

NATIONAL PRESS CLUB LUNCHEON WITH RICHARD TRUMKA

SUBJECT: DOMESTIC LEGISLATIVE INITIATIVES AND LABOR ISSUES

MODERATOR: DONNA LEINWAND, PRESIDENT, NATIONAL PRESS CLUB

LOCATION: NATIONAL PRESS CLUB BALLROOM, WASHINGTON, D.C.

TIME: 12:30 P.M. EDT

DATE: MONDAY, JANUARY 11, 2010

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DONNA LEINWAND: (Sounds gavel.) Good afternoon. Welcome to the National Press Club for our speakers luncheon. My name is Donna Leinwand. I'm President of the National Press Club and a reporter for *USA Today*. We're the world's leading professional organization for journalists, and we are committed to a future of journalism by providing informative programming and journalism education, and fostering a free press worldwide. For more information about the National Press Club, please visit our website at www.press.org.

On behalf of our 3,500 members worldwide, I'd like to welcome our speaker and our guests in the audience today. I'd also like to welcome those of you who are watching us on C-SPAN. We're looking forward to today's speech, and afterwards I'll ask as many questions from the audience as time permits. Please hold your applause during the speech so that we have time for as many questions as possible. For those in our broadcast audience, I'd like to explain that if you hear applause, it may be from the guests and members of the general public who attend our luncheons, and not necessarily from the working press.

I'd now like to introduce our head table guests and ask them to stand briefly when their names are called. From your right, Sheila Cherry of BNA, a former President of the National Press Club; Todd Gillman of the *Dallas Morning News*; Holly Rosenkrantz, reporter for Bloomberg News; Liz Shuler, Secretary-Treasurer of the AFL-CIO and a guest of our speaker; Mark Schoeff, Crain's Workforce Management; Jon Hiatt, Chief of Staff for the AFL-CIO and a guest of our speaker.

Skipping over the podium, Angela Greiling Keane, Bloomberg News and Chair of the National Press Club's Speaker's Committee. Skipping over our speaker for a moment, Robert Carden of Carden Communications and the speakers committee member who organized today's event. Thank you very much, Bob. Arlene Holt Baker, Executive Vice President of the AFL-CIO and a guest of our speaker; Peter Van Fleet of AP Broadcast; Vineeta Anand, chief research analyst in the office of investment for the AFL-CIO; and finally, Rodrigo Valderrama, a freelance op. ed. writer. (Applause)

Thirty years ago, working in the coalmines of western Pennsylvania, our guest today probably didn't envision standing before the National Press Club as the newly-elected President of the AFL-CIO. Richard Trumka went to work in the mines for the same reasons most miners do; because his father and his grandfather had worked there before him. But Trumka along the way worked through college and law school, joined the labor movement and eventually led the United Mine Workers Union. As President of the UMWA, Trumka led the union in one of the most successful strikes in American history, against the Pittston Coal Company, which had tried to avoid paying into an inquiry-wide health and pension fund. The strike resulted in significant advances in employer/employee cooperation, and enhanced mine workers job security, pensions and benefits.

Breaking with decades of tradition, his consistent use of nonviolent civil disobedience led to his receiving the Labor Responsibility Award from the Martin Luther King, Jr., Center for Nonviolent Social Change in 1990. Trumka's accomplishments as president of the Mine Workers Union includes passage of the Federal Coal Act that provides guaranteed healthcare for retired miners and bringing the union back into the AFL-CIO fold.

He served as Secretary Treasurer of the AFL-CIO for 14 years before being elected president in September. Last year, President Obama named Mr. Trumka to the Economic Recovery Advisory Board. In fact, he'll meet with the President later today. Please join me in welcoming to the National Press Club Mr. Richard Trumka. (Applause)

MR. TRUMKA: First of all, let me thank you, Donna, for those very kind and generous words and let you know that I'm delighted to be here at the National Press Club. I also want to thank the officers of the Press Club for the invitation to be here with you today, especially you and Bob Carden, speakers chairman committee member who actually arranged this thing. Thank you, Bob.

Ten days into the decade, and one year into the Obama Administration, our nation remains poised between the failed policies of the past and the hopes for a better future. This is a moment that cries out for political courage, and we're not seeing enough of it. I spent the first week of this year traveling on the west coast. In San Francisco, I was arrested with low wage hotel workers fighting to protect their healthcare and their pensions from leveraged buyouts that had gone bad. In Los Angeles and San Diego, I talked with working Americans, moved to tears, by foreclosures and unemployment, by outsourcing and benefit cuts.

Everywhere I went, people said to me, “Why do so many of the people we elect seem to care only about Wall Street? Why is helping bankers a matter of urgency, but unemployment is something we just have to live with? Why don't we make anything in America anymore? And why is it so hard to pass a healthcare bill that guarantees Americans healthy lives instead of guaranteeing insurance companies healthy profits?”

As I traveled from city to city, I heard a sense of resignation from middle class Americans; people laid off for the first time in their lives asking, “What did I do wrong?” I came away shaken by the sense that the very things that make America great are now in danger. What makes us unique among nations is this. In America, working people are the middle class. We built our middle class in the 20th century through hard work, through struggle and visionary political leadership. But a generation of destructive, greed-driven economic policies has eroded that progress and now threatens our very identity as a nation.

Today, on every coast and in between, working women and working men are fighting to join the middle class and to protect and to rebuild it. We crave political leadership ready to fight for the kind of America that we want to leave to our children and against the forces of greed that brought us to this very moment.

But instead we hear a resurgence of complacency and political paralysis. Too many people in Washington seem to think that now that we've bailed out the banks, everything will be okay. In 2010, our elected leaders must choose between continuing the policies of the past or striking out on a new economic course for America, a course that will reverse the damaging trend towards greater inequality that's crippling our nation. At this moment, the voices of America's working women and men truly must be heard in Washington. Not the voices of bankers and speculators for whom it always seems to be the best of times, but the voices of those for whom the new year brings pink slips and give backs, hollowed out healthcare, foreclosures and pension freezes. It's the roll call of an economy that long ago stopped working for most of us.

Today, I want to talk to you about the labor movement's vision for our nation. See, working people want an American economy that works for them, that creates good jobs, where wealth is shared fairly and where the economic life of our nation is about solving problems like the threat of climate change rather than creating problems like the foreclosure crisis.

We know that growing inequality undermines our ability to grow as a nation by squandering the talents and the contributions of our people and consigning entire communities to stagnation and to failure. If we're going to make our vision real, first we must challenge our political leaders and we must challenge ourselves. And we must challenge our movement. Workers formed the labor movement as an expression of our lives, a chain of responsibility and solidarity. Making millions of people here in America and around the world into agents of social change, able to accomplish much more together than as isolated individuals.

That movement gives voice to the hopes and values and interests of working people every single day. But despite our best efforts, we've endured a generation of stagnant wages and collapsed benefits, a generation where the labor movement has been much more about defense than about offense, where our horizons are shrinking rather than growing.

But the future of the labor movement depends on moving forward, on innovating and changing the way that we work. On being open to all working people and giving voice to all workers, even when our laws and our employers seek to divide us from one another. And that's something that we're working on every single day. The AFL-CIO is building new ways for working people to organize themselves, and new models for collective bargaining. We've created Working America, a three million member community-based union growing in working class neighborhoods. This is one of the signal accomplishments of my predecessor, John Sweeney. John, I have to tell you, I'm very, very proud and honored to have you here with us. Please stand up. (Applause)

We're proud of our alliance with Workers Centers movement that links movements to the AFL-CIO with hundreds of grass roots workers organizations around the country. And we're also working with community allies to strengthen the voice and the bargaining power of low-wage workers in Los Angeles car washes, some of the worst paid and worst treated workers in this country. Next week, AFL-CIO Executive Vice President, Arlene Holt Baker, who's right over here, will lead the labor movement's commemoration of the 50th anniversary of the lunch counter sit-ins in Greensboro, North Carolina, continuing the great work that she's done over so many years on behalf of the most vulnerable in our society.

And not far from Greensboro, we've been working with unemployed African-American day laborers in their worker center, desperately, desperately trying to keep alive the dream launched in those very sit-ins.

In San Diego last week, I visited a pre-apprenticeship program formed by local labor movement to create career paths for at risk youths. In Los Angeles, I saw a remarkable community-based labor management training program created by the electrical workers that's focused on green jobs. See, these programs demonstrate the tremendous benefits that are possible when labor and business come together to solve problems jointly.

When I was there, I met with a man who was once homeless. And he was 19 days away from becoming a journeyman electrician. Young man named Nakia (?). And he said to me that, "The union gave me a chance to go from no life to the hope for a middle class life. It didn't just teach me to get a job, it taught me how to be a man." And then I talked to hotel workers, members of Unite Here, many of them immigrants, on strike, to keep hotel jobs from falling back into poverty. And to union members with Ph.D.s fighting to prevent California's budget catastrophe from cratering not only their jobs, but the education of their state's children.

I thought, as I did that, I thought of my father on strike in the coal fields when I was a boy. And I was reminded of this basic truth: a job is a good job because workers fight to make it a good job. And it doesn't matter if the job is in a coal mine or in a classroom or in a car wash. And that, my friends, is why unions are needed today more than ever before.

See, I grew up in a little town in southwestern Pennsylvania, and I was surrounded by the legacy of my parents and my grandparents. My grandfathers and my father and his brothers and their fellow workers went into the mines that were death traps to work for wages that weren't enough to buy food and clothes for our families. They and the union they built made those jobs into middle class jobs. And when I went into the mine, it was a good job. A good job meant possibilities for me, possibilities that my mother moved heaven and earth to make real, that took me from Penn State to law school to this very podium.

What's our legacy? What's the legacy of those of us who are shaping the world our children and our grandchildren will inhabit? Is our government laying the foundations that young people need right now? Do workplaces offer hope? Do they even offer work? Are we building a world that we'll be proud to hand over to our children. Are the voices of the young, of the future being heard?

In September, I was elected President of the AFL-CIO together with Secretary Treasurer Liz Shuler, who is her with me on my left, and Executive Vice President Arlene Holt Baker. Liz is the youngest principal officer in the AFL-CIO history. (Applause) I asked her to lead a program of outreach to young workers. As part of the effort, the AFL-CIO conducted a study of young workers between the ages of 18 and 34, comparing their economic standing and attitudes and hopes with those of a similar survey that was conducted ten years ago. The findings were shocking. They revealed the lost decade of young workers in America; lower wages, education deferred. Things were so bad that one in three of these 18 to 34 year olds is currently living at home with their parents because they can't afford to live alone.

Now, the desperation I heard in this survey and the voices of the proud, hardworking Americans, fills me with a sense of urgency. An urgency that should be shared by every last elected official here in Washington and across the country. As a country, and a movement, our challenge is to build a new economy that can restore working people's expectations and renew their hopes. If you were laid off because of what Wall Street did to our economy, it's not your fault. A dead end job with no benefits is not the best that our country can do for its citizens.

But what went wrong with our economy? Well, you could say it as simple as we built a low wage, high consumption economy and tried to bridge the contradiction with debt. And there's a lot of truth in that simplicity. But if we're going to understand what is wrong in a way that will help us understand how to fix it, I think we need a little more detail. See, a generation ago, our nation's policymakers embarked on a campaign of

radical deregulation and corporate empowerment, one that celebrated private greed over public service.

Now, the AFL-CIO warned of the dangers of that path, trade policies that rewarded an accelerated outsourcing, financial deregulation designed to promote speculation, and the dismantling of our pension and our healthcare system. We warned that the middle class could not survive in such an economy, that growing inequality would inevitably shrink the American pie. That we were borrowing from the rest of the world at an unsustainable pace, that busts would follow bubbles, and that our country would be worse off in the end.

These policies culminated in the worst economic decade in living memory. We suffered a net loss of jobs, the housing market collapsed, real wages fell, and more children fell into poverty. And the enormous growth in equality during that decade yielded mediocre growth overall. Now, this is not a portrait of a cyclical recession, but of a nation with profound, unaddressed structural economic problems on a long-term downward slide. Our structural problems predate the crisis that hit in 2007. And they're not going to go away by themselves in 2010.

First, we've under-invested in the foundations of our economy, including transportation and communications infrastructure that are essential in a middle class society, in a dynamic, competitive, high wage economy. But the most important foundation of our economy is education and training. We simply cannot continue to skim on the quality of education we provide to all of our children and expect to lead in the global economy. Likewise, we need to provide opportunities for lifelong skills upgrading to workers through both private and the public sector.

Second, we failed over a long period of time to create enough jobs at home to maintain our middle class. And we've allowed corporate hacks to whittle away at workers bargaining power to undermine the quality of the remaining jobs. Finally, the structural absence of good jobs means a shortage of sustainable demand to drive our economy.

We want an entirely different kind of economy. Let's talk about what we need to do. We must directly and immediately take on what is wrong by creating millions of good jobs now, by rebuilding our economic foundations and giving working people the freedom to form unions again and make all of our jobs good jobs. (Applause) We must pass genuine healthcare reform and re-regulate our financial economy so that the finance is the servant of the real economy and not its master so that we have an independent consumer financial protection agency, and so that we never again take the public's money and use it to rescue bank executives and stockholders. See, I'd like to commend President Obama's leadership in insisting on a viable and strong independent consumer protection agency which is crucial to real financial reform.

Now, the AFL-CIO's five point program will create more than four million jobs, extending unemployment benefits, including COBRA, expanding federal infrastructure and green jobs industries, dramatically increasing federal aid to states and local

governments facing financial disaster, direct job creation where feasible. And finally, direct lending of TARP money to small and medium sized businesses that can't get credit because of the financial crisis. And we need to adopt a tax on financial speculation so that we can fund the jobs effort as the economy recovers.

Now, some in Washington say when it comes to jobs, go slow. Take half steps. See, those voices are harming millions of unemployed Americans and our families. But they're also jeopardizing our economic recovery. It is responsible to have a plan for paying for job creation over time. But it is bad economics and suicidal politics not to aggressively address the job crisis at a time of double digit unemployment. In fact, budget deficits over the medium and long-term will be worse if we allow the economy to slide into a long job stagnation. Unemployed workers don't pay taxes and they don't go shopping. Businesses without customers don't hire workers, they don't invest, and they also don't pay taxes.

Our economy simply does not work without good jobs. So, we must take action now to restore workers voices in America. The systemic, systematic silencing of American workers by denying our right to form unions is at the heart of the disappearance of good jobs in America. We must pass the Employee Free Choice Act so that workers can have the chance to turn bad jobs into good jobs and so we can reduce the inequality which is undermining our prospects of a stable economic growth. (Applause)

And we have to do that now; not next year, not even this summer, but right now. Each of the initiatives should be rooted in a crucial alliance of the middle class and the poor. But today, as I speak to you, something different is happening with healthcare. On the one hand, we have the House bill, which asks the small part of our country that prospered in the last decade, the richest of the rich, to pay a bit more in taxes so that most Americans can have health insurance. And the House bill reigns in the power of health insurers and employers with the employer mandate and a strong public option.

But thanks to the Senate rules, and the appalling irresponsibility of the Senate Republicans and the power of the wealth among some Democrats, the Senate bill instead drives a wedge between the middle class and the poor. The bill rightfully seeks to insure that most Americans have health insurance, but instead of taxing the rich, the Senate bill taxes the middle class by taxing workers health plans. Not just union members healthcare plans. In fact, most of the 31 million insured employees who will be hit by the excise tax are not union members. The benefits tax in the Senate and the Senate bill pits working Americans who need healthcare for their families against working Americans struggling to keep healthcare for their families.

Now, this is a policy designed to benefit elites. In this case, insurers, hospitals, pharmaceutical companies, and irresponsible employers at the expense of the broader public. It's the same tragic pattern that got us where we are today, and I can assure you that the labor movement is fighting everything with what we've got to win healthcare reform that is worthy of the support of working men and working women. (Applause)

These great struggles over healthcare and jobs and the freedom to organize and financial reforms are the first steps. Beyond the short-term job crisis, we have to have an agenda for restoring American manufacturing, a combination of fair trade and currency policies, worker training, infrastructure investment, and regional development policies targeted to help economically distressed areas. We cannot be a prosper middle class society in a dynamic global economy without a healthy manufacturing sector.

So we must have an agenda to address the daily challenges that workers face on the job to insure safe and healthy work places and worker friendly rules. We need also comprehensive reform of our immigration policy based on shared prosperity and fairness, and not cheap labor. And we must take on the retirement crisis. See, too many employers have replaced the system of pensions we used to have with under-funded savings accounts fully exposed to everything that's wrong with Wall Street. Today, the median balance in 401(k) accounts is only \$27,000, nowhere near enough to secure a retirement. We need to return to a policy of employer sharing responsibility for retirement security with the employees while also bolstering and strengthening Social Security.

Now, President Obama campaigned on a platform of boldly taking on these challenges. He's spoken often about the need to re-found our economy on doing real things, rather than dreaming of financial pots of gold. He asked Vice President Biden to lead the effort to restore the middle class. For the first time that I can recall, we have an administration that sees manufacturing, making things here, as central to America's future and speaks clearly about the positive role for workers and their unions in the future.

See, President Obama's laid out an aggressive agenda for structural change and has appointed people like Secretary of Labor Hilda Solis, who believe in that vision. Of course, President Obama inherited a terrible mess from his predecessor, a journey of stolen elections, ruinous tax cuts for the rich, dishonest wars, financial scandal, government sponsored torture, flooded cities, and finally, economic collapse. President Obama's administration began out of necessity and vision with an act of political courage: the enactment of a broad and substantial economic recovery program. And despite Republican opposition, the stimulus was big enough to make real, positive impact on our economy, saving or creating more than a million jobs already.

But the job crisis has escalated. The foreclosure crisis continues, and Wall Street appears to have returned to its old ways. By the way, this is bonus week on Wall Street and I urge you to watch how much discipline they show with all the nation watching this week. Watch and be amazed. See, now more than ever, we need the boldness and the clarity that we saw in our president during the campaign in 2008 when he outlined the scope of the economic problems facing our nation unencumbered by the political cross currents weighing us down today. One year into the Obama Administration and one year into a Congress with strong Democratic majorities, we need leadership action that matches the urgency that is felt so deeply by working people in this country. (Applause)

See, too often Washington falls into the grip of ambivalence about the fundamental purpose of government. Is it to protect wealthy elites and gently encourage

them to be more charitable? Or is it to look after the vast majority of the American people? Government in the interests of the vast majority of Americans has produced our greatest achievements; the New Deal, the Great Society, the civil rights movement, Social Security, Medicare, the minimum wage, the 40 hour week, the Civil Rights Act and the Voting Rights Act. That's what made the United States a beacon of hope in a confused and divided world.

But too many people now take for granted government's role as protector of Wall Street and the privileged. They see middle class Americans as overpaid and under worked. They see Social Security as a problem rather than the only piece of our retirement system that actually works. They feel sorry for homeless people but fail to see the connections between downsizing and outsourcing and inequality and homelessness. This world view has brought Democrats nothing but disaster. The Republicans' response is to offer middle class the false hope of tax cuts. Tax cuts end up enriching the rich, devastating the middle class by destroying the institutions like public education and Social Security that make the middle class possible.

Are you trying to tell me something?

MS. LEINWAND: Uh-huh. We are now into our Q&A period.

MR. TRUMKA: Well, I'm not done with what I have to say.

MS. LEINWAND: Well--

MR. TRUMKA: And you invited me here to say it. (Applause)

MS. LEINWAND: Twenty-five minutes, so we're going to start with the Q&A.

MR. TRUMKA: I'm going to continue with my speech.

MS. LEINWAND: Can you wrap up in 30 seconds?

MR. TRUMKA: No, I can wrap up in a couple of minutes, but not 30 seconds. Look, working people have been waiting 30 years to talk, we're going to talk.

MS. LEINWAND: Working people have all these questions for you.

MR. TRUMKA: Good.

MS. LEINWAND: All right, you're almost done?

MR. TRUMKA: Yeah, I am.

MS. LEINWAND: All right.

MR. TRUMKA: Thanks. Not a problem. Because here's what I have to say. No matter what I say or do, the reality is that when unemployment's 10 percent and rising, working people will not stand for tokenism, will not vote for politicians who think they can push a few crumbs our way and then continued the failed economic policies of the last 30 years. I'll be even blunter. In 1992, workers voted for Democrats who promised action on the job, who talked about reigning in corporate greed and who promised healthcare reforms. Instead, we got NAFTA and emboldened Wall Street and not much more.

We swallowed our disappointment and we worked to preserve a Democratic majority in 1994 because we knew what the alternative was. But there was no way to persuade enough working Americans to go the polls when they couldn't tell the difference between the policies of the two parties. So politicians who think that working people have it too good, too much healthcare, too much Social Security, too much Medicare, too much power on the job, are actually inviting a repeat of 1994. (Applause)

And our country can't stand that repeat. President Obama said in his inaugural address that the state of the economy calls for action, bold and swift, and we will act, not only to create new jobs, but to lay a new foundation for growth. And now is the time to make good on those words for Congress, for President Obama, and for the American people. We have some ideas of what those people could do on the weekends if they don't believe us. They can go sit with the unemployed. They can talk to college students looking at tuition hikes and laid off professors and no jobs at graduation. They can talk to workers whose jobs are being off-shored. They can ask what these Americans think about their future, ask them what they think of Wall Street, of health insurance companies and the big banks. Ask them if they want a government that sits in partnership with those folks or a government that stands up for working people.

Then think about the great promise of America and the great legacy that we've inherited. Our wealth as a nation and our energy as a people can secure for us and our children, in the worlds of my predecessor, Samuel Gompers, more schoolhouses and less jails, more books and less arsenals, more learning and less voice, more leisure and less greed, more justice and less revenge. In fact, more of the opportunities to cultivate our better natures. That's the America that we look forward to, and we're looking forward to getting it now. Thank you. (Applause) Sorry about that.

MS. LEINWAND: All right. We're going to get started. We only have 20 minutes for questions. I ask that you please be seated, thank you. The AP is reporting today that the initial stimulus bill had virtually no effect on employment, and that it was especially ineffective in the construction inquiry. Why should there be another stimulus if this was the result of the first?

MR. TRUMKA: Good question. Let's go back and talk a little bit about history first. When the first stimulus was being thought about, nobody thought the economy was going to be in as deep a recession as it turned out to be. And back then they said, "We would need at least \$1.3 trillion to turn the economy around." Remember that? Well, the

Republicans stood up and defied and fought against every last piece of the stimulus bill. So we were able to get a bill of about two-thirds of what was needed. Nonetheless, our figures indicate, and most economists figures indicate, that we are saving some jobs, but we need a second stimulus package. A second stimulus package along the lines that we have lined out the five points that the AFL-CIO lined out, will create many jobs. Else wise, we stand the danger of a double dip recession going back into that recession because the states are not spending, works are not spending and if we don't do something to create jobs and create spending, the recovery that is taking over a little bit of the financial economy, but not the real economy, will take over.

MS. LEINWAND: So you just mentioned the five point plan to stem unemployment that I think you introduced in November. Your proposals included using TARP money to offer commercial rate loans to small and medium sized businesses. Which points of your plan have come to pass, which haven't, why did you propose the plan, and what will you, when you meet Mr. Obama today, tell him about this plan?

MR. TRUMKA: First of all, today's meeting isn't about the economy. Some of the portions of the plan have already been enacted. The extending of unemployment benefits, healthcare benefits, and COBRA benefits were extended. We suggested a 12 month extension, the House agreed with the Senate gave a two month extension, so we'll come back and visit that.

Investment in infrastructure, a reauthorization of the Transportation Bill, the House has done that. The Senate hopefully is working on that. The reauthorization of the Clean Water Act, the House has done that. The Senate hopefully is working on that. Aid to state and local governments is being done somewhat. Creation, but needs to be done much more because we have 48 states that are in danger of cutting off spending and it does us precious little good at the federal level to increase spending to create jobs at the state level, is decreasing by the same amount. That's why we have to give them some help.

Creating jobs, that hasn't been taken up yet, targeted job creation by the federal government hasn't been taken up yet, but it will be. And the last one, the TARP money, it hasn't been done yet. Loans aren't being made to small and middle sized businesses, and middle sized manufacturers. That actually can create jobs. We think we ought to take that TARP money that's been not spent, money that's been paid back, send it through small, regional banks so that they can do immediate lending to small and mid sized businesses. That'll create jobs, hopefully we'll see some of that happen. It's not been done yet.

MS. LEINWAND: What do you see as the major roadblocks to getting that passed?

MR. TRUMKA: Weak and recalcitrant politicians. (Applause) And a Republican Party that's more disciplined than anybody imagined that is determined to see this President fail. And so they really won't work for the interests of the country. They fought against healthcare, they fought against the stimulus package. They had no

alternatives except to say no. We think that's a tragic thing for the country, and we hope that they finally come to their senses and start thinking about what's best for the country instead of what's best for the next election.

MS. LEINWAND: Wouldn't more stimulus signify more debt? And how would stimulus investment get to the root of the systemic weaknesses that led to the recession?

MR. TRUMKA: Well, stimulus would help us create jobs. And would it lead to more debt? Well, let me pose this to you. Let me do a survey. How many people here can afford to live in the house they're in, raise your hand. How many people paid cash for the house that they live in? Wow, one person paid cash, the rest of us had to buy it on time, right? We could afford that house, but we had to do it on time. That's the same thing with the jobs program. We can afford a job program of the size necessary to right the economy, we just may have to pay for it over time. So in the long-term, it won't mean more debt, it will mean less debt. The more people we put back to work.

Look at what the Chinese did. They spent 9 percent of their GDP on stimulus, and they spent all of it in China. We spend a little bit over 2 percent of our GDP and we spent some of it in the United States. Most of it went out, or not most of it, but some of it went out. For instance, a windmill. If you buy a windmill abroad, 62 cents out of every dollar is used to stimulate somebody else's economy rather than our economy. So, we create jobs, that creates demand. Demand then fuels the economy.

What we had, and I want to come back to something I said in the speech. What we've had for the last 30 years is a low wage, high consumption economy. And to bridge that contradiction, we borrowed. We now know that that is a system that cannot long endure. So what will be the new engine that fuels the economy? More debt? It has to be good jobs, where the wealth that we produce gets distributed a little more fairly so that everybody can then demand something. Because one person, a millionaire with, say, a hundred dollars. One person with a hundred dollars creates a whole less demand than a hundred people with one dollar. What we have to do is make sure that the wealth gets spread out a little bit more so we can actually build this economy on strength.

The other thing that has to be done as part of the question is to re-regulate the economy. If we only stimulate the economy and go back to the same economy that we had, the same result will happen. The people at the top will walk away with the vast majority of what's produced, and the rest of the country will see more jobs go overseas. So it's up to us. We're at a crossroads. We're urging people to act quickly to create those jobs because there's suffering going on. Hopefully, they'll do that. If they don't, I think they truly will face the scorn of the American populace in the elections in the fall.

MS. LEINWAND: The demand for shorter work time was a traditional response to unemployment by the American labor movement. In the 19th century, the struggle for the eight hour day was the core of union policy. During the Depression, the demand for a 30 hour work week was the AFL's priority. Why are unions not today demanding a four-day work week?

MR. TRUMKA: Good question. And we'd like to have a four day work week if we got paid for five. Unfortunately, we're getting a no-day work week and we're getting paid for no days as it is right now, we get laid off. When wages started to stagnate, and maybe I should go back just a little bit. From 1946 to 1973, wages in this country doubled; productivity doubled and so did wages. We had a good thing going. We built the middle class. Greatest expansion of wealth in the history of mankind. And the interesting thing during that period of time, the bottom two quartiles income was increasing faster than the people at the top so the wage gap was collapsing.

From '73 to date, productivity has continued up, but wages have stagnated, absolutely stagnated. So workers went through four or five different strategies to try to compete with that. When our wages stagnated, the first thing we tried to do was work longer hours to get overtime to make up for what we weren't getting in raises. And when that didn't work, we sent somebody from the family, another person or two from the family, out into the workforce so at least family incomes held up.

When that didn't work, we took on a second or a third job. That didn't work, either. Then we got lucky and we hit the high tech bubble of the '90s and people's wages weren't going up, but they looked at that 401(k) and they'd come to me at the mine site or the work site. "Look at this, look at my 401(k)." They felt rich. So they felt like they could borrow, and they did borrow. And then the high tech bubble collapsed, and then people-- we got lucky again. The housing bubble took off. And now my \$100,000 house is worth \$200,000 so I can borrow. So I did.

What we have is an economy that forces people just to get by to work longer and more jobs, retirees whose pension has been taken away from them, having to go back out into the workforce. Yeah, we should have a work system where we work fewer hours and make more money. But this economy of the last 30 years has made that impossible for most Americans. It's an economy that has ground people up, that has taken jobs and turned back time and lowered the wages. You have people working for wages today that are lower than they were in the '70s. You can't work fewer hours on wages to pay for 2010 commodities with wages that were 1970s.

So it's up to us to create those jobs and that's why the Employee Free Choice Act is so important; because we get a chance to make those jobs good jobs, create a better balance in the economy, create a real demand for products so that we don't have to borrow our way into the middle class, we can actually bargain our way into the middle class.

MS. LEINWAND: Speaking of the Employee Free Choice Act, what are the prospects for labor law reform in 2010, even just a scaled down version of the Employee Free Choice Act, given the momentum shift against the Democrats and general election year anxiety?

MR. TRUMKA: I think you'll see the Employee Free Choice Act passed in the first quarter of 2010. You'll see it have some real effect. We will start creating and making good jobs in this country again.

MS. LEINWAND: In regards to the Employee Free Choice Act, it seems you and SEIU President Andy Stern have different messaging. Stern is saying there will be a vote, you have said there may not be. Who is right, what's going on?

MR. TRUMKA: The Employee Free Choice Act? The question's wrong. I never said that there wouldn't be a vote, I said there would be. Maybe he said there wouldn't be, I don't know. But I think we're in 100 percent agreement on that. I think everybody in the labor movement is 100 percent in lockstep, that whether you're in the AFL-CIO or not in the AFL-CIO.

MS. LEINWAND: Some healthcare reform supporters have expressed frustration that President Obama has not weighed in more forcefully to shape the legislation and push it through Congress. How do you feel about his approach to the Employee Free Choice Act, which has been stalled since March?

MR. TRUMKA: The President fully supports the Employee Free Choice Act, the Vice President fully supports the Employee Free Choice Act. A vast majority of the members of the House support the Employee Free Choice Act. The vast majority of the people in the Senate support the Employee Free Choice Act, and I think we're going to have the Employee Free Choice Act despite the determined efforts of the Republican Party and a group of businesspeople who really don't want any kind of labor law reform at all.

MS. LEINWAND: What industries or companies do you believe should be targeted for unionization under EFCA? And will card check survive in the final bill?

MR. TRUMKA: First of all, I think every workshop ought to have a union in it because I believe-- (Applause) I believe better decisions are made when you sit down at the table as equals. I'll give you a classic example of that. When my son was five years old, he would come up to me and say, "Dad, I want to do this." And I'd say, "No." That's it. It was no. He didn't have any kind of leverage or any kind of bargaining power with me. He couldn't go to any higher authority. It was no, he had no bargaining power.

Well then, two minutes later my wife comes up to me and my wife says, "I want to get a new car." And I say, "Let's sit down and talk about this." It's a whole different process because we came to the table with different leverage. She and I came with almost the same bargaining power, I probably was still on the short end of that one, but he had no bargaining power. And that's what a union does. I mean, one worker against the employer, it doesn't matter how right you are or how righteous you are, you have no ability to do anything. But no matter what the group is, if people are sitting down and they're working, first of all, we can work together more effectively. We can create

partnerships where we really do take on who I consider to be the people, the opponents that we have to beat.

And second of all, better decisions get made. Or, you could look at it a different way. You could try to legislate every issue so that every health and safety issue could get legislated. Now, that would be a real mess, wouldn't it, because you couldn't create a one size fits all in every place. Collective bargaining allows everybody to tailor every decision or every problem they have for the best for those two parties and so it's a great solution. I think it ought to be in every inquiry and in every workplace.

MS. LEINWAND: Would you be willing to accept a compromise that drops card check but maintains binding arbitration?

MR. TRUMKA: If the person that asked the question has the power to do that, come on up and I'll bargain with you. Else wise, I make it a habit of not bargaining in public.

MS. LEINWAND: Thanks to the hold on TSA Director nominee, Erroll Southers, labor relations has been inserted into the controversy over the Detroit airplane bombing scare. How would allowing TSA workers to bargain collectively affect security?

MR. TRUMKA: Well, if you listened to Senator DeMint, it would have an adverse effect on security. But I make the case that his hold on having a leader for TSA is actually lessening security in this country because they have an interim leader but they don't have a leader for TSA. And I think that has an adverse effect.

Now, let's see if I get the logic right. The pilot can be in a union, and they are. The flight attendants can be in a union, and they are. The mechanics and all the ground personnel could be in a union, that they are. But the people who check them somehow if they're in a union, somehow that adversely affects national security. I just don't get the logic of it. I think if they were in a union, we'd have better security in this country. Go and talk to them. When you go through, talk to them. They're over worked, there are too few of them around. We would at least be able to say, "This is what's necessary for real security at the airports, and we're going to bring a union to every one of those TSA people and we're going to bring more security to those TSA work sites." (Applause)

MS. LEINWAND: Will you actively oppose the health bill if the Senate favored tax is in there?

MR. TRUMKA: We are working diligently. We've been working for decades right now to try to get a healthcare bill passed in this country, for decades, and we're not about to stop now. I'm not about to speculate about what's going to be in that bill or what's not going to be in the bill. The Senate bill from our point of view is inadequate. It does not deserve the support of working men and women. But we are a long ways from the finish line yet, and we're going to try to get a bill that should and will garner the

support of working people in this country because bringing healthcare to every citizen out there is too important for us to get this close and then say we quit.

MS. LEINWAND: We are almost out of time, but before I ask the last question, we have a couple of important matters to take care of. First of all, let me remind our members of future speakers. On March 5th, the Honorable Mitt Romney, former governor of Massachusetts will be here. And on April 12th, Dennis Quaid, the actor, will discuss the prevention of potentially deadly medical errors.

Second, I would like to present our guest with the traditional, and much coveted, NPC mug. (Applause)

MR. TRUMKA: Thank you.

MS. LEINWAND: You're welcome. We're only going to give you half a cup of coffee because your speech went over 25 minutes.

MR. TRUMKA: If you'd have gave me a full cup of coffee, I would have gone over an hour. (Laughter)

MS. LEINWAND: Okay, so you're meeting with the President this afternoon. What will you be telling him?

MR. TRUMKA: Oh, we'll be talking about the weather, about this weekend's football games, about who we think is going to win the Super Bowl, healthcare, and a couple of other things. We'll be talking about healthcare.

MS. LEINWAND: What's your message to him? What's the one thing you want him to come away from that meeting with?

MR. TRUMKA: We're going to talk to the President as a friendly-- It's a meeting among friends trying to solve problems. I'm not going to go into what we're going to talk about. We'll talk about trying to solve problems.

MS. LEINWAND: Okay. I'd like to thank you for coming today, I appreciate it.

MR. TRUMKA: Really?

MS. LEINWAND: Really. (Applause) I'd also like to thank National Press Club staff members Melinda Cooke, Pat Nelson, Joann Booz for organizing today's lunch. Also, thanks to the NPC Library for its research. The video archive of today's luncheon is provided by the National Press Club's Broadcast Operations Center. Our events are available for free download on iTunes, as well as on our website, and nonmembers may purchase transcripts, audio and videotapes by calling 202-662-7598 or emailing us at archives@press.org. For more information about the National Press Club, please go to our website at www.press.org.

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