GENERAL PRESIDENT'S REPORT

As we move into the fourth quarter of 2023, it is important to reflect on significant developments throughout the year, as well as the state of our organization. Despite continued financial pressures such as inflation and rising interest rates affecting our members and their families, 2023 also saw significant labor law developments that will positively impact working men and women for years to come. For example, the National Labor Relations Board has continued to unwind several Trump era decisions that were unfavorable to working people and organized labor.

In June 2023, the NLRB returned to a prior worker-friendly test for determining whether an individual is an independent contractor. In *Atlana Opera, Inc.*, the Board overruled its 2019 decision in *SuperShuttle DFW, Inc.*, which found that entrepreneurial opportunity for gain or loss was the primary factor in deciding employee status. The Board's more recent decision lowers the threshold for finding employee status, which affords workers with additional protections under the National Labor Relations Act, including the right to unionize and collectively bargain. Under the new decision, the Board will return to looking at all aspects of the working relationship, not just a single decisive factor. The Board's decision will have a significant impact on businesses that have become accustomed to treating workers as independent contractors.

The Board has also continued to argue for the banning of so called "captive audience" meetings, during which the employer gathers its employees and attempts to dissuade them from unionizing. Although captive audience meetings were permissible in the past, NLRB General Counsel Jennifer Abruzzo has argued that these meetings are unlawful because they are "inherently coercive" of employees' right to organize. Several states such as Minnesota, Oregon and New York have enacted legislation that prohibit employers from requiring employee attendance at "captive audience" meetings, and similar legislation is also pending in California.

The Board has further reaffirmed its commitment to overturn the Trump Board's joint-employer and election rules. The joint-employer rule determines when one entity can be held liable for another entity's unfair labor practices and can have significant implications for employers. Additionally, the Board's proposed election election-protection rule would rescind part of the 2020 union representation procedures on blocking charges and the voluntary recognition bar. All of these changes will have a significant impact in the lives of working people going forward, and there is evidence the changes are already having a positive impact.

According to a Bloomberg Law report, union contracts ratified in the first quarter of 2023 provided employees with first year pay increases that averaged 7%. According to the Report, the average quarterly wage increase is the highest since approximately 2007. Average pay increases were even higher at 7.8% when taking into account signing bonuses and other lump payments. The increases are most likely attributable to the end of the COVID-19 pandemic, an increase in strikes and other union activity, persistently high inflation, and policy changes at the National Labor Relations Board. But despite these pay increases, there is still much work to do. Executive salaries, corporate profits and inflation are still outpacing the average workers' pay.

In 2023, corporate profit margins and executive salaries continued to increase at the expense of the average workers' wages. As a result, we are seeing an increase in job actions and strike activity across all sectors of the economy. Stagnant wage growth and an erosion of worker protections is motivating an increase in unionization and strike activity. In 2018 and 2019, major work stoppages hit the highest levels in decades. After dipping in 2020 and 2021, work stoppages grew by almost 50% in 2022. Evidence suggests that this trend will continue in the near future due to the erosion of worker protections and corporations that exploit and expand loopholes in labor laws.

In August, some 340,000 UPS workers represented by the Teamsters Union ratified a 5-year agreement that narrowly averted a strike. The deal raises pay for all full and part-time workers, provides another paid holiday, ends forced overtime and adds air conditioning to new models of UPS delivery trucks. Ending UPS's labor cost-saving schemes is undoubtedly a big win for unions and provides a road map for other unions looking to send a message to big companies.

Strikes and other job actions are about protecting family-sustaining jobs from the erosion workplace safety standards across all industries. As we close out 2023 and move into 2024, we must stand with striking workers and unions that are fighting for a more equal economic outcome and a safe workplace. This is a fight we all have a stake in.