

December 17, 2020

Ron Klain Incoming White House Chief of Staff President-Elect Joe Biden Administration Washington, DC Submitted by Email

Mike Donilan Incoming Senior Advisor to the President President-Elect Joe Biden Administration Washington, DC Submitted by Email

Re.: Need for a Secretary of Labor Ready to Usher in Structural Reforms

Dear Mr. Klain and Mr. Donilan,

We are writing to you as Directors of some of the member groups of People's Action (www.peoplesaction.org), a national network of 40 state and local grassroots power-building organizations, united in fighting for justice. Our organization represents the power built by poor and working people - across rural, suburban and urban areas - that fight to win change through issue campaigns at the local, state, and federal levels. During the election season, we engaged 35,000 volunteers to attempt 9 million calls, hold 280,000+ deep canvass conversations, and send 38 million texts to advance the Biden-Harris ticket in 7 battleground states. We are now looking for leadership in the cabinet that reflects our members' needs and priorities.

This letter follows two others that we sent your way - one on November 25th about our recommended criteria for cabinet members with some specific candidates lifted up as good choices or bad ones, and a second letter on December 8th with our policy priorities.

Having closely tracked the cabinet level nominees to date, we are concerned that the Administration might be missing critical opportunities to advance the boldest agenda possible for working people at this moment. For this reason, we are now writing to clarify what we believe is needed in a Secretary of Labor. We are looking for the selection of someone that will be ready to usher in structural reform and have the ability to relate to and galvanize the movement to both define and open up political space for the type of change needed to address inequities in our society that have reached an unacceptable and unsustainable level.

COVID-19 has revealed and exacerbated the extreme inequality that has come to be the norm in our country. That's not how it's always been; and that's not how it needs to be. There were times in our history when this extreme division wasn't the case. Our current stability as a country depends on us getting back to a more equitable society.

Cabinet positions and other key personnel in federal agencies are critical for advancing the necessary agenda. It is within these agencies where rule-making, interpretation, implementation and enforcement happen and where so many of the things that govern our lives are initiated. We saw how well the Trump Administration utilized all levers to undermine the power of workers over the past 4 years (50 Reasons the Trump Administration is Bad for Workers, EPI); we now need Biden to lay the foundation for the opposite.

The importance of a Labor Secretary with a commitment to workers' rights and structural reform of the economy cannot be stressed enough. We need a Labor Secretary to work with movements to shift power away from corporations and the wealthy few, and to bolster the power held by workers and worker organizations - both traditional labor unions and nontraditional worker formations. We need a Labor Secretary ready to fight to end corporate greed and corporate monopolies with a focus on ending poverty and stopping poor and working people from getting poorer while huge corporations and the wealthiest get wealthier. We need a Labor Secretary willing to support and build new forms of worker power and protection for the era of Amazon and Uber.

Senator Bernie Sanders lifted up the importance of advancing workplace democracy when he was running for President. His agenda committed to: doubling union membership within his first term; establishing federal protections against the firing of workers for any reason other than 'just cause'; providing unions the ability to organize through a majority sign-up process and enact 'first contract' provisions to ensure companies cannot prevent a union from forming by denying a first contract, denying federal contracts to companies that pay poverty wages, outsource jobs overseas, engage in union busting, deny good benefits, and pay CEOs outrageous compensation packages; and eliminating "Right to Work for Less" laws and guaranteeing the right to unionize for workers historically excluded from labor protections, like farm workers and domestic workers.

In the 1930s, President Franklin D. Roosevelt ushered in the era of union growth with a pro-union stance by shifting the landscape for organizing workers. The National Industrial Recovery Act (1933) provided for collective bargaining and the National Labor Relations Act (1935) required businesses to bargain in good faith with any union supported by the majority of their employees. However, after the the 35% peak of workers represented by unions in the 1950s, the unionized workforce in the United States is currently just over 11 percent. If unionization were made easier for domestic workers, caregivers, farmworkers, retail workers, fast food workers, gig workers, warehouse workers, and other sectors long left out of the unionized workforce, we'd see growth of the most diverse and powerful labor movement in American history. These workers - elevated as essential during this pandemic, despite being the backbone of our society all along - are also more likely to be Black and Latinx.

A bold agenda of encouraging unionization would help swing the pendulum of power towards workers and away from the 1%, and also rightfully bring more economic and political power to Black and Latinx individuals. A strong Secretary of Labor - focused on workers' right to organize for better wages, benefits and working conditions - could enact substantial policy reforms that could make a difference to millions of workers and to the balance of power in our country.

A Secretary of Labor could not do this alone, but could do it in concert with the revitalized movement for workers' rights - a movement that is organizing workers both inside traditional unions and outside of them, and that is organizing workers in long excluded sectors (such as domestic workers and farmworkers) and those facing new types of workplaces and work arrangements (such as gig workers and contract workers). This interplay between Administration and movement will be critical to win what's needed for working people; and a Secretary of Labor that can work with the movement and galvanize the movement to be at its back is essential for transformation.

President-Elect Biden has stated that as president he will: check the abuse of corporate power over labor and hold corporate executives personally accountable for violations of labor laws; encourage and incentivize unionization and collective bargaining; engage in an "aggressive, all-hands-on-deck enforcement effort that will dramatically reduce worker misclassification," and ensure that workers are treated with dignity and receive the pay, benefits, and workplace protections they deserve (https://joebiden.com/empowerworkers/). He puts forth a plan to strengthen worker organizing, collective bargaining and unions.

The Democratic Party platform itself also has strong provisions reflecting labor law reforms needed, calling to "unrig the rules" that block workers from having unions and for an update to labor laws to make it easier for workers and unions to enter into multi-employer agreements. It speaks of the need to rein in corporate power by rewriting the rules that have undermined workers' ability to advocate for themselves.

It calls to raise the minimum wage to \$15 an hour and a union (the rallying cry inspired by SEIU), for the PRO Act (Protecting the Right to Organize) to be passed and give workers more power during disputes at work, add penalties for companies that retaliate against workers who organize, and grant workers fully enforced collective-bargaining rights that give any group of workers who wish to form a union — including sectoral bargaining and recognition for "gig workers," whose rights to collectively bargain as "employees" were set back by California's Proposition 22 — the power to do so without fear of coercion, intimidation, and rigged elections. It would weaken "right-to-work" laws in 27 states that allow employees to forgo participating in and paying dues to unions. It speaks to explicitly addressing the wage differential between Black workers and white workers, which is higher today than it was 20 years ago.

The most critical piece in advancing that plan is appointing the right Labor Secretary. And while we at People's Action believe that Senator Bernie Sanders is an example of the type of person ready to transform the landscape for working people in solidarity with the movement, we're ready to welcome any Labor Secretary ready to do the same. What we can't compromise on, however, is someone ready to advance bold, structural reform. The lives of working families and the future of our country depend on that.

It will take more than just anyone to be at the helm of this transformation. This will not be just a fight on the inside and in terms of DOL policy. It will be a huge public battle to win what's necessary. Given the immense lobbying and strategic communication that will come from the other side, we will need a Labor Secretary with the ability to mobilize and connect to social movements to have any chance of winning. Again, this is something that Senator Bernie Sanders has demonstrated he has the interest, ability, experience and commitment to carry out - even during his campaign he mobilized the base in support of worker campaigns across the country. However, while we would back Senator Sanders in a second; we're open to someone else stepping in with the same core commitments and movement connections...it's the work and the interplay that's the most important, rather than any one person - as Sanders himself says "not me, us."

Our last social contract during the New Deal era was a step forward for the human rights of workers. But it fell short of guaranteeing decent jobs for all, and for much of the 20th century divided workers along lines of race and gender. A new social contract for workers is needed and a Labor Secretary ready to bring it about. A bit over a year ago, People's Action Institute joined with other organizations [Caring Across Generations, Dignity and Rights (formerly NESRI), Jobs with Justice, NELP Action, Rights and Democracy and The Center for Popular Democracy] to release <u>A New Social Contract for Workers</u>. We laid out 5 transformational policies that workers and families deserve and need to change the landscape:

- The Right to Collective Action at Scale: Sectoral Bargaining—By reinventing our labor law system so that workers are not forced to bargain company-by-company, but instead can negotiate fair work conditions across a whole sector and up supply chains, we can restore workers' bargaining power at scale;
- Freedom from Arbitrary Job Loss: "Just Cause" Employment"—We can protect workers from being abruptly left with bills due and no paycheck by adopting "just cause" employment protections that require employers to give a good reason, fair notice and severance pay before a worker can be left without a job;
- The Human Right to a Decent Job: A Federal Job Guarantee—With a federal job guarantee we can end structural unemployment and ensure that every person in America has access to a decent job;
- **Democracy at Work:** The Cooperative Advantage—We can democratize our economy and ensure workers receive a fair share of economic gains by promoting the growth of worker cooperatives that enable workers to be owners of their workplaces; and
- Universal Guarantees to Basic Needs: Medicare for All and Universal Family Care—We can free workers from inadequate employer-based benefits by creating new universal social support systems, beginning with health insurance through Medicare for All and Universal Family Care to meet their caregiving needs.

As President-Elect Biden considers his choice for Secretary of Labor, we need him to take seriously the work that is ahead to truly address the economic and racial inequities that have grown in our economy. We need a Secretary of Labor ready to bring about structural reforms in concert with workers and movements. We need more than simply enforcement of laws on the books; we need labor law reform that will put more power in the hands of workers and, in turn, more money in their pockets.

On behalf of People's Action member groups, we call on you to make the bold choice necessary for the moment,

Sincerely,

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