is a national nonprofit program that connects National Guard, Reserve, retired and transitioning active-duty military service members with skilled training and quality career opportunities in the construction industry. The program is designed to help military service members successfully transition back into civilian life by offering them the means to secure a quality career in the construction industry. The program is supervised by a board of trustees for the Center for Military Recruitment, Assessment and Veterans Employment, and by an executive committee, both of which are joint labor-management-driven entities.

Most career opportunities offered by the program are connected to federally approved apprenticeship

training programs. Such training is provided by the trade organizations themselves at no cost to the veteran. In fact, most of the program’s successful placements in the construction industry begin with little or virtually no experience in their chosen field.

All participating trade organizations conduct three- to five-year earn-while-you-learn apprenticeship training programs that provide service members with everything they will need to know to become a construction industry professional with a specialization in a particular craft. And, because these apprenticeship programs are regulated and approved at both federal and state levels, veterans can utilize their Montgomery G.I. Bill benefits to supplement their income while they are learning their trade.

In 2007, Helmets to Hardhats complemented its existing program by including the disabled American veteran program known as the Wounded Warrior program. The Wounded Warrior program also serves to connect disabled veterans with employment opportunities in the construction industry and the careers that support it. By working closely with labor and management, Helmets to Hardhats was able to provide this important new link to quality careers for our nation’s heroes.

In 2010, the Helmets to Hardhats federal government funding earmark was eliminated, which required the program to restructure itself administratively and financially. The program has both survived and thrived thanks to alternate funding means sought out and provided by the Building and Construction Trades Department and its affiliates. Several international unions graciously agreed to assist the program with its financial needs during the restructuring period, while other sources of funding were acquired through labor-management relations. The program is slowly regaining its financial and services foothold while continuing to provide a high-quality employment service to returning military service members.

This year marked the program’s 10th anniversary and over that period of time Helmets to Hardhats has established a reputation predicated on the success

of veteran placement in stable construction jobs and gained much-needed respect among the military branches. Additionally, the program developed a solid network of relationships and communication lines that are unique and invaluable to our nations' National Guard and Reserves, retirees and transitioning active-duty military service members. By partnering with the Department of Veterans Affairs, Department of Defense and interacting with the Department of Labor, state representatives, One Stops, career links and other veterans' organizations, H2H remains at the forefront of helping those who have served.

The Center for Construction Research and Training—CPWR

The Center for Construction Research and Training is the BCTD's nonprofit organization focusing on construction safety and health. CPWR initiated its construction safety and health program in 1990, and currently serves as the NIOSH-funded National Construction Research Center, and also is the recipient of major cooperative agreements with the National Institute of Environmental Health Sciences (NIEHS) and the U.S. Department of Energy. Combining these three major programs, CPWR's operating budget is approximately \$15 million annually. CPWR is nationally and internationally recognized as a leading construction safety and health research and training institution, with 35 full-time employees and a network of more than 50 institutions working on its behalf.

Over the past five years, CPWR has continued its research program targeting issues and hazards that account for the most fatalities, injuries and illnesses in the U.S. construction industry. In 2011 CPWR joined with OSHA and NIOSH in the development and launch of a national construction falls fatalities campaign. Falls consistently account for one-third of all construction fatalities every year, meaning that in the United States one construction worker on average is killed every day due to a fall. In all, CPWR has approximately 20 construction safety and health research projects going on at any given time, coordinating its work through the BCTD's Safety and Health Committee. All of its research findings, and

other construction safety and health resources, are posted on CPWR's website, www.cpwr.com, and the electronic library of construction occupational safety and health (www.elcosh.org), which now receives 50,000 visitors a month. In 2013 CPWR also published the 5th edition of the *Construction Chart Book: The U.S. Construction Industry and Its Workers*. The book has become recognized as the leading resource on the U.S. construction industry and now is available electronically on CPWR's website at no cost.

CPWR also has continued to expand its safety and health training programs over the past five years, which now include the OSHA OTI, hazardous waste training, disaster response training and a menu of other courses offered to BCTD affiliates, including confined space, asbestos, lead, refresher courses and many more. CPWR services 11 affiliated building trades unions under its NIEHS training umbrella, which is responsible for training 6,000 construction workers annually in hazardous waste and other training courses. Under its OSHA OTI program and in cooperation with affiliated union training departments, over the last five years approximately 70,000 workers annually are receiving the OSHA 10 training, and thousands more are receiving the OSHA 30 training. CPWR also administers the Building Trades National Medical Screening Program (BTMed), which has provided more than 27,500 health screenings to former Energy Department construction workers.

Blueprint for a Cure: DAD's Day and Labor of Love Program Benefiting the Diabetes Research Institute Foundation

The Building and Construction Trades Department in conjunction with its Building Trades Councils and affiliated local unions across the country have helped create, finance and build the research facility and raise research dollars for the Diabetes Research Institute Foundation (DRIF) since 1985. During the last 28 years the building trades have helped the DRIF make great strides in diabetes research through the Blueprint for a Cure DAD's Day and Labor of Love campaigns. The two campaigns have been and will continue to be the lifeblood for DRIF.

The DRIF has one mission and one goal: to find a cure for this disease. And it is doing just that. Today the Diabetes Research Institute is recognized as the leading cure-focused research facility in the world. While the medical statistics are staggering—28 million Americans suffer with diabetes, the American people spend \$218 billion a year to control it, and it kills more people than AIDS and cancer combined—the fundraising efforts by the building trades have helped the DRIF develop several groundbreaking medical advancements toward a cure (islet cell transplants and the newly created BioHub, a bioengineered mini organ that mimics the pancreas).

President McGarvey and Secretary-Treasurer Booker have stepped up their plans for and re-energized the program. Charitable efforts by our members and across the labor union movement go unnoticed and unheralded, and it is the desire of the BCTD officers to move this program out of obscurity and into the national spotlight. Recently, the department's Labor of Love charity event held its second consecutive event in Baltimore. With the help of our host, Peter Angelos, the BCTD raised more than \$1.2 million dollars for diabetes research. Combined with the efforts of our DAD's Day events across North America, we raise more than \$1.5 million dollars annually for DRIF.

Summary

The current leadership of the Building and Construction Trades Department is committed to promoting and protecting the building and construction trades members throughout North America by strengthening and enhancing the department's focus on its primary goals: job creation, training and education, owner and labor-management relations, organizing, marketing and public relations, as well as legislation and political activism.

With oversight and governance from the Governing Board of Presidents, the department's leadership understands that the construction industry and its business practices have evolved and are committed to making sure to develop the necessary industry relationships to promote and create new job opportunities for our members. By all measures, the officers' implemented changes are taking root and proving to the construction industry as a whole that we demonstrate and embody "Value on Display... Every Day."

DEPARTMENT FOR PROFESSIONAL EMPLOYEES

IN THE FACE OF A CHALLENGING FOUR YEARS, the Department for Professional Employees, AFL-CIO (DPE), led by its president, Paul E. Almeida, continued to offer its affiliated unions a way to act together effectively. Right-wing attacks mounted against workers, labor standards, unions and the public sector. The Great Recession ravaged employment, personal savings and government resources. Globalization intensified by digital networks weighed on U.S. living standards. Despite these pressures, the unions affiliated with DPE maintained a common focus: improving the lives of professional and technical people and other workers.

Professional and technical people are more than one-third of the workers whom unions represent. They also offer an enormous potential for organizing into unions. DPE and its affiliated unions know these facts and act on them.

In 2012, the U.S. Bureau of Labor Statistics (BLS) issued its employment projections for 2010 to 2020. BLS foresaw the fastest job growth in occupations relating to health care, personal care and social assistance. It predicted that of some 20 million new jobs, more than 5.6 million will come in health care and social assistance, more than 3.8 million in professional and business services, and more than 800,000 in educational services.

BLS projected employment growth of 21.7% in occupations usually requiring a master's degree—"faster than the growth rate for any other education category"—and almost as high a rate of growth for other occupations that demand postsecondary education. It declared: "Of the 30 detailed occupations projected to have the fastest employment growth, 17 typically need some type of postsecondary education for entry into the occupation."

DPE works with its affiliated unions to translate labor market shifts into union growth. Its research has addressed young professionals, women, minorities, diverse occupations and sectors, and the value of unions for each. Its communications, website and materials allow unorganized professional and technical people to see a place for themselves in the labor movement. And the issues on which DPE works speak directly to their concerns.

Over the last four years, those issues included immigration, intellectual property, labor standards and the public sector:

Immigration

DPE spoke out against immigration policies that let unscrupulous employers exploit foreign guest workers and undercut U.S. professionals. As vice chair of the AFL-CIO Executive Council Immigration Committee, President Almeida led efforts to strengthen protections for U.S. and foreign workers. As Congress moved on immigration reform, DPE showed the impact of high-tech visa abuses on foreign workers as well as Asian and Pacific Islander Americans, African Americans, Hispanic Americans and U.S. women. President Almeida repeatedly reminded policy makers and the public about the ample supply of highly skilled U.S. graduates in the science, technology, engineering and mathematics fields, despite industry claims of a shortage. DPE advocated for the proposal crafted by former U.S. Secretary of Labor Ray Marshall and supported by the AFL-CIO that would depoliticize our immigration system through an independent commission to assess labor market needs by examining the economy, wages, workforce and business—a concept that became central this year.

Intellectual Property (IP)

Digital theft and the online sale of counterfeit goods harm U.S. workers, jobs, incomes and benefits. Working with its affiliated unions, DPE brought that message to the White House, Congress and federal agencies. President Almeida testified before committees in the U.S. Senate and the House of Representatives and met with Vice President Biden. He urged them to strengthen domestic and global IP protections. With its arts, entertainment and media industries (AEMI) unions, DPE spread the message inside the labor movement as well. The principles DPE developed with the AEMI unions led to a unanimous 2010 statement by the AFL-CIO Executive Council, “Piracy is a Danger to Entertainment Professionals.”

Labor Standards

The assault on labor standards takes many forms. DPE works with its affiliated unions to oppose these assaults and strengthen labor standards. Here are two examples:

- In 2011, a bipartisan misguided group of senators introduced the so-called Computer Professionals Update Act to strip information technology (IT) workers of any right to overtime pay. With its affiliated unions, DPE sounded the alarm on Capitol Hill and in the media. It worked to flag how bad the bill was, to avoid any companion bill in the House of Representatives and to prevent a weakening of wage protections that other industries would rush to join. DPE and its allies succeeded—and IT professionals retain their right to overtime pay.
- In 2012, Pandora and other online streaming services sought to pump up their profits at the expense of recording artists and musicians.

They persuaded members of Congress in both chambers to introduce the so-called Internet Radio Fairness Act of 2012, which would have cut royalty payments to performers. Again, DPE and its allies—notably the American Federation of Musicians, SAG-AFTRA and the AFL-CIO—succeeded in fending off the attack.

Public Sector

In state after state, governors and legislators denigrated public services, public employees and public employee unions. In March 2011, the DPE Executive Committee passed a resolution: “We Are One: Public Employees Serve All of Us.” It declared that “[o]ur members and leaders know the integrity, knowledge, and hard work that public employees bring to serving all of us.” It expressed “disbelief and horror at seeing good people villainized.” The Executive Committee committed to action “to stop and reverse these and other attacks on public services and public sector workers.” It urged unions and other social justice allies to do likewise. DPE issued a DPE Alert! and urged readers to join a nationwide week of action in April 2011.

DPE went beyond defense to offense. In April 2013, its Executive Committee reviewed an analysis of union membership and discussed a visionary long-term organizing project with a powerful potential.

That sequence—analysis, planning and action—typifies the work that DPE and its affiliated unions undertake together. For professional and technical people, DPE offers a valuable venue through which to honor labor values, to strengthen living standards and to build a worthwhile future.

MARITIME TRADES DEPARTMENT

The Maritime Trades Department, AFL-CIO has represented the interests of merchant mariners, dockworkers and other related industries since receiving its charter in 1946.

The MTD is composed of 23 international unions as well as 21 Port Maritime Councils located in the United States and Canada.

The department has served as labor's voice in the fight to maintain a strong, vibrant U.S.-flag merchant fleet. Despite its historic role as the nation's fourth arm of defense, the U.S.-flag maritime industry is constantly under attack from domestic and foreign interests.

Of primary concern has been the sanctity of the Jones Act, America's premier maritime cabotage law. Included within the 1920 Merchant Marine Act, the Jones Act stipulates that cargo moved by water from one domestic port to another must be carried aboard U.S.-flag, U.S.-owned, U.S.-built and U.S.-crewed vessels. A PricewaterhouseCoopers study at the beginning of this decade stated the Jones Act generates nearly a half-million family-sustaining jobs providing a yearly payroll exceeding \$29 billion. In addition, the measure produces more than \$100 billion in economic output while contributing more than \$11 billion in federal, state and local taxes.

Yet, international and domestic concerns continue to attack the Jones Act as an impediment to the economy. From the Deepwater Horizon blast in the Gulf of Mexico to the shortage of fuel in New York-New Jersey following Superstorm Sandy, Jones Act opponents don't care if the law is even applicable to the crisis (and it wasn't in either of the above cases). They simply want it removed from the books to benefit their bottom line. The MTD will continue its fight for this important law.

In addition, the MTD has been at the forefront in the fight to maintain the Food for Peace Program. Despite being one of America's most successful foreign aid programs, the White House proposed crippling cutbacks in its Fiscal Year 2014 budget submitted to Congress.

Since 1954, the Food for Peace Program has provided American-grown food products delivered by U.S.-flag vessels with American citizen crews to the needy and hungry of the world. The program helps sustain approximately 44,000 American jobs in the agriculture, transportation and maritime sectors. Instead, the administration has proposed giving cash directly to foreign governments and nongovernmental organizations with minimal accountability and transparency.

Like the Jones Act, the Food for Peace Program ensures a contingent of well-trained American mariners are available to crew U.S.-flag vessels in support of America's armed forces wherever and whenever they are called to action. To that same cause, the department strongly supports full funding for the Maritime Security Program, which provides assistance for militarily useful U.S.-flag commercial ships that can be used by the armed forces in times of crisis.

Just as the other constitutional AFL-CIO departments are doing, the MTD is pushing the call to repair the nation's infrastructure.

With the opening of the new Panama Canal channel in 2015, America's ports and harbors must be ready for the expected larger vessels that will be moving goods around the world. The nation's waterways—from the Atlantic to the Pacific, from the Great Lakes to the Gulf of Mexico and the inland bodies—are in desperate need of upgrading and dredging. The government has been collecting funds

through the harbor maintenance tax that could be used to do this work—and provide valuable jobs to Americans. However, only half the funds in the Harbor Maintenance Trust Fund are used for their intended purpose, with the rest being earmarked to reduce the federal deficit. The MTD continues to work with the rest of the U.S. maritime industry to have all funds collected by the tax and placed in the trust fund used to take care of the nation’s waterborne infrastructure.

Also in need of modernization is America’s merchant fleet. To maintain its world-class power status, the United States needs to build new merchant vessels in the domestic shipyards. The MTD urges the resumption of the Title XI Shipbuilding Loan Guarantee Program so that low-cost funding would be available to construct the vessels the nation needs for the 21st century.

To help promote all these causes, the MTD relies on its series of Port Maritime Councils. The councils are made up of local affiliates who promote the need for a strong maritime industry within their communities, meeting with local officials to remind them of the role that seafaring businesses play in providing good jobs and a steady tax base.

However, that is not all the Port Councils do. From Seattle to South Florida, Port Councils get involved within their communities. They raise funds for charities, help repair homes for those who can’t afford the upkeep, provide holiday presents for children whose parents are away serving in the armed forces, offer scholarship opportunities and much more. The Port Councils serve as the valuable grassroots eyes and ears to the department.

The MTD’s focus is more than just maritime. The department and its Port Councils walked the line with Communications Workers (CWA) and Electrical Workers (IBEW) members on strike against Verizon, supported the Wisconsin public employees, marched with Mine Workers (UMWA) in the fight for justice at Patriot Coal and helped Bakery, Confectionery, Tobacco Workers and Grain Millers (BCTGM) members locked out by American Crystal Sugar. These are just some of the fights to stand up for workers that have been important to the MTD.

Like a lookout aboard a ship, the MTD remains vigilant. The department will continue its specific efforts to improve the lives and conditions of the men and women who work on or near the water, while standing up for all working families.

METAL TRADES DEPARTMENT

THE METAL TRADES DEPARTMENT is a unique entity within the AFL-CIO. The department provides fundamental organizing, representation and collective bargaining services to our 25 Metal Trades Councils and five Federal Employees Metal Trades Councils as well as coordinated and strategic support for legislative and political issues and training.

The department represents multiunion units in a diverse range of industries, including nuclear research and development, and nuclear remediation, at dozens of sites operated by private contractors under the supervision of the Department of Energy; military reservations under control of the Department of Defense; shipbuilding and repair in private and Navy facilities; petrochemical and refinery operations; and in manufacturing.

Each of these industries presents unique employment characteristics, economic circumstances and collective bargaining challenges.

Challenges

Nuclear Work

In the department's nuclear facilities—Oak Ridge, Tenn., and Sandia National Laboratories in New Mexico; the Hanford project in Richland, Wash.; Amarillo, Texas; and Idaho Falls, Idaho—we continued our fight with the Department of Energy over its plan to cease reimbursing contractors for costs associated with defined-benefit pension plans. The regulations, created in the early days of the Bush administration, imposed conditions on collective bargaining intended to establish “market rate” limitations on employee benefits. In 2008, we thought we prevailed in that fight and were told the Energy Department wouldn't pursue the policy. However, when Secretary Stephen Chu came into office, he officially implemented the policy despite our continued arguments against it.

We offered strong objections to legislation to shift the safety and health oversight for nuclear workers to the National Nuclear Security Administration because it would risk the safety of our nuclear workers. Strong support for our position from the Obama administration led to the removal of the oversight provision.

We've also had to deal with layoffs, funding decreases and other problems seriously affecting our nuclear workforce. It's been rough.

Federal Sector

The department's representation activities on behalf of federal workers in the Defense Department focused on beating back a Bush administration initiative known as the National Security Personnel System. Congress removed the program from the National Defense Authorization Act in 2010 and the program was officially halted in 2012.

The department's focus now is on fighting back against sequestration and minimizing the effects on the federal workforce.

Shipbuilding

In the area of shipbuilding and repair, the department has made great progress in developing positive labor relations at every level. Our labor-management partnership with Naval Sea Systems Command (NAVSEA) has produced positive outcomes. Our “hour-a-day” initiative—a bilateral pledge to increase production time by a minimum of one hour per day, per man—has saved the Navy millions by preparing tool kits in advance for the 8,000 mechanics across the Navy's shipyards. Other “bright ideas” initiatives also have produced positive results.

We're still dealing with ominous developments in the overall shipbuilding industry, but we feel optimistic about our relationship with the Navy.

At Avondale Shipyard in Westwego, La., the once-thriving Navy shipbuilding facility had been slated for closure in 2014. Since 2010, the MTD has worked tirelessly to save the yard and the 5,000 jobs that would be lost. For more than two years MTD and the company, Huntington Ingalls Industries (HII), explored options that would bring commercial shipbuilding, or other similar heavy manufacturing, to the location and save the yard. Finally, in February 2013, the company announced the yard would be redeployed as a non-Navy manufacturing facility to pursue opportunities in the commercial energy market. If successful in obtaining work, manufacturing will be performed at Avondale Shipyard. We welcome the opportunity for our New Orleans Metal Trades Council to build a strong working relationship with HII in this new venture.

Avondale's shipbuilding workforce has many of the same skillsets needed in the energy sector and we're working to see those workers redeployed.

Apprenticeship and Training

Within all of the MTD collective bargaining units the department sees a looming challenge in recruiting and training the next generation of skilled craft workers as the experienced workforce nears retirement age. We're pursuing the development of training programs through the Department of Labor.

Politics and Legislation

The department played an elevated role in politics and legislation over the last four years. Our conference in 2012 focused on galvanizing our constituent unions to elect family-friendly and worker-friendly candidates throughout the United States. We have engaged in lobbying at the federal level to beat back sequestration and other anti-worker policies. A main focus of our efforts has been passage of a true budget rather than another continuing resolution.

Organizing

The MTD supports organizing efforts among constituent local unions within our Metal Trades Councils. We've recently launched a large organizing campaign in the Austal shipyards in Mobile, Ala. We have been working behind the scenes for more than nine months to put in place a team of organizers. The official external campaign began in June 2013.

MTD Operations and Administration

Metal Trades Department President Ron Ault works with the MTD's two general representatives—John Barry and Tom Schaffer—to assist in case handling, difficult collective bargaining situations, jurisdictional issues and training programs. A corps of representatives from the department's affiliates works closely with the MTD to assist with the department's functions.

In the last four years, the department has come to rely heavily on e-activism among our councils and affiliates—transmitting urgent messages and communicating among various units via email and through the department's website (www.metaltrades.org).

Summary

The Metal Trades Department reflects the high standards and ideals of the men and women it represents. We recognize the importance of full participation in the programs of the larger labor movement as well as the day-to-day necessities of representing workers on the job. We are proud of what we have accomplished over this time and we look forward to the new challenges presented by a changing economy and a new political landscape.

TRANSPORTATION TRADES DEPARTMENT

SINCE THE LAST AFL-CIO CONVENTION in 2009, the Transportation Trades Department, AFL-CIO (TTD) has waged aggressive efforts on many fronts—from making the case for increased federal investment in transportation and protecting and expanding the right to form and join unions, to advocating for strong federal safety regulations and countering the severe impacts of globalization on transportation workers. This report provides a brief review of TTD’s activities over the last four years, and an overview of the challenges ahead.

Snapshot of TTD

In 2010, TTD celebrated 20 years of service to affiliated unions and their members. Our membership has remained steady with 33 affiliated unions. We welcomed AFGE and UNITE HERE to TTD this year, giving voice to these union’s Transportation Security Officers and onboard Amtrak members, respectively. In 2010, TTD President Edward Wytkind was re-elected and Larry Willis was elected to his first term as secretary-treasurer.

Throughout two decades of service, TTD has focused on implementing new strategies that unite transportation unions around a middle-class jobs agenda in the policy arena. We have remained true to the principles that gave rise to TTD in the first place: Transportation workers, in the private and public sectors, in all the modes of transport, share a common aspiration that revolves around good jobs, workers’ rights, federal investments in transportation, safety and security and a shared responsibility to counter the ravages of globalization and outsourcing.

TTD’s strategies have evolved as the politics in Washington have changed and as severe gridlock has stalled critical transportation jobs legislation. And along the way, TTD has worked with its affiliates to block countless assaults on the jobs and rights of the men and women who operate, maintain, service and build our transportation system. The political

environment today is toxic and is fueled by sinister forces that view the labor movement as the only thing standing in the way of achieving a low-wage economy where workers have no voice. By the way, that horrific vision for America is taking hold, as today more than 93% of private-sector workers must fend for themselves because they lack a union on the job. Meanwhile, political assaults on public-sector workers continue at a fast pace at every level of government.

‘Transportationizing’ Elections

For years TTD has led efforts to “transportionize” national elections and convince politicians and candidates that the needs of our transportation system and its workforce cannot be ignored. For the 2012 presidential election, we engaged in extensive research into the transportation labor record of Mitt Romney and chronicled the accomplishments delivered by President Obama in his first term. Using new digital strategies, including social media and our newly launched MoveAmerica blog, we then worked to package and convey the message of the stark difference between the two candidates. As part of this effort, TTD released daily messaging documents around each political party’s convention connecting transportation labor issues to the broader themes of the political discourse. We also launched, for the first time, three “microsites” that focused on specific modes of transportation:

- [RomneyWreckstheBus.com](#)
- [PermanentlyDelayed.com](#)
- [RomneyofftheRails.com](#)

These sites were pushed out through social media and were designed to speak to rank-and-file members. It also gave transportation journalists core issues to consider in covering a presidential election that was more focused on non-transportation issues. Looking to future election cycles, it is TTD’s intention to aggressively deploy modern tools and use them to have more transportation workers and activists among our allies participate in telling the story about why

elections have consequences, especially for workers in industries that are so heavily connected to the decisions made by Congress and the executive branch.

Promoting Organizing and Collective Bargaining

While TTD does not directly organize workers or engage in collective bargaining, we have long used our role to advocate for policies designed to give more workers a strong union voice.

We saw an important victory in this effort when in 2010 the National Mediation Board changed its rules to allow aviation and rail workers to choose a union by majority vote instead of the old rules that counted all non-voters as against union representation. Not surprisingly, this new rule was attacked by employers and anti-worker interests and TTD was forced to mount a vigorous defense of this commonsense reform. We prevailed in federal court and beat back repeal efforts in Congress, though other changes to our labor laws were adopted by Democratic and Republican negotiators over our objections. While this was a difficult battle, making sure workers have a fair process to choose a union will remain a guiding principle.

TTD was proud to lend our support to the Longshoremen (ILA) as it successfully negotiated a new collective agreement in 2013 and to stand with the International Longshore and Warehouse Union (ILWU) in disputes with its employers in 2012. In both cases, TTD sent a clear message that policy leaders in Washington must not use heavy-handed tactics to force union concessions or interfere in the collective bargaining process at the expense of workers who depend on a union contract.

TTD and our FAA unions—National Air Traffic Controllers Association (NATCA), Professional Aviation Safety Specialists (PASS) and AFSCME—have fought for years to fix the broken collective bargaining system at the FAA that allowed the agency to impose a “settlement” when an impasse had been reached. We are proud to report that this one-sided bargaining system has been reformed and workers at the agency now enjoy real collective bargaining rights.

Finally, TTD has stood with the rest of the labor movement to defend the National Labor Relations Board against legislative attacks and to urge the Senate to confirm nominees to this important protector of workers’ rights. We know that without strong labor boards, workers and their unions will not enjoy the rights and protections that are granted by law and that are sorely needed.

Snapshot of Transportation and Key Challenges

Every sector of the transportation industry is going through massive transformation. Globalization and perverse trade policy are harming wages and bargaining rights. Corporate structures are changing and being designed to slash wages and evade unionization. Outsourcing and privatization are taking hold worldwide and infiltrating every sector of the U.S. transportation industry. Broken and ineffective federal funding programs have left our transportation system and infrastructure in a declining state, have slowed our economic recovery and have left hundreds of thousands of jobs on the sidelines. And with the constant drumbeat of political attacks on the public sector at every level, a torrent of reform proposals are targeting public employees.

With this backdrop, transportation unions are busy today on many fronts.

As Washington careens from one federal fiscal crisis to the next, the funding mechanisms that for more than a generation have built the world’s finest transportation system have ruptured. The result has been more than 20 years of steady decline: public transit systems gaining new riders but simultaneously cutting service and jobs; Amtrak and other passenger rail systems falling apart as equipment and infrastructure deteriorate at a time of record ridership; crumbling highways and bridges with unprecedented congestion; and ports and maritime systems that suffer from chronic underinvestment. TTD has led the way in messaging and making the case for a long-term solution. While the president has engaged in this debate, his administration has not offered any viable funding solutions and Republican extremists in

Congress have stonewalled any attempts to advance commonsense fixes to the collapsing funding mechanisms. This reality forces us to find new strategies and seek broader alliances with those who believe these types of investments are a national imperative.

The battle over sequestration has been front and center for transportation unions. TTD analyzed the impact it would have on every transportation program, worked with affiliates to explain the dire consequences and advocated an end to this reckless austerity agenda. Specifically, we joined our aviation unions in fending off destructive cuts that caused FAA furloughs and cascading flight delays and cancellations.

Despite these difficult circumstances, the past four years have seen significant achievements for aviation workers. TTD and its aviation unions worked to enact and implement health and safety protections for flight attendants, and to expand Family and Medical Leave Act coverage for flight crew members. We pushed for stronger pilot fatigue regulations that were finalized, and we continue our efforts to extend these rules to cargo pilots. To address the troubling tide of aircraft maintenance outsourcing, we worked with the Transport Workers (TWU) and Machinists (IAM) to enact legislation that increases the safety oversight of repair work performed at foreign facilities and mandates the drug and alcohol testing requirements imposed here at home apply to foreign mechanics who work on U.S. aircraft. On international aviation issues, the U.S. government signed an Open Skies agreement with the European Union (EU) that included, for the first time, a labor article and a process through which the parties can seek to address adverse effects of the agreement on aviation employees. The agreement also rejected efforts by the EU to weaken U.S. foreign ownership and control, and cabotage laws. Currently, TTD and its aviation unions are pushing back against EU efforts to promote its liberalization agenda in recently launched U.S.-EU Transatlantic Trade and Investment Partnership negotiations.

TTD has focused on improving the job outlook in the transit and highway sectors by fighting for

increased investments to operate and expand surface transportation infrastructure. In addition to working on long-term authorizing legislation, TTD advocated for the American Jobs Act transportation funding proposals and additional Highway Trust Fund revenues to solve shortfalls. We led the fight against H.R. 7, the worst transit reauthorization ever introduced, which threatened to defund public transportation and pushed the wholesale privatization of transit systems throughout the country. TTD worked to forge alliances with representatives of faith-based groups, transit agencies and public policy organizations to fight for strong policies to help transit systems weather economic downturns. We also continue to push a new funding strategy designed to help transit systems and their workers weather recession-imposed budget crises that today continue to force unwanted service and job cuts and fare hikes across America.

Over the last four years, TTD has fought to boost funding, increase service and improve safety for America's passenger and freight railroads. With our rail affiliates leading the fight to preserve a national Amtrak system, TTD testified four times before the House Transportation and Infrastructure Committee during the 112th Congress and defeated wrong-headed proposals to privatize the Northeast Corridor as well as the jobs of onboard food and beverage employees. We worked with our international and state-level unions to support California high-speed rail, a massive transportation project that would revolutionize West Coast travel and create thousands of unionized jobs in the manufacturing, construction and railroad sectors. TTD also testified in support of vital intermodal rail projects, fought to improve railroad safety with positive train control technology and worked to preserve Railroad Retirement for railroad workers and their families. This year we have led a more vigorous effort to promote strategic federal investments in the freight rail sector.

TTD has pursued a robust legislative and regulatory strategy to strengthen the U.S. maritime and longshore industries and protect middle-class jobs. We have advocated continually for increased investment in ports and harbors, and sought reforms

to Harbor Maintenance Trust Fund spending that will address the severe backlog in harbor maintenance projects. This year we are seeing real progress in this area and will make a push for HMT reform as Congress considers reauthorization of water resources legislation. We have fought to expand and protect cargo preference laws that help sustain a viable U.S.-flag fleet, and have defeated an attempt this year on the House floor to radically alter the Food for Peace program that relies on U.S. mariners to transport food aid across the world. Eleven years after its creation, the Transportation Worker Identification Credential (TWIC) program continues to be a costly and ineffective program. TTD has worked consistently to reform this program in order to protect privacy and due process rights of maritime and longshore workers, and prevent the program from being an undue burden on working people and maritime commerce.

Since 2009 TTD increasingly has focused not only on providing funding for our nation's transportation systems, but also on how and where these funds are being spent. This was the result of a strategic shift by our Executive Committee in 2009 designed to ensure that as we advocate for more federal investment, we do so with a specific objective in mind: to maximize U.S. job creation. Specifically, we have worked with our affiliates to strengthen transportation Buy America laws so public investments in trains, buses and other equipment boost domestic manufacturing and have the greatest economic impact at home. TTD worked closely with our affiliates and other domestic manufacturing advocates to improve the transparency and accountability of federal Buy America laws, and to ensure they were applied to infrastructure investments in the stimulus package. Our advocacy, led by the IAM and United Steelworkers (USW), resulted in the strongest domestic content policies at the Department of Transportation in history. More recently, TTD, along with the AFL-CIO and affiliated unions, has worked closely with the Los Angeles Alliance for a New Economy (LAANE) to develop and implement a U.S. employment plan that will address job creation and organizing opportunities through transit and rail procurements throughout the country.

School bus transportation issues continue to challenge TTD affiliates. In July 2010, TTD convened a two-day summit to bring together affiliates for a discussion on issues important to school bus drivers. Participants expressed a number of issues, including drivers' lack of annual paid sick leave, the hazards posed by working conditions and the use of background checks to deny employment. The discussion of these topics and others helped shape our advocacy and messaging efforts, enabling us to better represent this vulnerable workforce and defend the safety of school children. Following the discussion, TTD's Executive Committee adopted a policy statement to promote the agenda established at the summit, solidifying a united front in promoting school bus driver policies. TTD continues to advocate for these workers, and plans to reconvene affiliates this year for a discussion on executing an action plan.

Looking Ahead

In the next four years TTD will be looking for new strategies that advance the agenda of transportation unions. Looking to Congress for solutions without simultaneously building power outside of Washington is a losing political model. Our opponents are carrying out a deliberate strategy to weaken and hollow out the labor movement. The themes in this Convention, including the need to reach out to allies and broaden our efforts or find alternative models to represent the interests of working people, will be incorporated into everything we do going forward. Our top priorities center on:

- Building a powerful coalition that pushes a long-term solution to broken federal transportation funding programs;
- Expanding organizing rights and power in a fast-changing transportation industry that features too many nonunion giants that are eroding standards of living;
- Stopping the epidemic of outsourcing that is threatening multiple transportation job sectors, both public and private; and
- Deploying new digital communications tools that build a larger, more vocal core of transportation worker activists and allies.

UNION LABEL AND SERVICE TRADES DEPARTMENT

THE CHARTER OF THE Union Label and Service Trades Department, as spelled out in its constitution, is to promote demand for union-made products and services, to identify methods to carry out that promotion, to publicize and encourage support for boycotts, to educate the public about the benefits of union representation and to “further the general welfare of affiliated organizations.” In the language of modern marketing, the task is to “brand” the union label as a distinct emblem that conveys the value that union work and union workers add to their products, their communities and the nation. That mission is even more compelling today than it was when it first was expressed more than a century ago.

While the processes of “marketing” and “branding” have become substantially more sophisticated over time, the universe of union-made products and services we seek to promote has become more diverse and less visible to the average consumer. Where once we could encourage shoppers to “look for the union label” on the goods displayed in stores and the services performed in shops, today our task is much more complex because the output of union workers is far more difficult to identify as union-made.

It also falls within the purview of the department to defend the integrity of union labels owned by the AFL-CIO and our constituent unions. That is why the department acted when a Los Angeles retailer recently appropriated the AFL-CIO’s trademarked clasped hands to promote what he falsely claimed was “union-made” merchandise. The AFL-CIO General Counsel notified the enterprise of this infringement and the owner complied.

Communication

There is intense competition for the attention of working Americans—those who carry union cards and those who do not—as well as school children, college students and retirees; people in every walk of life.

This department has explored a variety of channels to carry our message to those audiences.

We have adapted the panoply of communication tools of this new era—the Internet and social media, websites and smart phone applications—combined with old-fashioned shoe leather salesmanship in support of union programs to fulfill our mission. The department sponsors “Union Label Week,” coinciding with annual Labor Day celebrations to provide opportunities for publicizing the union label, and “Buy Union Week,” coinciding with the first week of holiday shopping after Thanksgiving. We circulate graphics and promotional ideas to our constituent unions and activists in advance of those time periods.

More than 1.2 million viewers have visited the department’s website since its redesign in 2010, while our Facebook page sustains more than 3,600 followers who check in with us frequently and converse on a range of topics from current boycott efforts and the status of strikes and contracts, to recipes for holiday cookies using all union-made ingredients, or available union product choices for entertaining or everyday use. The department provides periodic features to identify available union goods to coincide with national holidays and spotlights the creative efforts of label activists who come up with unique ideas for promoting the label. Our Twitter page also has been continually growing, with more than 500 individuals and organizations following our tweets.

Label Letter

The department mails individual copies of our bimonthly Label Letter to more than 17,000 union leaders, activists and union members and distributes thousands more bulk copies for use in organizing and education campaigns by constituent unions. The department maintains a separate “hardcore” activist list, around 400 names, to alert them to selected stories and items of interest that they then pass

along through multiple intraunion networks where materials are reproduced and posted on bulletin boards in thousands of workplaces. Each edition of the Label Letter contains standard features designed to celebrate the diversity of union members and the universality of their lives. On our “Buy Union” page, we spotlight union-made products in a fashion that is easy to pick up and reproduce by local union publications or for bulletin board posting. We carry a regular feature called “Walk in My Shoes,” where rank-and-file union members describe their life on the job.

Look for the Union Label

While the department’s mission to promote “Buying Union” among union families and general consumers has been enhanced somewhat by a growing sentiment for American-made goods—spurred significantly by the efforts of the United Steelworkers’ highly successful “Made in America” campaign—we are hobbled somewhat by the disappearance of the union label from many products that are union made, and by the modularization of many products (resulting in products with union-made components invisible to the consumer). Some constituent unions have made successful efforts to persuade employers to display the label (the Machinists and Sheet Metal Workers, for example) while others have expressed some interest in doing so. The department encourages all AFL-CIO unions to include language that can be used to secure the right to display the union’s label on finished goods in collective bargaining agreements.

Promoting Union Services

With the growth of service industries in the U.S. economy, union pride is increasingly displayed through the use of union lapel pins worn by workers, especially those who interface with the public, such as those in hotels, nurses and medical personnel, transportation workers and workers in retail locations. We stand ready to work with any constituent unions to showcase their work and workers in that fashion to raise public awareness.

Boycotts

Historically, the AFL-CIO boycott list has provided a strategic weapon in union struggles to win fair contracts. In 1999, the AFL-CIO Executive Council modernized the process for accepting boycott requests. These rules are now carried in every edition of the Label Letter and are available on the department’s website. The efficacy of a boycott is highly dependent on the sensitivity of the product or service to general consumer demand. One boycott the department has featured in recent years has involved the Hyatt hotel chain in scores of U.S. locations on behalf of UNITE. The department is proud of our continuing role in that campaign as well of the support we provided to the Bakery, Confectionery, Tobacco Workers and Grain Millers members in their long struggle to achieve equity in the Hostess bankruptcy case.

Summary

Changes in the U.S. economy have magnified the challenges of promoting the union label among union families and general consumers. At the same time, public sentiment gradually is shifting in support of identifiable made-in-the-USA products and services. Yet the Union Label and Service Trades Department operates with a single full-time staffer reliant on support and goodwill from our 31 affiliated unions. We call on all the unions of the AFL-CIO to stay in contact with this department and to provide us with the most up-to-date information available regarding the products and services their members provide. In turn, we publicize those activities and products to the buying public.

Circumstances make it incumbent on this department to continue to adapt and innovate communication technologies in the pursuit of our mission.



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