

Today, let's start our little look at history. We've actually been here before is sort of the theme I want to develop, because I want us to put us back as if you are entering the labor force around 1930. You've just come off what we call the roaring '20s. And while you should feel better because the economy was going so well in the 1920s and profits were up and the stock market was at record levels, you probably don't feel very optimistic.

Because despite all this good news, family income was falling in the 1920s as it is today. Most of the income went to the top 10%, just as it is today in our society. And then of course 1929 comes along, and we get the Great Stock Market Crash, and everything starts to fall to pieces.

At that point, over the next several years, if you were entering the labor force or an existing, more mature worker, you were expected to lose between 8% to 20% percent of your income. If you got unemployed, over 25% of the labor force, you were really in dire straits. There was steady loss of income, especially for those people who were working in small businesses or working on the farm.

Well, this created all kinds of pressures, and it led to the election of a new president. President Franklin Delano Roosevelt was elected in 1932 with pressure from the population to bring us out of the depression and find new ways to protect workers' jobs and incomes.

Well, he had quite a job on his hands-- so many people out on the streets, looking for a job, homeless. A new term was invented, something called Hooverville, people pitching tents in our major cities because they had nowhere else to live. The Great Dust Bowl occurred, so people from Oklahoma and Texas started to migrate with their families to California in search of a better life. The Grapes of Wrath, written to describe the plight of these people who were moving to try to find a better job and a better opportunity was probably the best selling book about that time.

And so something was needed. Well, we actually did get some change in national policy. This is a picture of the first woman cabinet member in the United States, Frances Perkins, who was chosen to be the Secretary of Labor by President Roosevelt. But she warned him. When he interviewed her about the job, she said, Mr. President, you don't want to choose me as a secretary unless you're willing to think about new forms of unemployment insurance and minimum wages and social security for people when they retire.

Well, Roosevelt said, that's exactly why I want you for this job. And so we did see what was called the New Deal come to pass in the 1930s, with a lot of work with the Congress and with the Roosevelt administration. And building on many of the innovations that occurred at state and local government levels in the previous 20 years, we got much of the labor legislation that still is the foundation for labor policy today, starting with unemployment

insurance.

Unemployment insurance was first put in place to try to provide temporary assistance for people who were out of work who would get called back to work when the economy got better. Well, that worked for a long time, but today almost nobody who gets unemployed expects to be called back.

Job loss is permanent, and so we need to update the unemployment insurance system. It's not just to provide temporary financial assistance for people out of work. We need to help them find new jobs and get new training opportunities and assistance to move to where the jobs happen to be.

In 1938, we passed the first minimum wage and overtime legislation, called the Fair Labor Standards Act. \$0.25 an hour was the minimum wage at that time. That has moved up now to \$7.25, but the bad news is it hasn't kept up with inflation. So we are worse off today at that level than we were in the mid 1960s. And we need to update the minimum wage at the national level to keep up with the rate of inflation and the growing cost of living.

The same with rules around overtime-- through the '40s, '50s, and '60s over 60% of salaried workers were still eligible for overtime. Today that number is down to about 10%. And so we've got to find ways to allow low-wage salaried workers, assistant managers at McDonald's and other places, to be able to get overtime if they're working 50 and 60 hours a week, as many of them are.

The National Labor Relations Act provided for collective bargaining legislation in the 1935 act. That law promised workers a right to gain access to a union and collective bargaining, and it worked quite well for many years. But today it's broken beyond repair. Today if an employer wants to resist a worker's right to organize, over 90% of the time the employer is going to win. And the workers will be frustrated. So we need to find new ways to modernize that law to provide workers with the voice that they want.

We passed the Social Security Act in 1935 that provided a retirement income for all workers, based on the hours that they worked in the labor force over the years and the salaries that they earned. And that law still provides a good retirement income for most workers. But that law, too, needs to be updated, because we're living longer; we're not able to cover all of the debts of the next generation, and therefore, we're going to have to tweak that law a bit in order to avoid going bankrupt with social security over the next 20 years.

All of these laws need to be updated to catch up with the changing workforce and the changing nature of work, but perhaps we have to go farther. Maybe it's also time to pass some new legislation, to recognize that today it takes two working parents to earn a decent living for their families. So maybe it's time for the United States to become the last country in the developed world to provide some form of paid family leave if we have to stay home and take care of a sick child or take care of an elderly parent that needs help.

It's time to modernize our labor and employment relations policies. So, yes, we've been there before in the 1930s. And we can do it again if you put your creative ideas and your collective energy together to modernize employment policies to fit today's economy and today's workforce.