

Bill Walton ([04:40](#)):

We're in the entertainment business here and I think this is what we want to do to raise people's consciousness to use that bad 1960s term about what's at stake in that boring old department of labor, which is not boring at all. It's coming for your wife, your children, and your dogs.

Patrick Pizzella ([05:06](#)):

Don't touch my dog.

Bill Walton ([05:08](#)):

Don't touch my dogs. Okay, so let me kick this off.

Patrick Pizzella ([05:11](#)):

Go ahead.

Bill Walton ([05:36](#)):

Here we go. Welcome to the Bill Walton Show. I'm Bill Walton. Today we're talking about the US Department of Labor, the Equal Employment Opportunity Commission, the National Labor Relations Board, and the Pension Benefit Guaranty Corporation. These may sound like boring agencies. They did to me before I started studying them. But what you learn about them is that Congress has granted them a stunning amount of power to regulate virtually every aspect of the American workplace. These agencies administer and enforce more than one more 180 federal laws and thousands of federal regulations, which rule over 10 million employers and over 150 million workers.

[\(06:28\)](#):

Under the Biden administration, the whole of government has been weaponized to promote a so-called diversity, equity, and inclusion agenda that in fact wants to bring about just the opposite of what these words mean. And no department has been more weaponized to promote this agenda than labor. This is the most assertive, left wing social engineering and anti-family agenda in America's history. And that one that will radically ratchet up regulatory costs on small businesses, and in reality, all productive industry in the United States. And labor is also pushing a radical so-called ESG investment agenda that will dramatically reduce investment returns for American pensioners.

[\(07:18\)](#):

There's probably no one that I can think of that is better equipped to explain all this and what we can do about it than my old friend, the very honorable Patrick Pizzella, who served for three years as our deputy secretary of the US Department of Labor and as acting secretary for several months in 2019. Pat's also served as a member and chairman of the Federal Labor Relations Authority and in the Department of Education as Deputy Undersecretary for Management. In my work with him, I've come to appreciate that in my experience, no one has a better grasp of both the big picture and the minutiae of the labor laws and regulations than Pat. And Pat has a new gig. And as you might see from, in fact, he's not wearing a suit. Pat is Mayor Pro Tem of Pinehurst, North Carolina. So Pat, welcome, good to talk with you again.

Patrick Pizzella ([08:21](#)):

Delightful Bill to see you. And as we say here in Pinehurst, "It's a beautiful day in Pinehurst."

Bill Walton ([08:27](#)):

What time's your tee time?

Patrick Pizzella (08:29):

Well, I'm hoping we can get through this in time for me to make it, but we're very flexible down here with tee times. 40 golf courses in the county.

Bill Walton (08:39):

So where do you want to begin? You seem to know more about the Department of Labor than anyone I know. How did all this get started?

Patrick Pizzella (08:51):

Okay. In the 21st century alone, I spent 11 years at the Department of Labor. I was assistant secretary under Elaine Chao for administration and management during the Bush administration. I spent three years as Deputy Secretary of Labor. And in the interim, I spent four years as a member and then acting chairman of the Federal Labor Relations Authority. So I've really spent a lot of time in the labor space as they people like to say in Washington. The irony of the Department of Labor is that it was created and authorized on the very last day that President Taft was in office. As he was leaving in March of 1913, he signed the legislation and he reluctantly signed it. He really criticized the creation of another government agency and all, but he felt it was best to go ahead and sign it and hopefully his-

Bill Walton (09:51):

Well, he was busy, wasn't he? He also creating the federal income tax and the Federal Reserve Board during that... He was productive in creating things that have begun to wreck the country.

Patrick Pizzella (10:06):

Well, I don't know. I didn't go into that history as much as I went into his connection with the Department of Labor.

Bill Walton (10:09):

Okay, we'll stick with labor, but it's a lot of bad stuff going on in the 19-teens.

Patrick Pizzella (10:16):

Yes. Well that's a whole nother show. So it emerged as a department and over the time it gathered like a rolling stone and gathered more moss there and it'd be part of it, OSHA eventually joined it, that four-letter word, Occupational Safety And Health, MSHA which oversaw the safety in the mines, the Wage and Hour Administration, which administered the Fair Labor Standards Act, the Employment Benefit Security Administration, which oversees the ERISA Law and pensions. So it's a collection of a lot of these agencies. It's most famous leader head was of course Frances Perkins, the first female member of a president's cabinet. And she served 13 years under FDR as Secretary of Labor. Thus her name is on the headquarters building of the department right now. Frances Perkins Building. As time evolved and the bureaucracy somewhat grew, shall we say, [inaudible 00:11:29].

Bill Walton (11:28):

But Pat, let me jump in though. So I joked about the early 19-teens, but in reality it was in time when the progressives in America realized a lot of their ambitions. And Frances Perkins was, as I recollect, a

famous progressive. And so we talk about the progressive agenda. It's been over a hundred years in the works, and the seeds of this were right here. And the theory behind creating Department of Labor was that businesses were evil and exploiting workers and that people had the right to unionize and they were being blocked from this. And therefore this created this incredible divide between employers and employees, which has only grown worse over the last a hundred years.

Patrick Pizzella ([12:17](#)):

Yeah, well the new deal is real, where the department really started to emerge as a big player in the relation to organized labor. I've often said that it's the Department of Labor, not the Department of Organized Labor. Though after the passage of the Wagner Act and going forward from then, it really became a department that organized labor saw as their fiefdom to a degree. And it wasn't until after World War II with the passage of the Taft-Hartley Act that some of the excesses of the FDR era Department of Labor were rattled in a bit. And you saw the establishment of the right of states to an enact right to work laws. And you saw some other restraints regarding boycotts and all that were reaction right after World War II to some of the troubled times between the original passage of the National Labor Relations Act and the Taft-Hartley Act.

([13:22](#)):

And then after the Taft-Hartley Act, the only other significant change to labor law in this country was in 1959 when they adopted what was known as the Landrum-Griffin Act, which ironically some of the key movers and shakers in creating that were Bobby Kennedy, who was a staff director on the Senator McClellan of Arkansas's Committee and Senator John Kennedy. And this bill, Landrum-Griffin, created what's known as the Labor Management Reporting and Disclosure Act, which stressed union democracy and put some power in the hands of union members to have some rights to be able to speak up for themselves and have some transparency to the way their unions were treating them.

([14:11](#)):

But since that time, 1959, 1960, there's been no major change at all to our federal labor laws, though there have been attempts. And so here we are today with the same basic laws that we've been operating under since the fifties. Though the economy has changed because in 1955, the AFL, the American Federation of Labor and the CIO, the Congressional Industrial Organization, they merged and to one big super union. And from that moment on, there has been a steady decline, not a trend, a steady decline in the amount of workers in the private sector who are represented by labor unions. And it's now down to about 5%. When they merged, it was about 35%.

Bill Walton ([15:03](#)):

Well, what's your assessment of that? I mean, because the good intentions created these laws, protect workers. In many cases, probably a good idea, but in some cases maybe not so good. And then as time goes on, what's a good idea then may be a terrible idea now because you say the laws, we haven't passed many laws but we've brought about tens of thousands of regulations since then. So it's not just legislation, but it's ruled by the administrative state. And I can't think of a more aggressive ruler than the Department of Labor.

Patrick Pizzella ([15:42](#)):

Yes. You hit on the nub of the problem, much of what's coming out of the Department of Labor now, are these rules changes or their interpretation of statutes and their interpretation of their authority through the administrative state to place-

Bill Walton ([16:04](#)):

Same sort of thing we're seeing out of the EPA and the other alphabet soup agencies.

Patrick Pizzella ([16:10](#)):

Yes. And let's take a present day example. The new administration under Secretary Walsh decided to issue what's called an emergency temporary standard regarding COVID in the workplace. And they wanted to require all workers to have COVID vaccine. And we under Secretary Scalia, the unions twice took the secretary to court to ask that he be required to issue this temporary standard. He fought it in court and he won. Biden people come in and they say, "Okay, we're going to push this." They pushed it. They finally got it out. And it went to the Supreme Court. The Supreme Court said, "You don't have the right to do that, Department of Labor." So they spared the entire private sector workforce out there from having to have this imposed on them. So excellent example of the administrative state attempted to impose something on all of American businesses and they were saved by the Supreme Court, and so they didn't get away with that. But that's probably the most blatant attempt to have such a wide landscape over the American workforce that one has seen in some time. Thankfully, they failed.

Bill Walton ([17:40](#)):

This is the Bill Walton show, and I'm talking with the, as I put it, the very honorable Patrick Pizzella, who was a big, big deal in the Department of Labor for years, talking about that department. And the question I've got for Pat is, what's the Department of Labor doing that it shouldn't be doing? And how much worse has it gotten since the Biden people have come in? My impression, as I said at the outset, is that they're moving a pace to do a lot of stuff, which I think is quite damaging.

Patrick Pizzella ([18:15](#)):

Well, I mentioned a little bit ago they tried, of course to impose their COVID-19 vaccination standards on the entire workforce. And they are attempting, which I think is very damaging. They're getting closer, I think, to attempting to put new rules in place regarding independent contractors or better known as the gig economy, which is a growing segment of our economy. Depending on who you talk to, could be anywhere from 15 to 20% of the workforce is involved in the gig economy. Many people who have two jobs, they may have one job, where they're an employee of a company and they may have had another job where they're an independent contractor. They may drive for Uber or they may be a Santa Clause at a shopping mall during the winter Christmas season. And those are gig jobs, they are part-time, and they are set up to help the individuals schedule and work situation. But organized labor does not like the gig economy because they find it obviously very challenging to organized workers who are very independent as technically they are.

Bill Walton ([19:32](#)):

How does organized labor, you pointed at early organized labor has fallen down to a very, very low number relative to what it used to be. How do they still have this kind of clout?

Patrick Pizzella ([19:43](#)):

Well, they are financially very well off operation. They collect billions of dollars a year in dues, and they obviously have a presence in Washington DC as well as, of course, in every state to a degree. So politics is a big part of what organized labor does because the workforce, the percentage of the workforce that they've organized has continually been shrinking, but their coffers are still have some money in them unless they've had some deposits in the Silicon Valley Bank.

Bill Walton ([20:19](#)):

Well, they did, and they're okay. They've been bailed out. Where you want to put your money if you want to keep it really safe is put it in a very progressive woke financial institution. You're sure to be bailed out by the feds. But don't put your money in East Palestine or East Palestine National Bank because you will be ignored by the feds.

([20:53](#)):

Okay. A little editorial in there. But Pat, I think we need to get into this gig economy independent contractor employee thing a little bit more because I've had a several businesses where the distinction between independent contractor and employee was blurred. It's hard to figure it out. The IRS has got some rules. The Labor's got some rules, I'm sure other agencies do. But as an entrepreneur, as an employer, which I was, if you put somebody in a payroll, there's a tremendous burden there in terms of withholding and benefits and regulation and paper and things like that. If, on the other hand, you say somebody they want to work 10 hours a week and they want to go drive a car for you or drive in your taxi service, they're an independent contractor, then your only relationship is 1099. You work X number of hours, you do a certain number of things, and you get a check and you file your own tax return. And it's quite simple. Making people employees imposes an incredible burden on both the employer and the employee.

Patrick Pizzella ([21:58](#)):

Yes. Yeah. You described it very well. And what's emerged in the 21st century for sure is these new business models operated on platforms, many of them in the technology space, but some of them very old that we don't even think about of the part-time worker. And that is a worker part-time largely on their own decision, maybe their home life, their childcare responsibilities require them to only work, or allow them to only work so many hours a day or a week so they can handle other responsibilities they have. And obviously the well-known ones are the Uber and the Lyft and the delivery types of-

Bill Walton ([22:48](#)):

And they don't want to be employees.

Patrick Pizzella ([22:49](#)):

No. They actually want to be independent because they can decide, "When can I drive that car?" In some cases also in franchise operations, people they can't be full-time employees.

Bill Walton ([23:05](#)):

But Pat, let me go big picture on you here. \$5 word alert, voluntary exchange, it's where you get to make a contract with me. You think it's in your benefit. I think it's in my benefit. It's just between the two of us and it treats us like, you're grown up. You can discern what your own interest is and you enter into the relationship or you don't. It seems like everything in the labor laws have done immense damage to that voluntary relationship. And it's incredibly parental, assertive, and punitive. And they just assume that employees or children that can't negotiate on their own behalf, then they've got to impose all these regs on employers and it has an incredibly dead weight, incredible dead weight on the economy and economic activity. I mean, if you want to look at reasons for lower productivity, I blame the labor department. And I'm going to hold you accountable for it for not fixing it while you were there.

Patrick Pizzella ([24:09](#)):

I know you will. Well, a little bit of history, there is somewhat of a little bit of a gray area between the independent contractor and the full-time employee and how people are classified. So misclassification does occur from time to time, but what emerged with these new platform companies and business models in the last 20 years or so was a thriving, thriving economic model.

Bill Walton ([24:42](#)):

Within independent contractors at the heart of it.

Patrick Pizzella ([24:46](#)):

Yes. And it went was national, but some people might suggest it got its birth in California. What happened is it became so successful, organized labor said, "We've got to put a stop to this and we've got to force these independent contractors to be employees because then we've got a shot at organizing them." The legislature in California passed a bill, famous bill now known as AB5, and there was a backlash. And the private sector went out and got a repeal effort on the ballot in California of all the states. And it was on the ballot in November of 2020. And this is Joe Biden was carrying the state, I don't know how many points, 20 points. His running mate was from California. And AB5, the voters there overwhelmingly repealed that law that the legislature had passed because they found out it was affecting them. It was affecting journalists who aren't employees anymore. They're independent journalists and they get paid by the click to the work.

Bill Walton ([26:02](#)):

It's overwhelmingly popular to let people remain independent contractors if they so choose.

Patrick Pizzella ([26:07](#)):

And the fallout from that was organized labor thought other states were about to going to pass other bills similar to what California did. What happened is after they saw that vote in California, it's really slowed down elsewhere. So what they have turned to is the US Department of Labor to put a rule in place that makes it more difficult to allow people to be classified as independent contractors. And that is what is that they're in the process of doing. They'll end up in court-

Bill Walton ([26:36](#)):

So they found a way to not make it a law. It's another rule which is not subject to the popular vote.

Patrick Pizzella ([26:41](#)):

Correct. You are correct.

Bill Walton ([26:42](#)):

Right. Well done, guys.

Patrick Pizzella ([26:45](#)):

Before we left the Department of Labor to Secretary Scalia, we issued a rule that brought clarification and independence to independent contractors. The new administration has a different view of that, and we'll see how that plays out in court.

Bill Walton ([27:01](#)):

Well, I've weighed in on where I've come out on it. This is Bill Walton, and we're talking with Pat Pizzella who's great knowledge of labor and labor laws and the regulations in this country's an invaluable asset to our side. But he still hasn't answered my question is, Pat, what is labor doing that it shouldn't be doing? If you were secretary with no constraints, really just to do the right thing to make the economy, to free up labor, to still protect people where they need to be protected, but make the market for labor more efficient and more productive, what would you do?

Patrick Pizzella ([27:48](#)):

Well, the first thing is, of course, to do no harm, which means not passing regulations that place a burden on entrepreneurs and job creators, which is what we very much tried to do during the Trump administration. And were quite successful at rescinding some very onerous regulations from the Obama era and putting in someones in place that provided more freedom to workers. Secondly, one of the things that the department really needs to do is to get a better handle on what I'll call the fraud that exists in the unemployment insurance programs that are administered in the 50 states.

([28:30](#)):

During the COVID-19 era, there was a big rush to push money out the door, just push it out the door, despite calls from some folks at the Department of Labor, including the secretary at the time that, "We've got to be more careful. We've got to have some more criteria before this money goes out the door." The rush to get that money out the door, you can go to the inspector general website at the Department of Labor, and it's a long, long list of the problems and the fraud and the money they're trying to now collect back.

Bill Walton ([29:01](#)):

Doesn't that number mount up to the hundreds of billions of dollars?

Patrick Pizzella ([29:06](#)):

I'm not sure if it's hundreds of billions, but it's really close to a hundred billion.

Bill Walton ([29:11](#)):

Really close to a hundred billion.

Patrick Pizzella ([29:12](#)):

Yeah. Yeah. And they're not finished counting and they're not finished sorting it out, and eventually they will. So do no harm, tackle the fraud and the misplayments and so forth that go out, and in general, look where the department has extended overextended itself beyond what really was the intent of Congress when they created such programs. Because there's a lot of ways to pull back this overreach because once government starts down that path, they just keep going down that path. Unless you can grab the reins and say, "Whoa," and then try to pull back the administrative state. I'm optimistic that the courts, particularly as we look at the Supreme Court's actions, as I mentioned earlier in that COVID-19 issue with the Department of Labor, the courts are sending a message to the regulatory agencies. You better have some real clear authority from the United States Congress before you start promulgating regulations that are going to impact the American people.

Bill Walton ([30:27](#)):

So we touched on this and I wanted to probe, union membership is falling in the private sector, but I think there's six or seven or eight million union employees in the United States. And now I think fully 5 million of those are public sector union employees working for state and local government, federal government. And of those, 70% are teachers. And so you've got the public employees really driving this. Was labor involved in that?

Patrick Pizzella ([31:05](#)):

No, the way the federal labor laws are set up, the federal government has really no say in state and local employees. That is determined state by state. The federal labor laws deal one with the private sector employees, not the public sector employees. There's a separate law for federal employees, but that that's much a smaller universe than the what's going on in 50 states.

Bill Walton ([31:41](#)):

Well, I have a point of view. I don't think public sector employees should be unionized. They've got a total conflict of interest.

Patrick Pizzella ([31:48](#)):

Well, Franklin and Eleanor Roosevelt felt that way and George Meany felt that way. And the public employee unions are a relatively new phenomenon.

Bill Walton ([31:59](#)):

And they accepted John Kennedy signed it into law.

Patrick Pizzella ([32:02](#)):

Well, I'll tell you very interesting... Well, it wasn't a law, it was an executive order. If you read it closely, Bill-

Bill Walton ([32:10](#)):

Who needs laws when you have a pen.

Patrick Pizzella ([32:13](#)):

I understand, but if you read it closely, there is a law now. It was signed by Jimmy Carter, but if you read it closely, the Kennedy Executive Order, the ironic thing about it is it's often referred to as the green light for collective bargaining in the federal workforce, and to a degree it is. But there are two words missing from John F. Kennedy's executive order. Those words are "collective bargaining". So even he, I think, at that point was a little reluctant to put the word collective bargaining next to a federal employee because he was the chief executive at that time.

Bill Walton ([32:57](#)):

Well, anyway, we have it.

Patrick Pizzella ([32:58](#)):

We have it.

Bill Walton ([33:00](#)):

And I mentioned the ESG, you've done some work on that. And labor's now push pushing ESG and which stands for Environmental, Social, and Governance. And nobody knows exactly what those words mean, which is part of the problem with ESG investing. Why don't you amplify? What's your take on this?

Patrick Pizzella ([33:23](#)):

Well, before there was ESG, there was something called ETI Economically Targeted Investments. And this was something really created during the Clinton administration under Secretary Reich. And they were gung ho to get their hands on pension assets, pension money, that they viewed as sitting there for being allocated to whatever cause or economically targeted investment they thought was a good idea. And this was all union money basically. And the unions officials also wanted to get their hands on it. The law placed some constraints around their ability to do that. There are certain things like fiduciary responsibility that's required of pension asset managers and so forth. Well, Reich issued what was then called an interpreted bulletin. You'll like this bill again, no notice and comment, no input from the citizens. His interpretation in 1994.

Bill Walton ([34:32](#)):

It's Washington's favorite way to do things, Pat, you know that.

Patrick Pizzella ([34:36](#)):

And he was beginning to put in place something called a clearing house so that this clearing house could decide which of these economically targeted investments were really the right ones.

Bill Walton ([34:48](#)):

Who ran the clearing house?

Patrick Pizzella ([34:50](#)):

Well, here's what happened.

Bill Walton ([34:51](#)):

Right? Right?

Patrick Pizzella ([34:52](#)):

Something happened to intervene with the whole plan, the 1994 election. And Newt Gingrich took over the House and the Republicans took over the Senate. And soon after that, Chris Cox, a young congressman from California, and Jim Saxton, a congressman from New Jersey, held a hearing on this very topic. And lo and behold, after that hearing, the clearing house went away and the Clinton administration and all pulled back from that. But their interpreter bulletin was out there. I joined the Department of Labor in 2001. In 2006, some folks brought to our attention, the secretary Chao's attention really this interpreter bulletin. So we looked at it and we could see what the problem was. You're basically saying to folks, "Hey, go ahead. Go ahead. We won't pay too much attention to what you do." So at her direction, we drafted up our own interpreter bulletin.

([35:51](#)):

And so we changed the paradigm there and reminded people of their fiduciary responsibilities. Well, it got put in place and it stayed there until the second term of the Obama administration where some people went to Secretary Perez and been, it was reported in the paper. And they told him that the

interpreter bulletin issued by Secretary Chao has placed a chilling effect on pension managers who would like to do something with these assets that they have some say over and used them. By that time, ESG was just emerging. And so they issued their own interpreter bulletin, revising ours.

Bill Walton ([36:41](#)):

Who's they?

Patrick Pizzella ([36:42](#)):

Perez, Secretary Perez.

Bill Walton ([36:43](#)):

Okay. He later went on to head the DNC.

Patrick Pizzella ([36:46](#)):

Yes.

Bill Walton ([36:47](#)):

Okay. A great bipartisan guy.

Patrick Pizzella ([36:52](#)):

Absolutely. I'm following your administrative state nightmare that you lied out. It's true.

Bill Walton ([37:00](#)):

It's worsen.

Patrick Pizzella ([37:00](#)):

So then we came back in and Secretary Scalia, when he arrived, made a determination, "We need to stop this ping pong. Let's go out with our rule and get notice and comment from people and it'll have some more durability." It took some time. We put it out. It was a good rule, and it really reminded pension managers and the asset managers that they had a, first, fiduciary responsibility to those funds that they're administering on behalf of the pensioners. We got it in there. It was in for a while. And when Biden's folks come in, they said, "Oh no, we got to pull that back."

Bill Walton ([37:40](#)):

Well, but to put a fine point on it, fiduciary responsibility, prudent man rule means basically you do with your money what a prudent man would do or prudent I guess now person. And that is, you put it where it will get the highest return. And fast forward to ESG investing, environment being the big one there, which is climate change, it's utterly clear that that's not where you get the highest return. The only way climate investment gets a high return is through government subsidies. And there's trillions of dollars in the bills passed in the last year aimed at climate subsidies, and most of them went to Al Gore and their friends and all the people in the form of tax returns and favorable financing for stuff they want to do. So this is still targeting investing, but now it's got a sharper focus on climate.

Patrick Pizzella ([38:33](#)):

Absolutely right. And yet when this concept first emerged, that was even before I think Al Gore created the internet. That's how long ago it was. But at any rate-

Bill Walton ([38:48](#)):

He was busy in 1994 or whatever.

Patrick Pizzella ([38:51](#)):

Yeah. At any rate, the... This issue has now gotten quite a lot of attention, partially for what you said, that as truly financial minds look at the numbers. The ESG investments have not been performing as well as your regular investments. You've seen companies like Vanguard back off from their ESG advocacy from the Net Zero Coalition. You see lawsuits filed by Attorney Generals. You've seen states take the initiative to say, "Hey, wait a minute, if you're going to be using some of our state pension money assets, you've got to pick assets that are going to produce some real financial returns and not investing in the Amazon rainforest because you think it's a swell idea." And so this will play out both ironically in the election cycle, I think, because more and more people are becoming attuned to this because it's their pension money. Most people don't pay attention. Bill, you're a known and successful investor. You know how to manage money and all. But most of the people who put money into pensions, they put it there on the theory that I can trust these folks.

Bill Walton ([40:12](#)):

Somebody in an investment firm is going to act on the prudent man theory and invest the money to get the highest returns. Just to weigh in just a little bit. This highest return thing is very, very subtle because you can argue, well, "Climate investing's got a good return." Well, it's got a good return because of massive subsidies. Without the subsidies, it's significantly not a good return. It's a negative return. So you've got this circularity where you've got government subsidies going in to make it a good return, but it's never the marketplace that's making the deciding.

Patrick Pizzella ([40:50](#)):

And sound investments over time, asset managers know what's a sound investment. And sometimes these new ideas, it's like the hula hoop of the moment. Everybody wants the hula hoop and then a year later, nobody's buying hula hoops.

Bill Walton ([41:07](#)):

Well, and the other thing for the people who don't know what exactly those words, just look at one thing, look at the fee that's on the fund because my old creative buddies on Wall Street figured out you slapped ESG on something. It seems socially good, social purpose, and you can get 75 basis points instead of 10 basis points to manage it. So the fees are much, much higher if you're in the ESG fund.

Patrick Pizzella ([41:33](#)):

Obviously this business better than most. And I think the more sunlight brought on this by podcasts like yours, hotbeds that are written in a many newspapers, it's percolating people's minds because a lot of people have pension money that's being managed by someone they don't know and they have a reason to be concerned. So I think this is going to play out in the courts and in the election cycle [inaudible 00:42:04].

Bill Walton ([42:07](#)):

We've got a few minutes left. Again, I keep getting back to Chairman Pat or Secretary Patrick Pizzella running the next Department of Labor under our next Republican president. What are the top three things you do to bring about good change at labor?

Patrick Pizzella ([42:33](#)):

Well, first thing I-

Bill Walton ([42:35](#)):

Not to put you on a spot, I didn't think you could-

Patrick Pizzella ([42:38](#)):

First I would do would be to wake up from that dream, Bill. But my only real interest is running the transition next time. But I do think-

Bill Walton ([42:52](#)):

You have to do more than that, Pat.

Patrick Pizzella ([42:54](#)):

The golf down here is great, Bill. The Department of Labor is really, it's a regulatory machine that needs to be reigned in many cases, and that has to be priority one. Without getting regulation specific, it's a target rich environment. The second thing is to, I would say, change the paradigm a bit from going back to being a Department of Labor and not a Department of Organized Labor. So that the focus is on our tremendous workforce, of which 95% of the private sector are not members of organized labor. But in the same breath, you're respectful for those who are members because they're part of the workforce.

([43:50](#)):

And I would say the third thing gets back to the fundamentals of managing the department. It has grown more than it needs to grow just in these few years. When we left, we had a budget of \$13 billion or so. They're now asking for 15 billion. When we left, we had about 13,000 employees. They're asking in their new budget, the Department of Labor, for 17,000. So I really think those are the three buckets that I would look at.

Bill Walton ([44:28](#)):

What are those 4,000 new people going to do?

Patrick Pizzella ([44:30](#)):

Well, Bill, they're going to go right in some of your favorite regulations if they get the chance. As we're closing, I thought I'd share a little historical note with you about the department. Of the 12 secretaries of Labor, who were appointed by Democratic presidents, in the entire history of the department. There's only been one Secretary of Labor who served a shorter period of time than Secretary Walsh, who recently left the department to go work on behalf of the National Hockey League retirees. And that person was Arthur Goldberg who left to go on the Supreme Court when Jack Kennedy appointed him to the Supreme Court. So obviously there's going to be a new Secretary of Labor. There'll be some new hearings. And there'll be a chance to a lot of these issues to be explored before a Senate confirmation process.

Bill Walton ([45:36](#)):

Well, as usual, you've edified me, Pat. You've been doing that since I got involved in this politics and policy world. I appreciate it. I guess you and I got to know each other first when Ed Meese brought it together for me.

Patrick Pizzella ([45:52](#)):

Ed Meese introduced us. Yeah.

Bill Walton ([45:52](#)):

A conservative action project, where we're still traipse in along there. I think we're making some progress. Not nearly enough. So Pat, thanks so much. Pat Pizzella, great guy. And I really feel, I see that sun dappling in on your sweater. I feel like I really got to get you out to the golf course.

Patrick Pizzella ([46:14](#)):

Come on down to Pinehurst. It's beautiful day down here. And I've enjoyed this very much, Bill. It's Good to see you. And just talking with you it brings back a lot of fun memories.

Bill Walton ([46:25](#)):

Yeah. Well come on back to Washington. We'll do some good together. So this has been the Bill Walton Show with Pat Pizzella. And we've been talking about the Labor, Department of. And I hope you enjoyed the conversation. Hope you learned something about labor because it's one of those boring sounding agencies which we really need to watch because it's doing stuff we don't like. As always, you can find showing all the major podcast platforms, on Rumble, YouTube, we're Substack, we're also on CPAC now on Monday nights. And please send us your comments on Substack or on our website, thebillwaltonshow.com. Pay a lot of attention to what you'd like us to cover and what to do in upcoming shows. So anyway, thanks for being involved and we'll be talking soon.

Patrick Pizzella ([47:15](#)):

Right.