

NATIONAL PRESS CLUB NEWSMAKER LUNCHEON WITH AFL-CIO PRESIDENT JOHN SWEENEY

TOPIC: "THE SENSELESS SLAUGHTER OF THE GOOD AMERICAN JOB"

MODERATOR: JONATHAN SALANT, PRESIDENT OF THE NATIONAL PRESS CLUB

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MR. SALANT: Good afternoon, and welcome to the National Press Club. My name is Jonathan Salant. I'm a reporter for Bloomberg News and president of the National Press Club.

I'd like to welcome club members and their guests in the audience, as well as those of you watching on C-SPAN.

This is my first luncheon as president of the club. It's also a year in which we will no longer be carried by National Public Radio. NPR last year unilaterally decided to no longer broadcast all of our lunches.

The video archive of today's luncheon is provided by ConnectLive and is available to members only through the National Press Club website at www.press.org. Press Club members may also get free transcripts of our luncheons at our website. Nonmembers may buy transcripts, audio

tapes and video tapes by calling 1-888-343-1940. For more information about joining the Press Club, please call us at area code 202-662-7511.

Before introducing our head table, I would like to remind our audience of future speakers. On January 25th, Senator Max Baucus, a Montana Democrat, will discuss, "Advancing American Competitiveness and Economic Leadership." On January 26th, Senate Democratic Leader Harry Reid and House Democratic Leader Nancy Pelosi will be speaking right before President Bush delivers his State of the Union Address. And on February 7th, The Honorable Douglas Wilder, mayor of Richmond, Virginia, and former governor of Virginia, and he's chairman of the Board of the National Slavery Museum, he will be our guest.

If you have any questions for our speaker, please write them on the cards at your table and pass them up to me. I will ask as many as time permits.

I'd now like to introduce our head table guests and ask them to stand briefly when their names are called. Please hold your applause until all head table guests are introduced.

From your right, Michelle Amber, Bureau of National Affairs; Will Lester, the Associated Press; Peter Seike (sp) of Reuters; Cheryl Burns (sp) of the Association of Flight Attendants; Ann McFeatters, bureau chief for the Pittsburgh Post-Gazette and the Toledo Blade; Maureen Sweeney, the wife of our speaker; John Hughes of Bloomberg News, and chairman of the National Press Club Speakers Committee; skipping over our speaker for a moment, Steve Cook of the National Association of Realtors, and he's the Speakers Committee member who arranged today's luncheon. Steve, thank you very much. Linda Chavez- Thompson, executive vice president of the AFL-CIO; Bill Carey of Traffic World; and Mark Shields, our syndicated columnist.

I'd like to remind those of you listening to or watching our broadcast that you may hear applause from the audience. That is the members of the audience and not the members of the working press. (Applause.)

When John Sweeney -- (interrupted by applause).

When John Sweeney won a fourth term last summer as head of the nation's largest labor federation, his victory was short-lived.

Several unions, led by the Teamsters and the Service Employees International Union, withdrew from the AFL-CIO, taking with them one-third of the union's membership. SEIU, by the way, was the union that John Sweeney headed before winning the AFL-CIO president in 1980. The dissident union said that Sweeney's AFL-CIO was too focused on politics rather than organizing. The withdrawal was just the latest blow to organized labor, which has been reeling ever since President Ronald Reagan responded to an air traffic controller strike by firing them all. Today, just 12 percent of workers, 8 percent in the private sector, belong to unions.

The administration of George W. Bush hasn't helped matters. His National Labor Relations Board has made it harder for temporary workers to unionize. The Bush administration told

airport security screeners that they couldn't negotiate a contract. And the administration proposed new disclosure requirements that the AFL-CIO estimated would cost the union \$1 billion.

The AFL-CIO, once a powerhouse in national elections, mobilized workers in the 2000 and 2004 elections against President Bush, not only failing to elect a Democratic candidate, but seeing many of their own members to cross party lines and support the Republicans. Corporations are cutting workers and pensions, and congressional Republicans refuse to raise the minimum wage.

Against this backdrop, John Sweeney was born in 1934 in The Bronx, and holds an economics degree from Iona College in New Rochelle, New York. He used to tag along to union meetings with his father -- union meetings with his father, a bus driver, and got his start in the union movement with the International Ladies Garment Workers Union. That's the group that used to air those ads with the song, "Look for the Union Label."

Our speaker is going to tell us how he's going to reunify the union movements, boost organizing, fight for higher wages and elect pro-labor candidates.

On behalf of the National Press Club, I'd like to welcome AFL-CIO President John Sweeney. (Applause.)

MR. SWEENEY: Thank you very much, President Jonathan Salant.

And thanks to the other members of the speaker's committee, John Hughes and Steve Cook.

I am honored to be with all of you here today in this prestigious forum. I'm happy that my wife Maureen is with us, and our Executive Vice President Linda Chavez-Thompson. I'm also happy that a number of our trade union leaders are here, and especially Jerry McEntee, the president of AFSCME; Bill Burrus, the president of the postal workers; and Baxter Atkinson, president of the school administrators and principals; and Al Shaper, the president of the firefighters.

I'm also happy that Josh Williams, president of the Metro Washington Labor Council right here, a local labor council here in Washington and the Metropolitan area; Steve Coil, president of the AFL-CIO Housing and Building Investment Trust. I'm delighted that so many of you are able to be with us.

The American labor movement is the only organization that speaks exclusively for working families, and I thank the National Press Club for inviting me here to amplify that voice.

There is no shortage of issues facing working families in our country. We're in a consuming war of national disagreement in which one heated question flows like hot lava into another. How do we clear a storm of corporate and governmental corruption that should never have been allowed to gather? How do we stop the packing of our courts with judges whose views on workers' rights and civil rights should have disqualified them from even being considered? Indeed, what is the right way to conclude a war that was started the wrong way in the first place? These are all huge issues that compel confrontation.

But we're facing a question of even greater magnitude that is being ignored by leaders of one party and avoided by leaders of the other, and that question is what are we going to do about the destruction of good jobs in our country, the jobs that for the past half century helped us create the largest middle class, the most dynamic economy and the strongest democracy in the history of the world?

Headlines from recent months chronicle the destruction. From The Washington Post: "Consumer Prices Increase Outstrip Wages." From Reuters: "China to Service United Fleet." Another from The Post: "Trade Gap Ballooned in October." A cover headline from The Economist warned: "Danger Time for America." A headline from the Associated Press: "Tough Times Ahead for Middle Class Worker." "Manufacturing Jobs Vanishing From Our Shores." From The New York Times: "IBM Freezes Its Pension Plans." From The Wall Street Journal: "Growth And Medical Cost Slows As Firms Shift Tab to Workers." And another from The Wall Street Journal, carrying the counterintuitive headline: "Wal-Mart Urges Congress to Raise the Minimum Wage."

The Wal-Mart CEO said the company was urging the long overdue federal increase because, and I quote, "our core consumers aren't making enough money to spend enough money," closed quote. That's funny. I never thought I'd agree with Lee Scott on anything. (Laughter.)

Finally, The New York Times weighed in with a story we already knew was coming. U.S. poverty rate was up last year. It was the first time on record that household incomes failed to increase for five straight years, and that record includes also the Great Depression. That depression followed the only other time in modern history when the White House, the Supreme Court and both of houses of Congress all were controlled by one anti-working family and anti-union political party.

Our country was headed in the wrong direction then, so we took back control and charted a new course that spread the wealth and stopped the excesses of big business.

It's time to take control again. Of course, headlines can't tell the full story, but they effectively capture it. And if I could write a headline for the story I want to tell today, it would read: "The Senseless Slaughter of the Good American Job."

We hear and read a lot about the violence in our cities, and the word most often used to describe it is "senseless." The death of a young man here in Washington, D.C., over New Year's was characterized in the media as "senseless." It seems to me we should use the same language not just to describe wanton acts of physical violence but also to depict the violence being visited upon working families and our communities by the killing of good jobs.

The senseless slaughter of good American jobs has been going on for the past 25 years. It is at the core of a corporate-driven strategy to compete in the global marketplace by degrading work and workers, rather than competing through ingenuity; by competing through privatization, deregulation and de-unionization, rather than by innovation.

Since 1985, the global labor force has effectively doubled, with the entrance of 1.4 billion new workers from China, India and the former Soviet Union. And in the absence of new rules to

prevent it, corporations have pitted the new workers against American workers in a merciless race to the bottom.

The result has been a perfect storm of outsourcing, offshoring, tax evasion, layoffs, work speed-ups, wage cuts, health care cuts, pension cuts, shifting risk, bashing unions and shortchanging communities. It's a storm that has swamped the boats of middle-class workers and destroyed the frail crafts of ethnic and immigrant workers.

New York Times writer Louis Uchitelle describes with great clarity how we've come to this state in his new book, "The Disposable American," which is due out in March. "Far more than in the past, America lives with a chronically floating low-wage workforce, one that would not exist if the deterioration in pay and training and the acquiescence to layoffs had not made inroads into the dignity of work," close quote.

The failure of our national leaders to preserve and create good jobs is tattooed on the souls of 30 million workers -- 30 million -- who Mr. Uchitelle explains were involuntarily displaced from their jobs from 1981 to 2001. But wounded workers aren't the only casualties of the corporate job-killing strategy. It is also a self-destructive strategy because it leaves businesses with consumers who don't have enough money to spend or save. It leaves government with more demand for public services and subsidies and fewer taxpayers to pay for them, and it leaves employees frustrated and distrustful of their employers, fearful for their future. For a capitalist democracy that runs on equal parts, hope, self-sufficiency, innovation, productivity and civic participation, the corporate-driven strategy of destroying good jobs is worse than senseless, it's just suicidal. And we have no hope of changing it unless we confront it.

In just a few days, in his State of the Union address, President Bush will present a far more rosy picture of our economy and the situation for working families in America. He will likely say what he said to the Chicago Economic Club two weeks ago when he bragged: The American economy heads into 2006 with a full head of steam. The American consumer is confident.

But what if he told the American people the truth? What if he said, our country is headed in the wrong direction -- the wrong direction on jobs, the wrong direction health care, the wrong direction on retirement security and the wrong direction on education? What if he said, you know it and I know, and it's time to do something about it?

President Bush won't say that. But if I were president of the United States, I'd use this State of the Union speech to cement my place in history. If I were president, I would admit to the joint session of Congress that we're barely creating enough new jobs to match the growth in our workforce.

And increasingly, the jobs we are generating are dead-end alleys. I'd remind Congress that our trade policies have translated into over 2 million lost manufacturing jobs since 1998. Our debt to other countries is rising by more than \$1 million a minute, and almost \$700 billion in U.S. Treasury Notes are held by China alone.

I'd insist that we reverse those policies and lift workers everywhere by demanding that workers' rights be afforded as much protection as corporate interests in all present and future trade agreements. I'd propose making it illegal for companies to buy or sell merchandise or services manufactured or provided under sweatshop working conditions. And I'd help working people in other countries rise above their burdens by telling Congress we're going to lead the world in assistance and debt relief to developing nations.

I'd demand the repeal of our tax laws that encourage corporations to send jobs overseas. I'd call for a bill mandating that all goods and services paid for with tax dollars at any level be produced or provided in this country. And I'd challenge Congress to quit stalling and pass universal health coverage this year, so our workers can live secure lives and our corporations can compete in the global market place.

If I were president, I would tell corporate America it's time to rejoin our national community by investing more in workers and less in their executives. I would give Congress a budget doubling the money we are spending on job training and education, a budget restoring the dreadful cuts in our college loan program. And I would tell them to get busy and give hope a chance by raising the federal minimum wage.

If were president, I would expose the 150 major U.S. corporations that are using the bankruptcy courts to abandon their commitments to provide guaranteed pensions to the workers who have enabled them to grow and profit. And I would follow presidential transition in my State of the Union address and introduce a special hero. She's a flight attendant who's been flying with United Airlines for 28 years and counting on a pension payment of about \$3,000 a month to add to her Social Security when she retires in five years. A backroom deal cut that pension payment to \$1,200 a month, and now she's threatened with further wage and benefit cuts at a time when her CEO is being assured total compensation of more than \$50 million this year.

My hero's name is Cheryl Burns, and she's with us today, a living example of what's happening to good jobs and American workers. Cheryl, will you please stand? (Applause.)

Cheryl, we're proud of you, and thank you for being here. I'm sure that you'll be getting a call from the White House shortly. (Laughter.)

Finally, if I were president, I would ask every member of the House and Senate to sign on as a sponsor of the Employee Free Choice Act, which guarantees the freedom of America's workers to come together in unions and bargain for a better life. It will stop American employers from taking advantage of our laughable labor laws to destroy the unions that keep our middle class healthy and growing. It will make it possible for workers to join unions and add their voices to our campaign for the good jobs that guarantee economic equality and a strong democracy.

And then, my friends, my brothers and sisters, we can get on with the job of turning this country around.

Of course, we don't expect President Bush to do any of those things. But we do expect more from our elected leaders in Congress, and we're going to demand it.

We also know we have to expect more and demand more for ourselves. And we know that to change the course of our country, we not only have to think outside the box of corporate control; we have to get rid of the box. Some may doubt that we have the capacity to do that, because of the tragic split that took place in our movement last year. To twist a phrase made famous by a previous presidential administration, I would urge everyone to watch what we're doing and not what the doubters are saying.

Two years ago, we took a major step towards changing our country's direction when we founded Working America, our community affiliate for workers who don't have a union where they work. Working America is the most significant innovation our movement has undertaken in decades, and in its first year, we signed up one million members. We wanted to fight for change as a part of the AFL-CIO. Last year, Working America members worked hand in hand with our collective bargaining members to defeat social security privatization, and in November, they helped break the bonds of exurban county politics to bring home a win for Governor Tim Kaine in Virginia. Last month, Working America launched a new online job tracker that allows its members and the public to discover who's sending our jobs overseas, but which companies are violating our health and safety, environmental and labor laws. By the end of this year, Working America will have two million members, and it's helping us build the broader and more powerful movement that we need.

We're also investing \$50 million in our National Labor College, so we can train our leaders of the future. And we've stepped up our Voice at Work Campaign to expose employers who interfere with the right of workers to form and join unions. In December, Voice at Work put 60,000 people on the streets, our biggest mobilization in 15 years, to speak out for the right to choose to belong to a union. Today the Employee Free Choice Act has 208 co-sponsors in the House, including 10 Republicans, and 42 in the Senate. And we will pass it. We will pass it while George Bush is in office. If he -- if I were president, I would sign it. We'll see what he does.

At our convention last July, we made a stark decision to increase our emphasis on helping new members organize, so we can build the strength we need and working families deserve. More and more of our unions are running aggressive organizing programs, and we're seeing the results in successes like the communication workers' victory, the 16,000 workers at Cingular Wireless just since July. This campaign shows what happens when employers respect workers' freedom to have a voice on the job, and the organizing being done by our unions shows just how determined we are to increase our strength in our workplaces and in our nation.

We also decided to devote more resources to legislative and political advocacy, and to fold up our election cycle model and replace it with a new grassroots program that works year in and year out to build a vibrant movement and hold our elected representatives accountable. We need -- we used our new model last November in California, and we damn near terminated "The Terminator." (Laughter.) This month we used that new capacity to let our members know who's on our side by issuing detailed report cards on the voting records of members of Congress. And we're taking our fight to break out of the corporate box to the state level. You saw the first crisp punch in that fight when we overrode Governor Ehrlich's veto of our Fair Share healthcare legislation in Maryland. We've decided to break free from the gridlock of Washington and the

hammer lock of corporate healthcare lobbyists by launching Fair Share campaigns in more than 30 states. We need a simple national healthcare plan that covers everybody. The future of Bush's complicated Medicare prescription drug benefit demonstrates that. But if they don't give us a fair health plan cover all families in all 50 states, we will give them hell in all 50 states.

We're also breaking out of the corporate box by expanding our work with student activists and our other allies to pass living-wage initiatives on campuses and cities nationwide, and by mounting campaigns in 26 states to increase state minimum wage laws. More than 7 million workers would get a raise if the federal minimum wage were increased from \$5.15 an hour to \$7.25 an hour. But we're not waiting any longer for Congress to find its conscience. We believe members of Congress need to do more than find their collective conscience.

They need to break out of their own corporate box by rediscovering their ethics and reconnecting with the people they were elected to serve. We're challenging our elected officials on both sides of the aisle to change the laws regulating lobbyists and change the rules governing their own behavior. And since they clear away the corporate clatter, then maybe they'll be able to hear the voices of working families and get our country back on the right track.

Someone once said: There are two things we must give our children. One is roots and the other is wings. When I was going up in the Bronx, our family and our church provided the roots, and my dad's union provided the wings in the form of a good job with decent benefits, so he and my mom could lift up my sisters and my brother and myself. Unions are also the wings of our communities and for our entire way of life because we help guarantee a level of prosperity for everyone, because we fight the abuse of corporate power, and because we provide a real voice for workers in politics.

The AFL-CIO and our unions are committed to being the wings of hope for working families and for America. We will continue to spread them wide on behalf of good jobs, fairness and economic and social justice.

Thank you all for your great work. (Applause.)

MR. SALANT: Before we begin the Q and A, a reminder again to please fill out questions on the cards at your table and pass them up to me.

Mr. Sweeney, let's start off with the change to win and the split in the AFL-CIO movement. How's that going to affect organizing and politics in 2006?

MR. SWEENEY: Let me start off by saying that I firmly believe that the more united and solid the labor movement can be here in the United States as well as other countries around the world, the more successful they're going to be in representing the interests of their members, the workers.

The bottom line of all this is, how do we improve the lives of workers?

And I think it's unfortunate that there was a split by a few unions in the AFL-CIO. I don't believe that they can do anything substantial, in terms of their programs, that they couldn't do within the AFL-CIO. We went through a change process addressing their issues, and I would say that we addressed probably 90 percent of their issues in terms of our restructuring and programs and so on.

So it is unfortunate that we have the split. We are doing everything we can to work with them. The fact that we were able to agree on how we chartered locals of the disaffiliated unions at the local level, both in the city labor councils and the state federations, is a step in the right direction. We found in the -- this past November in the three major elections, in New Jersey and Virginia and the referendums in California, that we were all pretty much working together, and the results showed it.

We will continue to do what we can to reunite the labor movement. I personally have put a lot of time, a lot of effort into this, and I'm committed to trying to reunify. We will hopefully be working together politically, and we also will be trying to coordinate and trying to respect jurisdictions and so on, in terms of organizing activity.

If these unions were within the AFL-CIO, it would be easier to work out jurisdictional disputes and differences that might occur. But we're up to the challenges that we have, and our focus will be on building a stronger labor movement in the United States.

MR. SALANT: A couple of follow-ups. Reports that the AFL-CIO and SEIU have Wal-Mart campaigns fighting each other instead of fighting Wal-Mart. Can you talk about the Wal-Mart campaign and whether this is true that the two groups are fighting each other?

MR. SWEENEY: Well, the AFL-CIO is really not fighting with anybody. Some of the unions that are active in the Wal-Mart campaign, SEIU and United Food and Commercial Workers, are having differences, as was reported in the Wall Street Journal the other day.

The bottom line here is, how can we help workers at Wal-Mart who need a union, need somebody to speak out for them, and that's what the focus of all this should be. Wal-Mart is a major corporation. The thousands and thousands and thousands of workers, not just here in the United States but around the world, that Wal-Mart employs need help in terms of addressing their issues, their work-related issues, whether it's their wages or health care. And the rhetoric of the corporation is unbelievable in terms of exaggerating what the conditions are in their stores.

And we have to unite the labor movement. The AFL-CIO will continue to be actively involved, and hopefully, our unions will be working together on this campaign. And we're reaching out to unions in other parts of the world, as well, and some of them already do represent Wal-Mart workers.

But it's a very ambitious campaign, it's going to take time, but it is a necessary one for those workers who are really working at low wages, for the most part, and mostly without health insurance and without retirement security.

MR. SALANT: One last question on the split. What will it take, in your opinion, for the two sides to get back together?

MR. SWEENEY: Well, these situations can be very complex, and the interests of different unions, there can be differences of opinion in terms of strategy and where the focus should be and so on. But we will be attempting to do everything that we can to unite this campaign. There's room for a multi-union campaign, and it remains to be seen how quickly we can get that going.

MR. SALANT: This questioner writes: Other groups around town have a unifying theme, sort of, on abortion or gun control or gun owners' rights. What is labor's one unifying theme?

MR. SWEENEY: How do we represent the views of our members? And we have a difference of opinion on so many different issues among our rank and file, among our individual affiliates. And we have to do what we can to unify the labor position on all of these issues. Some of them are social issues, some of them are economic issues. And we have to respect the views of our members and see how we can have as unified a program when it comes to public policy or comes to legislation or it comes to political issues.

MR. SALANT: As workers lose pensions and rely less on Social Security, they invest more in 401(k) plans and the stock market. Doesn't this trend hurt labor because these investors are more interested in strong returns than individual work rules?

MR. SWEENEY: There's no question that we have a crisis in our country when it comes to retirement security, and there are so many examples out there, and you're as familiar as I am with them. The Wall Street Journal has a story today talking about the legislation that's being considered in the Congress regarding pension security and regarding guaranteeing pensions and so on. And the Journal is pointing out how negative this could be in the long run for workers themselves.

We need serious reforms and serious legislation to protect the interest of workers, and it's a very complex issue in terms of the issues of public employees versus private employees, multi employer verses single employer. And we have to do everything we can as a nation to protect workers and their interests, just as the interests of corporations are being protected. And I think that the average person is scared to death over what's going to happen to their retirement security.

The issue seems to have caught up with the concerns on health care, and equally important is that we address -- we're seeing in collective bargaining situations how not only health benefits are under attack, but so is the retirement security and the pension plans of different industries and different unions. And I think that the -- that the Congress has to have the political will to really address the issues that will protect, such as how they're going to change the Pension Benefit Guarantee Corporation, which essentially was created to be able to help single employers and their pension liabilities and so on.

I don't think that it was ever -- that it was ever expected that they would be taking on whole industries, as we're seeing in the airline industry as an example. This is not just one company;

this is just about every other -- every company that's in that industry. And what's being done there in terms of the reduction of pensions and in terms of the changes that are anticipated and the benefits, and also the funding for these plans, is a very, very serious issue, and it's going to require some hard decisions to be made.

A company like IBM, who has taken the position of freezing their pension, is an example of a company where the workers do not have an organization to speak out for them, do not have collective bargaining to be able to address some of these issues. And where that's going to end up in terms of the retirement security of those workers remains to be seen, but it is an issue that has to be addressed and has to be addressed quickly.

MR. SWEENEY: Speaking of the airline industry, this questioner writes, in some industries such as the airlines, wasn't it necessary to change some work rules so the industry could compete? Weren't pilots, for example, overpaid in some circumstances?

MR. SALANT: Well, that's individual union worker collective bargaining, and the unions that represent those workers have to address whatever proposals or changes management may be attempting in terms of how they efficiently run their corporation, but also how the workers' interests are protected. And I'm sure that Cheryl (sp) could answer this question better than I could.

MR. SALANT: I have two questions about the minimum wage. One is, what is the ideal amount for minimum wage -- not just what you think Congress would pass, but what would be the ideal number?

And also, Dick Gephardt during the -- his presidential campaign, came out for global minimum wage, which he said would raise standards for workers in poor countries without pitting them against U.S. workers. What's your position on a global minimum wage?

MR. SWEENEY: Well, I agree with much of what Dick Gephardt says. He was a great leader in our Congress.

I think that the global issue has to be addressed, and has to be addressed in relation to our trade agreements. I don't believe that we can impose on different countries just exactly what level of minimum wage. There would have to be some formula for respecting all of the different considerations that would go into that kind of formula, and respecting the differences between the developed world and the developing world. And in all of our debates on the trade policy and the trade agreements, we have strongly advocated core labor standards being a part of our trade agreements, as well as environmental protections. And if the workers of a particular country had the ability to join or to form a union, if that was what they wished, then they would be able to have collective bargaining and they would be able to influence public policy in their own country.

Here in the United States, I think that we should have a formula for the minimum wage that increases the minimum wage based on the cost of living, the Consumer Price Index, and that that should be an annual consideration. The members of Congress have received a salary increase

every year for the past seven years, while minimum wage workers have not had an increase in their minimum wage. There -- there are ways to set a formula that would be fair and would raise workers above the poverty level and give them at least an improvement in their standard of living, and it should be regularly considered in terms of what those needs are.

MR. SALANT: I have a lot of political questions to ask. Let me start off with this one.

Democrats are losing on national security issues. Labor used to be hard-line in this area; in fact, some of us remember when the United Auto Workers pulled out of the AFL-CIO because of the federation's strong support of the Vietnam War. Where does labor stand now, and can it help Democrats win election in this area?

MR. SWEENEY: I think it's safe to say that the American labor movement strongly supports the security of our nation and strongly supports a lot of different provisions that go into all of that. But I think also that we should be mindful of the fact that, as an example, as Jonathan mentioned in the introduction, about the situation with the airline -- airport screeners as just to use one example, and how the administration has exempted them from collective bargaining, those workers are entitled to the same protections of our labor laws that other workers in our country have. And if you were to talk to those individual workers as you go through the screener, you would get some of their frustrations and some of their disappointment in terms of what their job has shaped up and their lack of any ability to express their concerns at the worksite, which they would have if they were members of the American Federation of Government Employees or whatever union they chose to join.

The AFL-CIO has taken strong positions on homeland security and on international relations in terms of our country's position. And we have had our differences through the years, but basically I think it's safe to say that all of our unions want to have a safe and secure country; want to respect the rights of workers not just here in our country, but in other countries as well around the world. And we do not support an administration that is just doing its damndest to violate the law, to impose their positions, whether it was in the first place of going to war without bringing the United Nations discussions to a conclusion. And we think that more and more people here in our country are concerned about how we got into the war and how do we get out of it.

MR. SALANT: Speaking of the war, the AFL-CIO passed a resolution in July calling for a rapid withdrawal from Iraq. Have you pursued that? And will the AFL-CIO be participating in anti-war protests?

MR. SWEENEY: Some our members and some of our affiliates have participated in anti-war. When we took the position that we did, we're very mindful of the fact that thousands and thousands of our members are over in Iraq representing our country, and certainly children and grandchildren of our members. And once the administration took the position they did regarding the war, we supported our troops and have continued to do so.

We think, as many others who have spoken out feel, that the war should be brought as successful a conclusion as it possibly can be and as quickly as possible, and that the administration should be looking to how a -- how they bring back our troops, what time schedule they should be

announcing, what their plans are in terms of the release. And I think that -- that what we are seeing, there are some real serious inequities in terms of one of our members, just talking to the other day, going back for his third tour, and has been over there, back and forth, since 1993 I guess it was.

But it's an issue that -- that we have a diversity of opinion among some of our unions and some of our members. But respecting all that, I think we're interested in the safety and well-being of our troops who are fighting over in Iraq.

MR. SALANT: Why have Democrats failed in recent elections? What is the party doing wrong?

MR. SWEENEY: I think that we have to take a very hard look -- when I say we, the Democratic Party, those who supported the Democratic candidates -- and take a very hard look at how we develop our message together. It's clear that in the last presidential election, that in some areas the message that the labor movement had was not getting across as effectively as we had hoped it would.

We -- as I have said in response to other questions, we're a very diverse organization. We have different positions among our membership and among our affiliates. And respecting all of that, we have to find out how we reach out to people who have different opinions on different issues, and when we have to show them respect, listening to their position, agreeing to disagree if we have to disagree.

But moving on to the bigger picture in terms of what are the issues that the American workers are most concerned about, and in all of our polling in all of our focus groups, we found that we were really on target in terms of establishing the priorities, whether it was about jobs, health care, education, retirement security, the environment. Those were the issues that our members were supporting.

This new organization that I referred to, Working America, which is now 1,200,000 workers, unorganized workers who want to be part of a movement, had the same priorities in all of our polling and the target programs that we undertook initially, talked the same way as rank-and-file members of unions talk, and wanted to be part of something that was going to hold politicians accountable. We have to do a better job at building that kind of support, but we also have to do a better job in communicating with our members, with our allies, about the issues that are so important in a national election. And we have to put aside some of our differences so that we can elect people to office who will be supportive of working families' agenda.

MR. SALANT: The corollary to that is while the majority of union members do vote Democratic, a substantial minority vote Republican and have. Why is that?

MR. SWEENEY: Well, I -- I really hate to keep saying that we are a very diverse organization. It is true that a substantial number of our members vote for Democratic candidates. We estimate that somewhere around 25 percent are probably -- Republicans, and maybe some of them independents. We attempt in our dealings with the elected officials to work with the Republican

as well as Democratic Party. It has gotten more difficult to work with the Republicans. The number of moderate Republicans has declined significantly.

But we do respect the views of our membership, and we do reach out to elected Republicans to try and educate them on the issues that are important to workers. There is no question about it, that the more we can mobilize and educate our rank-and-file and get them involved in political campaigns like they were involved just in the past two governor's races and the California referendum, the more successful we will be. And if you look back at the exit polls and the data from the 2000 -- 2004 and 2000 presidential elections, you will see that the number of voters from union households increased from 2000 to 2004 and showed the strong participation of union members in the electoral process.

But it wasn't enough to win the election. And so we have to build stronger unions, we have to continue to organize aggressively. And the couple of references that I made in my speech, there is a lot of organizing activity going on. Over the past five years, we've organized somewhere close to 500,000 new workers a year. But we've lost 3 million good manufacturing jobs, middle-class jobs, just in the past five years I guess.

And so we have to connect our organizing activities to our political activities, and we have to grow the labor movement, but we can't wait to elect the right people to office until we accomplish the kind of growth that we are anticipating. We have to mobilize at the grassroots level and involve our membership more directly in politics.

MR. SALANT: Given the current political situation, what is your number one political goal this year?

MR. SWEENEY: To build a stronger labor movement. To get more and more members -- to get more and more workers -- involved in the political process. And when I talk about building a stronger labor movement, I'm talking about building stronger relationship with the -- with organizations that have similar agendas we do, with women's groups, civil rights organizations, as well as young people on college campuses, young workers. And the stronger we can build the labor movement and build the movement with our allies, the more effective we will be politically.

MR. SALANT: Any predictions for the upcoming congressional elections?

MR. SWEENEY: I think the Democrats are going to take back the House and the Senate. (Applause.) We can't get cocky, but we certainly have to look at the opportunity that we have. And I think that some of the candidates that are being proposed in some districts are good candidates.

I think that we have to at the same time hold Democrats accountable, as I said in my remarks. They just can't assume that the labor movement is going to be 1,000 percent for the Democratic candidates unless they are committed to solving the problems that are so important to workers.

And I think that there will be some Republican candidates who will be endorsed and supported by some of our unions. And unfortunately, that list gets shorter and shorter, but there are some good moderate Republicans.

But I think that with all that's going on now that there will be significant changes in both the House and the Senate.

MR. SALANT: An economics question. Do you see any way to slow down or stop the outsourcing trend?

MR. SWEENEY: I believe that we're going to have to slow down/stop outsourcing the way it's going on right now. I think that it's not just about solving the outsourcing problem; it's about solving our trade policy questions. It's about the impact of trade and outsourcing, as two examples, on workers, on communities, and that we have to take a very, very hard look.

Corporations can't be allowed to just sail their plant or sail their production on a barge to the country where they can get the cheapest possible deal, where they can exploit workers with child labor and forced labor. They have to be held accountable, and they have to really show how it's -- how they're going to protect workers as well as their business and their corporations.

And I think that it's a task and a responsibility that we all have to measure up to it because if we don't, we're going to see the elimination of the middle class in our country.

MR. SALANT: You said if I was president, I'd cement my piece in history -- or place in history. You are president of the AFL-CIO. What do you do to cement your own place in labor's history?

MR. SWEENEY: Well, whoever asked that question, if they have an hour I'd be glad to spend it with them.

I think that every day the role the labor movement plays is contributing to the history of our country. I'm fortunate to lead the labor movement at this -- during this period of time.

My predecessors -- Tom Donahue, Lane Kirkland, George Meany -- all made a great contribution to the work of the labor movement in our country, contributed strongly to the improvement of the conditions for workers -- not just organized workers, but unorganized workers.

The battle that we made or waged on Social Security is an example of where that issue, that social insurance program, the most successful social insurance program in the history of our country, represents more workers who are not organized than organized workers. And when we're fighting for those kinds of programs, we're fighting for all workers in our country. When we're fighting on trade policy, as an example, we're fighting not just for the workers here in our own country, but we're fighting for the workers in our trading partners' countries. And we have their interests as much as we have our own when we look for their protection and for their basic human rights, especially in the developing world.

So we'll see what history has to say about the AFL-CIO during this period of time.

MR. SALANT: You talked about health care. What is the AFL-CIO prescription for health care? Do you favor a Canadian-style single- payor system or some sort of universal -- other universal health care?

MR. SWEENEY: I think that universal health care would be the best way to address the problems that we have today in terms of 45 million Americans without health care right now. And understanding the political will in our country, that's going to be a tall order.

I think that basically we have to strive to achieve national legislation that would address the access question in terms of providing health for everybody in our country; address the cost issues and how we can control or how we can more effectively manage the cost of health care. Other countries have been very successful at this, and we're the only industrialized country in the world that doesn't have some form of national health care.

And we also have to protect the quality of care. We have to have standards and we have to have accountability and transparency on this issue as well.

So it's access, cost and quality. However, whatever it takes in terms of where we have the political will, whatever it takes to convince the Congress and to convince the administration, that's the kind of plan that we would be supporting.

And we can -- I think that we should really have the ability to put together that kind of program here in the country. And I think it would be beneficial in the long run.

I mean, it's so unfair for corporations that are providing good, quality health care to be also paying for the uncompensated care and the charity care for those who do not have coverage. And they're paying for it through their tax dollars and whatever other ways they support it.

And yet, that's the kind of quality care that we would want every worker to have. And we should find a way to deal with some of the stumbling blocks, such as how you address the issue of small employers and how you monitor the quality of the health care system.

I mean, we have probably, for those who have good health care, we have the best health care in the world. We certainly can find a way to come up with a national plan that addresses all of these issues.

MR. SALANT: Before we ask our final question, I want to give you the coveted National Press Club coffee mug. (Laughter.)

MR. SWEENEY: Pretty soon I'll have service for six. (Laughter.)

MR. SALANT: And also a certificate of appreciation for appearing today.

MR. SWEENEY: Thank you.

MR. SALANT: Thank you very much. (Applause.)

This questioner wants us to know -- wants to know -- how do you rate the impact of blogs in what you do?

MR. SWEENEY: The challenge for me is to get really some upskilling when it comes -- (laughter, chuckles) -- when it comes to all of my computer problems.

But I think that, while not addressing the question directly, I think that it's so important that we take advantage of all of the latest techniques in terms of communication, in terms of reaching out, especially reaching out to our members and to workers. And I'll be happy to discuss blogging with any of you after lunch. (Laughter.)

MR. SALANT: Thank you very much. (Applause.)

I'd also like to thank everyone for coming today, and thank National Press Club staff members Melinda Cooke, Pat Nelson, Joann Booze and Howard Rothman for organizing today's lunch. Thanks to the library for their research.

We're adjourned.

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