



MICHAEL H. BOLTON, DIRECTOR

# UNITED STEELWORKERS USW UNITY AND STRENGTH FOR WORKERS DISTRICT 2

# NEWS

APRIL 9, 2015 • VOLUME 5, ISSUE 4 • PAGE 1

## We Must Save the American Dream

### A Message from Director Michael Bolton



For many workers in the U.S., the American Dream has become a nightmare. I am talking about millions of hardworking working people who, through no fault of their own, lost good-paying jobs, health care benefits and the promise of a secure future offered by employer-sponsored pensions. Their jobs were sent overseas in the corporate search for the lowest labor costs. Most of them, about 85% according to the Economic Policy Institute, are now working at jobs that pay far less than the ones they lost and offer very little in the form of benefits.

While the loss of U.S. jobs to imports started in 1974 as a result of the Arab Oil Embargo, it accelerated in 1994 with the passage of NAFTA. The job losses turned into a hemorrhage following the U.S. granting "Permanent Normalized Trade Status" to China and a slew of other free trade agreements. According to the National AFL-CIO and the Bureau of Labor Statistics, since 1979, over 7.3 million jobs have been lost to trade with low-wage nations.

And it's not just job loss that is killing us. Our trade policies have led to 30 years of wage stagnation. First, mass job loss has resulted in a large pool of available workers vying for the same jobs, which creates an employer's job market. Second, it has reduced the number of Union members in our country. Less membership has led to reduced power for organized labor to serve as a check against corporate greed in the workplace and our state and federal capitols.

Ironically, during the run up to votes on Right to Work in Michigan and Wisconsin, big business argued that Unions had outlived their usefulness as evidence by declining membership. Nothing could be further from the truth. Workers are not running for the exits to get out of Unions, it's the trade agreements' corporations lobbied for that have caused the decline.

We have all heard the saying, "The definition of insanity is doing the same thing over and over,

while expecting different results." Yet, as it pushes for two new massive trade agreements, that's exactly what our country is trying to do again. Making the same promises of "new jobs" as a result of the new trade pacts, but doing nothing to level the playing field U.S. workers must compete on. Meaning more jobs will be shipped overseas to take advantage of 93¢ per hour labor in places like Vietnam.

If we are going to stem the flow of jobs to foreign nations, restore the luster of the American Dream and rebuild our working class, we have to shift directions on U.S. trade policy. Instead of allowing corporations to set the tone of trade talks, the voices of workers should be included to ensure that trade agreements really work for all parties involved. The Steelworkers are not dinosaurs; we are not fighting trade agreements because we oppose trade. We oppose current trade agreements because they are not written to provide a fair system for our workers to compete on the world stage. Our Steelworker position on trade is this:

All future trade agreements must include strong, enforceable language on "Workers' Rights". By that we mean the right to form and join a real Union and engage in true collective bargaining. Must Unions in our trading partner nations are government-run operations aimed at keeping workers in check rather than promoting their rights in the workplace.

It also includes establishing real living wages that increase with the rate of inflation, which will ensure that foreign worker pay will be constantly growing closer to wages in the U.S. rather than us dropping down to their levels.

Second, agreements must have strong protections in the area of "Human Rights." That means no prison or forced labor. In some countries workers are forced to use "Employment Agencies" to gain jobs. These agencies often charge huge fees for their services, creating a class of indentured workers. As soon as the debt is paid off, the worker is fired and the cycle repeats itself.

It also means getting kids out of the factories and into classrooms so they can realize their true potential through education. Currently, kids are

### DISTRICT 2 CONTACT INFORMATION

#### USW District 2 Office

1244A Midway Road  
Menasha, WI 54952  
(920) 722-7630

#### Northern WI & MI Sub-District Office

1244A Midway Road  
Menasha, WI 54952  
(920) 722-7630

#### Southern WI Sub-District Office

1126 South 70th Street  
Suite N509A  
West Allis, WI 53214  
(414) 475-4560

#### Northern MI Sub-District Office

503 North Euclid Avenue  
Suite #10 - Euclid Plaza  
Bay City, MI 48706  
(989) 667-0660

#### Southern MI Sub-District Office

20600 Eureka Road, Suite 300  
Taylor, MI 48180  
(734) 285-0367

### USW District 2

#### Council Steering Committee

The District 2 Council By-Laws established a District 2 Council Steering Committee comprised of a rank and file structure. It was set up to assist in the following:

- Development of agenda for Council Conference.
- Planning of the District Council Conference Educational Conferences.
- District 2 strategic planning.
- Determining and assessing educational needs within the District.
- Generating and leading activism and other purposes consistent with the mission and directives of District 2 and the USW.

The elected members of the Steering Committee are listed below by manufacturing sector. If you need to contact a Steering Committee Member, please do so by using the email provided.

Name	LU#	Sector	Email Address
Hawley Warren	1299	Steel and Related	hwarren1299@comcast.net
Dennis DeMeyer Jr.	2-15	Paper	ddemeyer54501@gmail.com
Kevin Bishop	1533	Amalgamated	kbishop2219@gmail.com
Jesse Edwards	2-222	Automotive Related	Jesse_edwards2219@yahoo.com
Kent Holzing	12075	Chemical & Energy Related	kenholzing@gmail.com
Mary Jane Holland	9184	Health Care	mjholland194@att.net
Mark Lewis	12934	Public	marklewis@uswalocal12934.com
Dave Page	1327	At Large	dpag004@yahoo.com
Wes White	1327	At Large	wwhite101354@centurytel.net
Jim Whitt	2-145	Allied Industrial	whitjim@yahoo.com



is published by the

United Steelworkers District 2  
AFL-CIO-CLC

**MICHAEL BOLTON, Director**  
1244A Midway Rd., Menasha, WI 54952  
(920) 722-7630

#### Contributors to this issue include:

Jay McMurrain, Tammy Duncan, Lori Gutekunst,  
Ross Winklbauer, Jason Wilcox, Zelta Hupf, Robert Reich

Articles and photos are welcome and should be sent to:

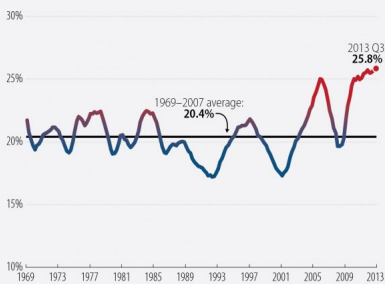
Art Kroll, Editor, District 2 News  
20600 Eureka Road, Suite 300, Taylor, MI 48180  
a2@usw.org • 734-285-0367

April 30, 2015, is the deadline for submissions for the next issue.

**"GO BUILD THE UNION!"**

## Did you know?

Corporate profits are one part of the economy that's doing just fine  
Capital income share of corporate-sector income, 1969-2013



One economic indicator that has shown extraordinary strength in the recovery from the Great Recession is the share of corporate-sector income claimed by owners of capital instead of employees. By the third quarter of 2013, the share of corporate-sector income accruing to profits and other forms of capital income had reached 25.8 percent, the highest share ever recorded. To put this number into perspective, if the share of corporate-sector income accruing to capital owners in the third quarter of 2013 were 20.4 percent (the 1969-2007 average), every worker in the U.S. economy would have earned \$3,200 more in wages.

### AVERAGE CEO PAY VS. AVERAGE WORKER PAY



INCOME GROUP	TOTAL LOSS/GAIN IN ANNUAL INCOME*	AVERAGE LOSS/GAIN PER HOUSEHOLD PER YEAR*
<b>TOP 1%</b>	\$673 billion more	\$597,241 more
96-99	\$140 billion more	\$29,895 more
91-95	\$29 billion more	\$4,912 more
81-90	\$43 billion less	\$3,733 less
61-80	\$194 billion less	\$8,598 less
41-60	\$224 billion less	\$10,100 less
21-40	\$189 billion less	\$8,582 less
<b>BOTTOM 20%</b>	\$136 billion less	\$5,623 less

\* Compared to what incomes would have been had all income groups seen the same growth rate in 1979-2005 as they did during previous decades. Source: Jacob Hacker, Yale University; Paul Pierson, UC-Berkeley

## A Message from Director Michael Bolton – Continued

used to flood job markets with available workers, which further places downward pressure on wages in a system rigged against the worker.

Finally, future agreements must contain strong protections for the environment. Currently, U.S. companies are forced to spend billions of dollars annually to meet tough EPA regulations on clean air and water. But look across the Rio Grande River from Texas into Mexico and you'll see factories spewing toxic emissions into the air and dumping raw sewage into the waterways. With low wages and little to no regulations, it is easy to understand why some corporations are making a run for the border.

We can put a stop to the insanity of the same old tired trade agreements by insisting that Congress votes not to approve a renewal of Trade Promotion Authority, or Fast Track as it has been called in the past. Fast Track is a legislative process designed by the Nixon Administration to rush trade deals through Congress by limiting congressional input in potential agreements, requiring votes that circumvent normal legislative rules, and limits debate to just 20 hours. If we stop Fast Track, we can stop future trade agreements that do not meet our demands to protect the jobs of U.S. workers. Call your members of Congress and Senator Ron Johnson and tell them to vote no on Fast Track Trade Promotion Authority.

### USW LU 2-469 WOS Food Drive

USW-WOS Local 2-469

## WOS Spring Food Drive

March 31, 2015

The Women of Local 2-469 hold a Food Drive for St. Joseph's Food Pantry!

The food drive was a Great Success!

The members of USW Local 2-469 showed Great Generosity by donating non-perishable food items, during the WOS Food Drive for the month of March. Their efforts were to restock the shelves for St. Joseph's Food Pantry, in time for Easter.



"We wanted to help provide food for the families in need in our Local Communities!"

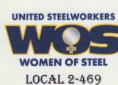
Local 2-469 brought in **431 lbs** of food for St. Joe's Shelves.

Thank you to our Generous Members for helping make this a Happy Easter to our Community!



"Our Goal was to start the year off right, by helping families bring home the food needed, to enjoy a Happy Easter!"

Local 2-469 WOS Chairman  
Zetta Hupf



### "Why Am I Middle Class?"

This column will become a monthly article where we encourage you to send us a few paragraphs answering the question "Why Am I Middle Class?". Because of space, one will be selected monthly and all others saved for future issues. Below, was written by Ross Winklbauer, Sub-District Director.

I was born to a hard working member of the USWA. He worked 39 years in the foundry and always told me that if you work hard someday, thanks to the union, you will be able to buy a home and support your family. I was young and did not always understand what he meant thinking that his check came from the Company and how did the Union help.

Well, after I graduated from high school, I started working at my first Union-represented company. I soon learned just what my father meant. The Company never gave me anything. Everything I got was because of my Union fighting for the wages and benefits I received.

My Union is the reason I am middle class. If I did not have a Union, the company would pay me low wages and little to no benefits

Because of my Union, I have been able to live a great middle class life - buy a home, raise our sons and enjoy the benefits my Brothers and Sisters before me fought so hard to get.

## Political Humor?



USW NEWS is published by the  
United Steelworkers District 2  
AFL-CIO-CLC

MICHAEL BOLTON, Director  
1244A Midway Rd., Menasha, WI 54952  
(920) 722-7630

Have you been to District 2's  
Page on Facebook?  
[www.facebook.com/USWDistrict2](http://www.facebook.com/USWDistrict2)



## Upcoming D2 Events

### WOS Quarterly Meetings (Wisconsin)

- **April 8, 2015**  
*USW Local 2-148 Hall*  
 1201 Gillingham Road • Neenah, WI
- **April 10, 2015**  
*Milwaukee Labor Council Building*  
 633 S. Hawley Road • Milwaukee, WI

### USW Rapid Response & Legislative Conference

- **April 13 - 15, 2015**  
*Washington Hilton*  
 1919 Connecticut Avenue, NW • Washington, DC

### Wayne State University Honoring USW President Leo W. Gerard

- **April 22, 2015**  
*Wayne State University*  
 McGregor Center • Detroit, MI

### Michigan District 2 Legislative Conference

- **May 6 - 8, 2015**  
*Radisson Hotel Lansing at the Capitol*  
 111 N. Grand Avenue • Lansing, MI

### Wisconsin Right to Work Law Update & Training

- **May 11 - 12, 2015**  
*Radisson Paper Valley Hotel*  
 333 West College Avenue • Appleton, WI

### Women of Steel Quarterly Meetings (Michigan)

- **June 2, 2015**  
*Civic Club*  
 183 Ninth Street • Manistee, MI
- **June 3, 2015**  
*Kent Ionia Labor Council*  
 918 Benjamin Avenue NE • Grand Rapids, MI
- **June 5, 2015**  
*USW District 2 Southern Michigan Sub-Office*  
 20600 Eureka Road, Suite 300 • Taylor, MI

### Sub-District Local Union Leadership Training (Northern Michigan)

- **June 8 - 9, 2015**  
*Great Hall Banquet and Convention Center*  
 5121 Bay City Road • Midland, MI

### Sub-District Local Union Leadership Training (Southern Michigan)

- **June 11 - 12, 2015**  
*Weber's Inn*  
 3050 Jackson Road • Ann Arbor, MI

### Women of Steel Quarterly Meetings (Michigan)

- **June 12, 2015**  
*USW Local 12075 Hall*  
 3510 James Savage Road • Midland, MI

### Sub-District Local Union Leadership Training (Northern Wisconsin)

- **June 15 - 16, 2015**  
*Radisson Paper Valley Hotel*  
 333 West College Avenue • Appleton, WI

### Sub-District Local Union Leadership Training (Southern Wisconsin)

- **June 18 - 19, 2015**  
*Olympia Resort & Conference Center*  
 1350 Royale Mile Road • Oconomowoc, WI

## 2015 Spring USW District 2 Presidents Meetings



USW District 2 just completed its latest round of local union presidents' meetings; and attendance at all locations was at its highest levels since the meetings began several years ago. Director Bolton invited the Next Generation members from each sub-district area to attend so they could get an idea on what goes on and for them to get a chance to participate in the meetings.

Those in attendance heard informative presentations from USW District 2 Director Michael Bolton; Sue Browne of the Blue/Green Alliance; Denny Lauer, District 2 Political Coordinator; and Jay McMurrin, District 2 Rapid Response and Legislative Coordinator.

Director Bolton reported on the District's 2015 effort to rebuild its Rapid Response, Political and Organizing programs. He called on getting members involved with Local Union committees and placed a heavy emphasis on finding 20 to 25 members to serve on the "District 2 Organizing Team." He stated, "We will train interested members in the latest and most effective ways to organize workers. When they return from the training, they will be asked to help identify and develop organizing targets. Once a drive begins, team members will be placed on lost time and will assist in the campaign through its completion. If you or a member of your Local are interested in signing up, please contact your Local President or USW Staff Representative.

In addition to a report on the District 2 Safety and Health program, Bolton informed attendees that the lockout at Honeywell Corporation and the National Oil Strike have been resolved. The locals now need to go back and finish their local issues before returning to work. "The national oil strike was never about wages or benefits," Bolton stated, "it was a strike for safer working conditions." The media was actually educated on those issues and reported that in the news clips I saw which I believe placed public opinion on our side.

Director Bolton concluded his remarks by reporting on the Wisconsin AFL-CIO Right to Work lawsuit, of which USW District 2 is a party of, to stop the State's newly passed Right to Work law. A first hearing was held in the Dane County Circuit Court with the judge in the case refusing to issue a restraining order to delay the law's implementation. A second hearing was held last week with USW District 2 Staff Representative Denny Lauer on standby to give testimony for the plaintiffs.

The next round of presidents' meetings will be held in September. Watch your mail for dates, times and locations. All presidents are encouraged to attend.



## Robert Reich: The rich don't work anymore — working is for poor people

Many believe that poor people deserve to be poor because they're lazy. As Speaker John Boehner has said, the poor have a notion that "I really don't have to work. I don't really want to do this. I think I'd rather just sit around."

In reality, a large and growing share of the nation's poor work full time — sometimes sixty or more hours a week — yet still don't earn enough to lift themselves and their families out of poverty.

It's also commonly believed, especially among Republicans, that the rich deserve their wealth because they work harder than others.

In reality, a large and growing portion of the super-rich have never broken a sweat. Their wealth has been handed to them.

The rise of these two groups — the working poor and non-working rich — is relatively new. Both are challenging the core American assumptions that people are paid what they're worth, and work is justly rewarded.

Why are these two groups growing?

The ranks of the working poor are growing because wages at the bottom have dropped, adjusted for inflation. With increasing numbers of Americans taking low-paying jobs in retail sales, restaurants, hotels, hospitals, childcare, elder care, and other personal services, the pay of the bottom fifth is falling closer to the minimum wage.

At the same time, the real value of the federal minimum wage is lower today than it was a quarter century ago.



**Robert Reich**

In addition, most recipients of public assistance must now work in order to qualify.

Bill Clinton's welfare reform of 1996 pushed the poor off welfare and into work. Meanwhile, the Earned Income Tax Credit, a wage subsidy, has emerged as the nation's largest anti-poverty program. Here, too, having a job is a prerequisite.

The new work requirements haven't reduced the number or percentage of Americans in poverty. They've just moved poor people from being unemployed and impoverished to being employed and impoverished. While poverty declined in the early years of welfare reform when the economy boomed and jobs were plentiful, it began growing in 2000. By 2012 it exceeded its level in 1996 when welfare ended. At the same time, the ranks of the non-working rich have been swelling. America's legendary "self-made" men and women are fast being replaced by wealthy heirs.

Six of today's ten wealthiest Americans are heirs to prominent fortunes. The Walmart heirs alone have more wealth than the bottom 40 percent of Americans combined. Americans who became enormously wealthy over the last three decades are now busily transferring that wealth to their children and grand children.

The nation is on the cusp of the largest inter-generational transfer of wealth in history. A study from the Boston College Center on Wealth and Philanthropy projects a total of \$59 trillion passed down to heirs between 2007 and 2061.

As the French economist Thomas Piketty reminds us, this is the kind of dynastic wealth that's kept Europe's aristocracy going for centuries. It's about to become the major source of income for a new American aristocracy.

The tax code encourages all this by favoring unearned income over earned income.

The top tax rate paid by America's wealthy on their capital gains — the major source of income for the non-working rich — has dropped from 33 percent in the late 1980s to 20 percent today, putting it substantially below the top tax rate on ordinary income (36.9 percent).

If the owners of capital assets whose worth increases over their lifetime hold them until death, their heirs pay zero capital gains taxes on them. Such "unrealized" gains now account for more than half the value of assets held by estates worth more than \$100 million.

At the same time, the estate tax has been slashed. Before George W. Bush was president, it applied to assets in excess of \$2 million per couple at a rate of 55 percent. Now it kicks in at \$10,680,000 per couple, at a 40 percent rate.

Last year only 1.4 out of every 1,000 estates owed any estate tax, and the effective rate they paid was only 17 percent.

Republicans now in control of Congress want to go even further. Last Friday the Senate voted 54-46 in favor of a non-binding resolution to repeal the estate tax altogether. Earlier in the week, the House Ways and Means Committee also voted for a repeal. The House is expected to vote in coming weeks.

Yet the specter of an entire generation doing nothing for their money other than speed-dialing their wealth management advisers is not particularly attractive.

It puts more and more responsibility for investing a substantial portion of the nation's assets into the hands of people who have never worked. It also endangers our democracy, as dynastic wealth inevitably and invariably accumulates political influence and power.

Consider the rise of both the working poor and the non-working rich, and the meritocratic ideal on which America's growing inequality is often justified doesn't hold up.

That widening inequality — combined with the increasing numbers of people who work full time but are still impoverished and of others who have never worked and are fabulously wealthy — is undermining the moral foundations of American capitalism.



## Rapid Response-Legislative Conference

With the fight over Fast Track Trade Promotion Authority expected to kickoff on April 18, the Steelworkers are set to hold its Annual Rapid Response-Legislative Conference in Washington D.C., April 13<sup>th</sup> through the 15<sup>th</sup>. As in past years, the highlight of the Conference will be "Lobby Day" when over 650 Steelworkers will descend on the Capitol to urge their Senators and Representatives to oppose renewal of Trade Promotion Authority.

Fast Track is a legislative process developed by Congress to rush trade deals through both chambers of the legislature with limited debate and time deadlines to avoid normal rules that would allow members to stop bad agreements, circumvent input from Congress and eliminate members' ability to change or amend the agreement in any way. Simply put, Congress has just 15 days to review the deal and vote yes or no on it.

The Obama Administration is pushing hard for passage of Fast Track because without it there is no way that two new pending free trade agreements can be passed. The agreements, the Trans-Pacific Partnership (TPP) and Trans-Atlantic Trade and Investment Partnership, are more of the same trade deals that Congress has approved which have resulted in the loss of 7.3 million U.S. jobs since 1979 and led to the closing of over 5,800 American factories since NAFTA became law in 1994.

As a Union, the Steelworkers are not dinosaurs! We recognize the need for world trade. We are not opposing Fast Track just for the sake of opposing something. However, we insist that international trade must work for all working class families involved in the agreement and not just the billionaires who write the agreements. We demand that future trade agreements contain strong and enforceable language to protect worker rights on all levels, which would ensure that wages for workers in developing nations will be continually rising to U.S. wage levels instead of bringing ours down to theirs.

We also insist on the inclusion of strong provisions to safeguard human rights. American workers should not be forced to compete with free prison or forced labor. Nor should children be used to swell the available workforce to keep wages at low levels. Children belong in the classroom not in factories.

Finally, all future agreements must include strong language to protect our environment. Today businesses in America are forced to spend billions of dollars a year to comply with EPA standards, while places like China continue to spew poison into our air and to pump raw sewage into our drinking water. The cost of complying with our tough U.S. standards is one of the factors businesses consider when deciding to relocate overseas. So, to protect American jobs, standards must be established with all our trading partners. And let's face it, air isn't stationary. The crap China spits into our atmosphere today ends up in our lungs tomorrow.

So, as your District 2 brothers and sisters head to the Capitol to lobby on your behalf, lend them a helping hand. Call or e-mail your Senators and Representatives (*dial 877-879-8951, when prompted enter your zip code and you will be connected with the appropriate representatives*) and tell them to oppose Fast Track. **The job your call saves could be your own.**

## National AFL-CIO Next Up Conference a Success

The AFL-CIO's Next Up Conference in Chicago wrapped up on March 22<sup>nd</sup> and was an overwhelming success. Over 100 USW Next Generation delegates, members, and staff joined another 900 plus activists from all other Unions and community groups.

Many of the issues that were discussed over the four-day conference were safe working conditions, big corporations and their influence on political corruption, low and stagnant wages, amongst a variety of other issues facing the Labor movement going forward. Not only were great speakers on hand like Danny Glover and Richard Trumka, but there were many workshops throughout the day for further education.

The Steelworkers joined forces with the UFCW in the campaign called "Fight for 15", which is asking many fast food restaurants to pay their workers \$15 an hour. In 2013, 52% of fast food workers were on public assistance benefits like food stamps and healthcare. To get their message out, the Steelworkers sent two buses filled with members along with the UFCW's gathering, ready to take to the street and picket a neighboring McDonald's. We ended up shutting the place down as we filled the parking lot and surrounded the building. Driving away business during lunch time on a busy intersection got the attention of many. For pictures and video, please check out **District 2's Next Generation Facebook page.**

