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Commission on Lithium Extraction in California**

Additional submitted attachment is included below.



WESTERN STATES

October 27, 2022

Chair Silvia Paz and Commissioners
Lithium Valley Commission
California Energy Commission
Docket Unit, MS-4
Docket No. 20-LITHIUM-01
715 P Street
Sacramento, California 95814-5512

RE: Comment on Draft Report of the Blue Ribbon Commission on Lithium Extraction in California

Dear Chair Paz and Lithium Valley Commissioners

The United Auto Workers (UAW) Western States represents approximately 150,000 active and retired members on the west coast, including workers who currently live in Imperial County and those who work at the SDSU Imperial campus. We appreciate the opportunity to provide feedback on the Lithium Valley Commission's Draft Report and the attention already being paid to high quality jobs. But while the report includes high road job standards as one of its key recommendations, we believe the Commission must go further in order to attract battery manufacturers to Imperial County and guarantee state and federal investments in "Lithium Valley" result in high quality union jobs that will unlock Imperial Valley's potential as an industrial engine for growing California's middle class.

The transition from Internal Combustion Engine (ICE) vehicles to EVs has the potential to result in the loss of hundreds of thousands of union jobs which have sustained the middle class in the U.S. for more than 80 years. This should be alarming because UAW members have helped build the middle class through organizing workers and bargaining strong contracts. However, the historic investments in the battery manufacturing sector currently being made by the Biden administration and the state of California present a critical opportunity for UAW members to transition to jobs in the EV supply chain and for hundreds of thousands of new workers to start working in the battery and EV supply chains. This is how the UAW envisions rebuilding the middle class in the U.S., and this can only be accomplished if labor rights are adequately and lawfully protected and the right of workers to organize is respected by employers. California can

and must be a leader in requiring employers to adopt workforce standards and union neutrality agreements, and this starts with “Lithium Valley.”

The Commission discusses the potential economic impacts of lithium extraction, and equates the advancement of industry with an automatic improvement in workers’ living conditions. While lithium extraction will bring new jobs to the Imperial Valley, the quality of these jobs cannot be guaranteed if they are not unionized. Before auto workers organized themselves and formed the UAW, manufacturing was dirty, dangerous and low-paying. Families lived in poverty, and workers could never spend time with their families. Strong labor organizing has given the unionized parts of the auto industry a reputation for providing uplifting and meaningful careers to workers. Nonunion parts of the auto industry still unfortunately experience dreadful working conditions, as evidenced by the recent revelation of child labor at auto plants in Alabama. Unionization allows workers to collectively bargain for higher wages, benefits, and safety standards, and it creates workplace democracy by giving workers a voice in the production process. For employers, unionization provides a steady workforce without unnecessary stoppages due to labor disputes and it facilitates creative exchanges between workers and developers, which can spark innovation. Both workers and developers benefit from workers having a greater voice on the job.

The Draft Report of the Blue Ribbon Commission on Lithium Extraction in California identifies job quality in areas like construction, maintenance, and operations as targets for high road job standards, and it specifically recommends that developers be required to enter into Project Labor Agreements (PLAs) for construction projects. UAW supports this requirement and believes that PLAs with specific skilled and trained requirements are the best way to ensure high quality union jobs in construction. Additional requirements are necessary to ensure high quality union jobs for operations and manufacturing in Lithium Valley.

At a February 2022 meeting of the Lithium Valley Commission, Carol Zabin of the Berkeley Labor Center and her colleague Jesse Hammerling projected that 90% of jobs from new geothermal production and lithium extraction will be blue collar work, but only 30% of these new jobs will be related to construction.¹ The remaining 60% of jobs that are projected to come from Lithium Valley development will be jobs in operations and maintenance. Zabin and Hammerling also pointed out that in order to realize the potential that new development has for the community, the commission should “start with policies aimed at growing the market, generating the demand for new jobs in Lithium Valley.”²

The UAW believes that growing the market in Imperial Valley is particularly important given that manufacturing jobs have been the backbone of the auto industry and jobs in battery manufacturing could match or exceed the already large projections for jobs in lithium extraction. The recent public announcement by Statevolt of plans to build a battery factory in Imperial County and to create 2,500 jobs shows the potential for companies to co-locate manufacturing

¹ [Lithium Valley Commission. Presentation- Convening of the Lithium Valley Commission 02-24-22. February 25, 2022 \(TN# 241964\). Docket 20-LITHIUM-01](#), pp. 19.

² Ibid 18.

near sites of lithium extraction and multiply the number of jobs. Controlled Thermal Resources has also declared its interest in co-locating cathode manufacturing, which makes it clear that “Lithium Valley” will provide a boon for manufacturing just as much as extraction.

In their report on how to create high road jobs for operations, Dr. Zabin recommends a combination of workforce standards and worker protections, including recognizing the right of workers to organize. Her recommendations include:

- Family supporting wage and benefit standards
- Worker protections, including the right to organize
- Employer commitments to invest in worker training
- Sector-wide and regional collaboration³

UAW supports these recommendations both for operations *and* for manufacturing workers. Currently, the key recommendation for workforce standards in the Blue Ribbon report reads as follows:

“Establish a requirement for receiving state support such that any project related to lithium recovery, production, or lithium-dependent product manufacturing must implement High Road job and career approaches to receive funding or other resource support from any state agency, including support for access to federal funding.”⁴

We suggest incorporating Dr. Zabin’s recommendations directly, making “High Road job and career approaches” more specific by defining “High Road” as “Family supporting wage and benefit standards, worker protections, including right to organize, and employer commitments to invest in worker training.”

Union jobs are the only way to ensure the jobs that are created in Lithium Valley will be high-quality careers that permanently lift workers and their families into the middle class. For operations and manufacturing, the equivalent to Project Labor Agreements are called Card Check Neutrality Agreements. A Card Check Neutrality Agreement is a contract between an employer and a labor union that establishes an agreement that the employer will respect the rights of its current or future employees to organize.

To guarantee that workers a free and fair choice as to whether or not they wish to form or join a union, the Draft Blue Ribbon Commission Report on Lithium Extraction in California should recommend that all companies and especially those who receive public funds for development in the lithium supply chain should commit to Card Check Neutrality Agreements with Labor Unions seeking to represent the workers they employ. This may read, “Establish a requirement for receiving state support such that any project related to lithium recovery, production, or lithium-dependent product manufacturing must implement High Road job and career approaches **and commit to card check neutrality agreements with unions in order to**

³Ibid 24.

⁴ [Draft Report of the Blue Ribbon Commission on Lithium Extraction in California](#), pp. 12.

respect the rights of workers to organize to receive funding or other resource support from any state agency, including support for access to federal funding.”

One of Dr. Zabin’s other key recommendations is implementing workforce standards and committing to the right to organize *through* Community Benefits Agreements (CBAs). CBAs are agreements between developers and community/labor/environmental groups. These should include High road workforce standards defined as “Family supporting wage and benefit standards, worker protections, including right to organize, and employer commitments to invest in worker training.” They should also require local hiring standards and create a shared vision between the community and developer including guidelines for workforce development and training. We recommend that the Commission include Community Benefits Agreements as an additional condition of government funding, and that community benefits agreements must include workforce standards and guarantee the rights of workers to organize.

As the organization that represents manufacturing workers, the UAW believes that companies must commit to union jobs throughout the battery production process; from lithium extraction and refining, to battery making and assembly, and ultimately to recycling. Unionization is the only way to ensure the jobs that are created in Lithium Valley will be high quality careers and can permanently lift workers and their families into the middle class.

In conclusion, we thank the Blue Ribbon Commission for their work in compiling this report and for the opportunity to submit this comment on behalf of our 150,000 active and retired members on the west coast. If you have any questions about our input, please do not hesitate to contact Tom Hintze at tom@uaw2865.org.

Sincerely,

UAW Western States Executive Board and Members