



MWV Union Council

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Baucus and the Threshold

So Senator Max Baucus, the chairman of the Senate Finance Committee, has released his “mark” on proposed legislation — which would normally be the basis for the bill that eventually emerges from his committee. And serious supporters of health care reform will soon face their long-dreaded moment of truth.

You see, it has been clear for months that whatever health-care bill finally emerges will fall far short of reformers’ hopes. Yet even a bad bill could be much better than nothing. The question is where to draw the line. How bad does a bill have to be to make it too bad to vote for?

Now, the moment of truth isn’t here quite yet: There’s enough wrong with the Baucus proposal as it stands to make it unworkable and unacceptable. But that said, Senator Baucus’s mark is better than many of us expected. If it serves as a basis for negotiation, and the result of those negotiations is a plan that’s stronger, not weaker, reformers are going to have to make some hard choices about the degree of disappointment they’re willing to live with.

Of course, those who insist that we must have a single-payer system — Medicare for all — won’t accept any plan that tries, instead, to cajole and coerce private health insurers into covering everyone. But while many reformers, myself included, would prefer a single-payer system if we were starting from scratch, international experience shows that it’s not the only way to go. Several European countries, including Switzerland and the Netherlands, have managed to achieve universal coverage with a mainly private insurance system.

And right here in America, we have the example of the Massachusetts health reform, many of whose features are echoed in the Baucus plan. The Massachusetts system, introduced three years ago, has many problems. But as a new report from the Urban Institute puts it, it “has accomplished much of what it set out to do: Nearly all adults in the state have health insurance.” If we could accomplish the same thing for the nation as a whole, even with a less than ideal plan, it would be a vast improvement over what we have now.

So something along the general lines of the Baucus plan might be acceptable. But details matter. And the bad news is that the plan, as it stands, is inadequate or badly conceived in three major ways.

First, it bungles the so-called “employer mandate.” Most reform plans include a provision requiring that large employers either provide their workers with health coverage or pay into a fund that would help workers who don’t get insurance through their job buy coverage on their own. Mr. Baucus, however, gets too clever, trying to tie each employer’s fees to the subsidies its own employees end up getting. That’s a terrible idea. As the Center on Budget and Policy Priorities points out, it would make companies reluctant to hire workers from lower-income families — and it would also create a bureaucratic nightmare. This provision has to go and be replaced with a simple pay-or-play rule.

Second, the plan is too stingy when it comes to financial aid. Lower-middle-class families, in particular, would end up paying much more in premiums than they do under the Massachusetts plan, suggesting that for many people insurance would not, in fact, be affordable. Fixing this means spending more than Mr. Baucus proposes.

Third, the plan doesn’t create real competition in the insurance market. The right way to create competition is to offer a public option, a government-run insurance plan individuals can buy into as an alternative to private insurance. The Baucus plan instead proposes a fake alternative, nonprofit insurance cooperatives — and it places so many restrictions on these cooperatives that, according to the Congressional Budget Office, they “seem unlikely to establish a significant market presence in many areas of the country.”

The insurance industry, of course, loves the Baucus plan. Need we say more?

So this plan has to change. What matters now is the direction in which it changes. It would be disastrous if health care goes the way of the economic stimulus plan, earlier this year. As you may recall, that plan — which was clearly too weak even as originally proposed — was made even weaker to win the support of three Republican senators. If the same thing happens to health reform, progressives should and will walk away.

Paul Krugman, article truncated, emphasis added

Union News



AFL-CIO News service, graphic(s) added

Workers Paying More for Health Coverage; Docs Back Public Option and Other Health Care News: As the battle for comprehensive health care reform picks up, here's a roundup on the latest, including a survey that finds workers are paying more for job-based health care coverage; another survey showing physicians support a public option as part of a health care reform package; and well-reasoned arguments showing why the U.S. House health care reform package is the better bill. The average family health insurance premium has jumped by 131 percent during the past decade while wages have increased by just 38 percent and inflation by 28 percent, finds the Kaiser Family Foundation's (KKF's) annual health benefits survey released this week. Today, the annual premium for employer-provided health insurance is \$13,375, with the employer paying \$9,860 and workers footing \$3,515 of the premium costs. As a result, many employers say they plan to cut back health care benefits even more than they already have with higher co-pays and deductibles for workers.



Chocolate, Whiskey and More at the Union Store: Last week, the UAW published a list of 2010 union-made cars, trucks, vans and other vehicles. It's also Union Label Week, which we hold annually to highlight how union-made goods are high in quality and help support middle-class communities. These two events reminded me: Making a case for Buy American means we in the union movement need to do our job and show U.S. consumers how and where to buy American, and buy union. Or at least we can try. I've seen an awful lot of brand-new BMWs, Mercedes and Lexus brands of all types driving around here in Washington, D.C., recently. Something tells me my money helped purchase those vehicles—no doubt some of the drivers are beneficiaries of taxpayer-bailed out financial institutions. Still, not everyone is laughing all the way to making high-end purchases of foreign-made goods with U.S. taxpayer dollars. And for those who still have a conscious that can be appealed to, this list is for you.

Check Out New ‘Green Jobs, Safe Jobs’ Blog: Say “green jobs” and the phrase conjures up visions of Earth friendly, energy saving, pollution-free, high-skilled, well-paid jobs. In short, the type of green jobs for which we in the labor movement and the Obama administration are striving to create. But as the new blog “Green Jobs, Safe Jobs” points out, if the corporate world is allowed to control and manipulate this growing sector of the global economy, workers and the environment are at risk. Left to its own devices, the green economy could deliver the same unhealthy mix of hire-and-fire, poison-and-pain jobs that remain a blight on the reputational landscape of the not-so-green economy.



Trumka, Shuler, Holt Baker Hit the Road for Jobs, Fair Economy:

The AFL-CIO’s new leadership team isn’t wasting a second. Hours after the close of the AFL-CIO 26th Constitutional Convention, they’re riding the momentum of this week’s high-energy union gathering with a listening tour across the country. And they’re starting in Ohio, the center of recent political battles and heart of the tough questions the nation faces about our economic future. Last Friday, AFL-CIO President Richard Trumka, Secretary-Treasurer Liz Shuler and Executive Vice President Arlene Holt Baker held an energetic rally in Cleveland before fanning out across the state to hear from workers and fire up the union movement for the battles ahead. At the Great Lakes Science Center, Trumka said workers can and must take the lead in reversing the economic crisis that has hit the nation and particularly Ohio. All of us need to hold corporations accountable, not go back to an economy that’s rigged against workers, Trumka said: *The labor movement will do everything in its power to help create good jobs....That’s our most important goal. But when you buy into a community, you become part of the family. You have an obligation. Too many corporations today want to walk away from their communities, even companies that were nurtured right here in these same communities. We need an economic system in this country that rewards work as well as it rewards investment. We need an economic system that gives everybody a fair opportunity to work hard and succeed.*

Employee Free Choice Act: Op-Ed Highlights: In The Hill, **United Steelworkers (USW) President Leo Gerard** remembers the late Crystal Lee Sutton, the inspiration for the film “Norma Rae” who passed away last weekend. Sutton’s story—attempting to form a union and bargain for a better life but facing harassment and illegal firing—shows why we need the Employee Free Choice Act, Gerard says. In particular, he notes, we must remember how, after the great personal sacrifice and victory by Sutton and her co-workers, they were still denied the ability to bargain for a fair contract: The Amalgamated Clothing and Textile Workers Union (ACTWU) won the right to represent the workers. That’s what people remember from the film. It was a great victory. What they don’t know is that J.P. Stevens’s officials didn’t sign a labor contract with the union until a decade later. That’s why the Employee Free Choice Act must pass. Not only do companies threaten, harass and illegally fire workers like Sutton who try to form unions, but even when workers finally do win union representation, corporations wrongly hold up negotiations to deny workers their first labor contract—as J. P. Stevens did.



The Revolution Will Be Twittered: How appropriate Michael Moore premiered "Capitalism: A Love Story" in Pittsburgh this week, to coincide with our 26th AFL-CIO Convention. Moore, in an action spearheaded by the California Nurses Association/National Nurses Organizing Committee (CNA/NNOC), marched with AFL-CIO delegates to the movie theater, and afterward, encouraged all of us to sponsor it in theaters throughout the country,

because, as he says at the end of the film, he needs help to spark the populist revolution. He'll have a great partner with the new leadership of the AFL-CIO. Late yesterday, delegates elected Richard Trumka president, Liz Shuler, secretary-treasurer, and re-elected Arlene Holt Baker executive vice president. The team is a mini-revolution in itself: It's the first time the top leadership of the AFL-CIO includes two women, and Shuler, 39, is the youngest-ever unionist ever to hold so high a position in the labor movement.

Harkin: We Will Pass the Employee Free Choice Act: Last week Senator Tom Harkin (D-Iowa) gave a video message to the 2009 AFL-CIO Convention and said that he's committed to passing the Employee Free Choice Act. Harkin thanked former AFL-CIO President John Sweeney for his years of service and leadership and thanked union members for their hard work. Because of that work, Harkin said, we're closer than ever to real health care reform and labor law reform. He's been working hard meeting with key senators and says he's confident we'll be able to restore the freedom to form unions: *When you ask if we can pass the Employee Free Choice Act, the answer is three words: Yes. We. Can.* Harkin also offered a tribute to the late Sen. Ted Kennedy and pledged to uphold his legacy as chair of the Health, Education, Labor and Pensions Committee.



Unions Call for Action for a Fairer Global Economy: AFSCME Secretary-Treasurer Bill Lucy (top) and convention delegates speak about proposed global resolutions. The 2009 AFL-CIO Convention is ending today, but the global union movement is keeping its attention focused on Pittsburgh, as world leaders will soon arrive for the G-20 summit. Today, AFL-CIO members expressed solidarity with workers around the world and recognized that we can't solve the international economic crisis alone. Convention delegates approved a resolution calling for a

coordinated effort by the AFL-CIO and our brothers and sisters around the world to seek international solutions to the challenges facing the world's workers. *Resolution 9, "A Labor Movement Agenda for a Stronger, Cleaner and More Just Global Economy," lays out principles to bring together unions across national borders, to counterbalance the power of multinational corporations, encourage international cooperation to recover from the financial crisis and protect the lives and rights of workers around the world.*

Our Sister Crystal

Sutton's role in the history of labor is assured. In the early 1970s, Crystal Lee was 33 and working at the J.P. Stevens plant in Roanoke Rapids, N.C., where she was making \$2.65 an hour folding towels. The poor working conditions she and her fellow employees suffered compelled her to join forces with Eli Zivkovich, a union organizer, and attempt to unionize the J.P. Stevens employees.

"Management and others treated me as if I had leprosy," said Crystal. She received threats and was finally fired from her job. But before she left, she took one final stand, filmed verbatim in the 1979 film *Norma Rae*. "I took a piece of cardboard and wrote the word UNION on it in big letters, got up on my work table, and slowly turned it around. The workers started cutting their machines off and giving me the victory sign. All of a sudden the plant was very quiet..."



Sutton was physically removed from the plant by police, but the result of her actions was staggering. The Amalgamated Clothing and Textile Workers Union (ACTWU) won the right to represent the workers at the plant and Sutton became an organizer for the union. In 1977, Sutton was awarded back wages and her job was reinstated by court order, although she chose to return to work for just two days. She subsequently became a speaker on behalf of the ACTWU and was profiled in interviews on *Good Morning America*, in *The New York Times Magazine*, and countless other national and international publications during the late 1970s and early 1980s.

"Sally Field did one heck of a job," said Sutton about the 1979 film *Norma Rae*, based on her story. Although her name, as well as others, was changed due to legal reasons, she said most of what is portrayed is accurate. It won Sally Field an Oscar, a Golden Globe and the Best Actress award at the Cannes Film Festival.

The Crystal Lee Sutton Awards, established in her name a few years ago, recognize individuals and organizations whose efforts have contributed to presenting positive images of working people to the American public.

Sutton, who matriculated through Alamance Community College's Nursing Assistant program in 1988, said she chose the College as the repository of her papers because of its record in providing education for all people. She says she has been collecting material since she began her crusade for unionization in 1973 and wanted to ensure it was preserved for future historians and students. "Thank God for ACC," she says, "where even the working poor can come, get financial assistance, and get a new start in life." Crystal passed away on September 11th following a long illness.