



# NORTHWEST LABOR PRESS

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## Bipartisan push to kill Obamacare 'Cadillac tax'

What do Hillary and Bernie have in common with Paul Ryan? All 3 want to dump the looming 40% tax on employer health benefits

The top health care lobbyist for the national AFL-CIO says efforts to repeal Obamacare's "Cadillac tax" may be gathering momentum. The Cadillac tax, which is due to take effect in 2018, is a 40 percent excise tax on high-cost employer health benefits. It was the part of the Affordable Care Act that labor union leaders most objected to when the bill was making its way through Congress in 2010, and they've have been calling for its repeal ever since.

The tax was sold as a way to put a lid on premium increases — and cap what is now an open-ended tax subsidy for employer-paid health coverage.

Here's why it makes sense ... in theory. What an employer pays for employee health benefits isn't taxed. If that money went instead to wages or profits, it would be subject to income and payroll taxes. So there's a cost to the U.S. Treasury for every dollar employers spend on employee health benefits. But if the federal government levies a punitive tax on every dollar they spend on health benefits above a certain limit, employers would find a way to keep health benefit spending below that limit. According to the theory, that can be done without hurting workers, since the reason premiums are so high is that benefits are too generous. Workers pay too little for their healthcare, the theory goes, and that causes them to use unnecessary medical serv-

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## Westmoreland Union Manor undergoes major renovation

**WITH ASSIST FROM UNION PENSION FUNDS.** Westmoreland Union Manor, one of the largest affordable housing projects in the state, is undergoing a \$45 million facelift.

Built in 1966 by the Union Labor Retirement Association, the seven-story, 300-unit complex located in Southeast Portland's Sellwood-Moreland neighborhood is home to 333 low-income seniors. ULRA is a nonprofit founded in 1962 by Earl B. Kirkland and other leaders of Portland's building trades unions.

The rehabilitation of the building includes the complete replacement of the building envelope, new domestic water and HVAC sys-

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# Oregon AFL-CIO resolves to 'Fight for a Change'

Delegates say Black Lives Matter, trade votes have consequences, and corporate taxes — and the minimum wage — must go up

By Don McIntosh  
Associate editor

SEASIDE — Ready to fight? Because ready or not, the fight is coming. That was the message for 240 delegates from more than three dozen unions who gathered Oct. 22-25 in Seaside for the biennial convention of the Oregon AFL-CIO. In 2016, President Obama will try to pass a trade deal that could make NAFTA's impact on U.S. manufacturing jobs look small by comparison, and the U.S. Supreme Court is expected to deliver a body blow to public sector unions.

The AFL-CIO is the voluntary federation that most U.S. unions belong to. It promotes labor unity and coordinates union

### MORE CONVENTION COVERAGE

See what they resolved, who got top honors, and more on Pages 4 and 5.

electoral and political work. Oregon's AFL-CIO is sustained by dues from 117,609 members of affiliated unions. And its convention is where those affiliates set official policy. Elected leaders from each union appoint delegates, who debate priorities and strategy at the convention.

This year, delegates resolved not to endorse members of Congress who voted for Fast Track; they embraced the Black Lives Matter movement; they endorsed campaigns to raise corporate taxes and the minimum wage; and they approved a phased-in 10 cent-per-member monthly dues increase to fund field operations around the state. They also heard from U.S. Sen. Jeff Merkley about the effects of decades of bad trade policy, and

from top public sector union leaders about their preparations for the fight of their lives.

"As I stand before you today, we face great peril," Oregon AFL-CIO President Tom Chamberlain declared, opening the convention.

"Winter is coming" said Ranfis Giannettino Villatoro of the Voz Workers' Rights Education Project. The saying comes from the HBO hit show *Game of Thrones*. In the show, humanity is threatened by an army of ice zombies and must find a way to unite before it's too late. In the same way, unions must unite and find allies in order to resist corporate trade agreements and survive the impact of the Supreme Court case, *Friedrichs vs. California Teachers Association*. The court is expected to rule on the case between March and June of 2016, and the result

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**I'D LIKE TO MAKE A MOTION.** Oregon AFSCME Executive Director Ken Allen — crediting Gov. Kate Brown's involvement for the best state workers contract in a decade — moves to endorse her re-election. Allen was one of four longtime labor leaders who were recognized at their last Oregon AFL-CIO convention, along with John Mohlis, Chip Elliott, and Paul Goldberg.