

# ...YEAR IN REVIEW: Top labor stories of 2011

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business-as-usual.

In Portland, while the occupation of two downtown squares drew carping about mess and for attracting the homeless, union support for the camp and ideas it represented never publicly wavered. The downtown camp was evicted

by police Nov. 13 after 37 days of occupation, but the idea of occupation moved on to banks, a bridge, and ports. An Occupy revival seems likely in 2012.

In Wisconsin, protest energy succeeded in recalling two of six targeted Republican state senators who voted for

the anti-union bill, which took effect anyway. But voters in Ohio struck down — by better than a three-to-two margin — that state's version of a law stripping public employee bargaining rights.

**For the trade union movement, there were other developments of national note in 2011.**

• In April, a group of 43,000 **transportation security officers** at 450 airports voted to unionize, and in June selected American Federation of Government Employees over an independent union.

• Also in April, National Labor Relations Board dared to enforce federal la-

bor law in a case involving **Boeing**, and all hell broke loose in Congress among Republicans. Evidence from top Boeing leaders was that the company had located its 787 Dreamliner final assembly in South Carolina expressly because union members had struck at its other locations; that's against the law, and the NLRB brought Boeing before a federal judge. House Republicans called for repeal of the law and tried to subpoena the agency's legal strategies. But in December, Boeing and the Machinists union buried the hatchet with a four-year contract extension that includes a pledge to locate some future assembly work at existing union facilities.

• In August, 45,000 workers at **Verizon's** East Coast land line operations went on strike for two weeks, returning to work when Verizon pledged to resume bargaining with Communications Workers of America. Five months later, the workers are still without a union contract.

In the Portland area, the economy wasn't bleak for all workers: Many building trades union members got back to work in 2011 — building a \$4 billion chip plant for **Intel**, a \$344 million hospital for **Kaiser Permanente**, and performing a \$144 million renovation of the **Edith Green Wendell Wyatt Federal Building**. In October, **Daimler Trucks North America** began adding several hundred workers at its Portland truck plant.

## Other local stories of note:

• Starting in January, members of Amalgamated Transit Union Local 757 began picketing outside all meetings of **TriMet's** board of directors after the transit agency halted cost-of-living wage increases and started taking money out of workers' paychecks to cover a portion of their health insurance costs. The union contract expired Nov. 30, 2009, and the sides were awaiting an arbitrator's ruling on several unfair labor practice complaints when TriMet unilaterally implemented the changes. The sides are still waiting for the state arbitrator's decision.

• A fired pro-union teacher at private **Portland French School** won reinstatement in a case with the National Labor Relations Board, only to see all 40 employees lose their jobs when the partially unionized school shut down in May. The non-profit school had a history of bad financial practices, but may have been pushed over the edge by the \$170,000 in legal bills to oppose a campaign to join American Federation of Teachers.

• It was a bad year for long-time union foe **Bill Sizemore**. In March, a judge tossed out his lawsuit against several unions and union-supported groups for calling him a racketeer. "The court finds that it could be reasonably inferred that Bill Sizemore was a 'convicted racketeer,' the judge wrote in his decision. Then in August, Sizemore spent 18 days in jail for not filing tax returns — presumably to shield income from

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## What You See When You Look for the Label

In the 1970s, union families found themselves humming that familiar tune made popular by a chorus of women from the International Ladies Garment Workers Union (ILGWU) straight out of New York garment shops. The lyrics were simple and catchy:

"Look for the union label // When you are buying a coat, dress or blouse. // Remember somewhere our union's sewing // our wages going to feed the kids and run the house, // We work hard but who's complaining. // Thanks to the I.L.G. we're paying our way. // So, always look for the union label, // it says we're able to make it in the U.S.A." ([www.youtube.com/watch?v=Q07VUKIDIQw](http://www.youtube.com/watch?v=Q07VUKIDIQw))

The song was one of those that got in your head and never left, even though the ad was aired a mere 60 times over seven years. The ILG paid about \$8 million for the entire campaign and awakened label curiosity among millions of shoppers—spurring them to seek out labels beyond garments and to look on tools, hardware, autos, appliances and foodstuffs as well.

Today, shoppers who look at labels in the U.S. marketplace are more often disappointed than rewarded. The only thing more rare than a made-in-the-USA label in 2011 is the union label, which has practically disappeared save for printed materials or some varieties of Miller Beer.

## U.S. Law is Clear

When it comes to labeling products, U.S. law is pretty clear. First of all, the U.S. Customs Service requires that every product imported into the United States, with a few minor exceptions, must be labeled with its country of origin—where it was made.

Imported food is also regulated by the U.S. Department of Agriculture under a 2004 law that requires food products to be labeled as to their source country. The 2004 Country of Origin Labeling (COOL) Act has come under fire from several foreign countries, most notably Mexico and Canada, with claims that the requirement is a "barrier to trade" under NAFTA. That matter is still being hashed out.

Finally, the Federal Trade Commission (FTC) enforces country of origin labeling requirements for textiles and furs. The FTC also gets involved in enforcement if manu-

facturers make false or misleading claims about the source of a product.

Manufacturers know that deep down many Americans would buy union and that the majority would prefer U.S. made goods if only they could find them. Some producers will even go so far as to cheat and they run the risk of paying significant fines, but only if they get caught and the FTC doesn't have a label police force. The FTC generally relies on reports by consumers or competitors who blow the whistle on scofflaws.

More aggressive label enforcement falls to the U.S. Customs Service, a branch of the Treasury Department. Customs' involvement is triggered most frequently if an importer tries to distribute products for sale in the U.S. without the country of origin clearly labeled so that the final consumer can see it. If an importer gets caught attempting to distribute products without the country of origin plainly shown on the product, that importer can be required to either: recall and correctly label the product, return the entire shipment to its source, or surrender the shipment to Customs to be destroyed.

## Keeping Merchants Honest

The FTC's primary role is to fight against deceptive business practices, not to police where products are made. For instance, claiming a product is made in America when it is not is a deceptive business practice that the FTC would be responsible for punishing. Likewise, it's punishable for a carmaker to make false claims about higher fuel efficiency, or to assert phony claims about the energy usage of an appliance.

The FTC—the agency charged with trying to keep merchants honest about product claims—requires that a label that says: "Made in America," or some variation, then "all or virtually all" of the product must be from the U.S. and assembled in the U.S. The FTC adopted that rule over 60 years ago and affirmed it most recently in 1997.

A "Made-in-the-USA" statement on a label would be an example of what the FTC calls an "unqualified" claim of U.S. manufacture.

On the other hand, a label might say "assembled in the U.S." from components made elsewhere. Such a claim would fall

## Let the Buyer Beware: It's Up to You to Demand Truth in Labeling

A local union president recently wrote to the Union Label Department complaining that an order of imprinted shirts the union had purchased was delivered with no labels inside at all. The union had stipulated that the shirts be made in the USA. When he questioned the vendor the local president was told that the labels had been removed because the information on it would have enabled the purchaser to go around the vendor and make future orders directly.

Foul!

The Department found that the shirts, marketed by Alpha Marketing and sold under the brand name, Harriton, do not claim to be made in the USA. The embroidery company had to know that fact.

Suggestion: If you set out to get apparel with your union logo attached, deal with a firm that will certify the source of the product and deliver the product with the manufacturer's label attached.

under the FTC's description of a "qualified claim." A qualified claim might also include the percentage of domestic components and a listing of the countries of origin for those components that are not from the U.S. As long as such claims are true they are within the law.

Finally, the FTC says, whether a claim of U.S. origin is implied or asserted, it has to be true. The important point is that businesses are not allowed to lie to consumers about where a product is made or how it performs, but it's mostly up to consumers or competitors to file complaints about such deceptive practices because the government just doesn't have the resources to keep cops in the marketplace. ■