

It was the best of times; it was the worst of times

By WILLIAM SPRIGGS

The 400,000 drop in labor union membership announced by the U.S. Bureau of Labor Statistics last month is discouraging. The bigger story is that at the center of the drop is the decline in employment for public-sector workers, most notably local government workers. This has been the weakest sector of the economy. And that largely reflects the decline in teachers. So, this is not so much about unions losing, but the continued lack of focus of American economic policy on maintaining investments for America's future in the face of the ongoing weak economy. The myopic debates on the fiscal deficit and cutting budgets to meet the educational needs of America's children (in order to preserve tax cuts for the currently wealthy) is not a plan to make America succeed in the long run.

Another portion of the drop came from construction, where employment and union membership fell about the same. This means that the type of heavy construction leading to infrastructure and investment is not taking place. A recovery that will last and provide the foundation for a stronger

economy has to include real investment. Delaying building infrastructure does not save our children any money in the future, it only passes on a different kind of deficit (inadequate school buildings and poor roads) they will have to pay to close.

But, the drop is also a tale of the uneven nature of the recovery. Four states accounted for half the drop in union membership: Illinois, New York, Indiana, and Missouri lead the way in union membership loss. In the cases of Illinois, Indiana and Missouri, the bulk was in the private sector. But, in New York, virtually all the losses were in the public sector.

Yet, in the two states with the biggest payroll gains — California and Texas — union membership went up. In many "red" states with "right to work" for less laws and where public-sector collective bargaining is prohibited, union membership showed gains:

Louisiana, Georgia, Tennessee, North Carolina, and Oklahoma. A key "red" state that is not "right to work," Kentucky, showed gains in union membership and union density.

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Among demographic groups that are growing and forming a voting bloc in national elections, union membership continued to grow. The Latino community has helped boost union membership and union density over the decade; stemming the loss of membership elsewhere. African Americans continue to have the highest union density and again saw membership increase; and Asian Americans had an increase in union members.

The drop of union density in manufacturing needs to be a concern for America's workers hoping this recovery will be healthy — leading to wages increasing with productivity. The report shows that union members in manufacturing still enjoy nearly \$90 a week pay advantage over non-covered workers. Declines in union member-

ship and union density in manufacturing mean a path of low — not high wages. What put us in this mess was a 30-year period of stagnating wages and growing productivity. When workers are more productive, employment is threatened (the old notion of technology destroying jobs) unless incomes rise to buy up all the increased goods made. But instead of rising wages to reward workers for their bigger efforts, the gap between increased productivity and the income to buy it was all masked over by a debt and credit binge to keep employment levels high. Obviously taking on more debt without more income is not sustainable, and in 2008 it ended. The path out is not lower wages, but higher wages.

With the courts overturning President Obama's recess appointments to the National Labor Relations Board (NLRB), these numbers will hopefully spark a real national debate on how America's union numbers got to this point. The NLRB is the arbiter of America's labor laws. As the judges upholding American rights to fair voice in the workplace, erasing them and the ability to adjudicate labor violations is a low tactic in suppressing America's rights and wages. The Republican Party at the state House level and now the U.S. Senate, clearly align themselves against the rights of America's workers. But holding the referees

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hostage to help the business community in its fight against Americans' right to collectively bargain should be seen as out-of-bounds.

The American union movement will have to take the highlights of this data and its lowlights into consideration in responding to the challenges facing its membership. But America's workers should not be on the sidelines on this one. Losing teachers, failing to invest in our needed infrastructure, falling manufacturing wages and denying the rights of working families is not a formula for a successful economy or a democratic society.

(Editor's Note: William Spriggs serves as chief economist to the AFL-CIO, and is a professor in, and former chair of, the Department of Economics at Howard University. Spriggs was appointed by President Barack Obama, and confirmed by the U.S. Senate, in 2009 to serve as Assistant Secretary for the Office of Policy at the United States Department of Labor, taking a leave of absence from Howard University to do so. He left the Executive Branch of the U.S. Government in August 2012.)



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CASH Oregon provides free tax preparation for low income

Low- to moderate-income Oregonians will be able to have their income tax returns prepared free by trained volunteers statewide. CASH Oregon, a non-profit group in partnership with AARP Tax-Aide, supports free tax preparation and tax credit outreach in

32 counties in Oregon at more than 140 tax sites.

Ron Justus of CASH Oregon said in 2012, they saw 55,323 tax returns filed statewide.

"There were tax returns filed electronically, amended returns, prior tax

year returns done, tens of thousands of state returns filed and good old paper returns completed for working Oregonians. We also saw another 6,476 people with questions and answers directed to the appropriate help," he said.

Many people who earn very little may be eligible for a refund. Tax credits that many could qualify for are the Federal and Oregon Earned Income Tax Credit, the Federal Child Tax Credit, and the Oregon Working Family Child Care Credit.

Trained volunteers will help taxpayers sort through their questions and provide assistance.

Free tax preparation sites are available statewide. For more information or to find a location nearest you, call 2-1-1, or visit www.cashoregon.org.



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