



***River Heights Chamber of Commerce Policy Statement***  
***on***  
**The Employee Free Choice Act**  
**(also known as “Card Check”)**

For decades, unions have been a declining force in the workplace. Fifty years ago, 35 percent of all workers belonged to unions. Now just 7.5 percent in the private sector do. This trend is partly due to shifts in the makeup of our economy and partly due to rising standards of living and changing employee attitudes.

The decline in union membership is not because the rules governing whether a union is recognized as the bargaining agent for employees are stacked against organized labor. Those rules allow employers to request a secret ballot election overseen by the National Labor Relations Board, and unions won 67 percent of the elections in the first half of 2008.

Organized labor wants to improve its fortunes by changing the rules. Their supporters in Congress have introduced the “Employee Free Choice Act” (better known as “card check”). Under card check, a union would simply have to collect authorization cards signed by a majority of employees in a bargaining unit to be recognized as the exclusive representative of all the employees in that unit. This process would effectively eliminate the use of the secret ballot election, where employees can express their preferences in private and prevent anyone from finding out how they voted. Under card check, where choices are made without privacy, workers would be more vulnerable to coercion.

Card check would also allow a federal arbitrator to write the labor agreement that will define every detail about how employees will work for two years if the parties have not reached agreement within 120 days – an extraordinarily short time for negotiating first contracts. This provides an incentive for union negotiators to make sure the process lasts long enough to get the matter into arbitration and eliminates any incentive to negotiate in good faith. In addition, employees would lose their opportunity to ratify their first contract – it would be imposed with no ability for either employers or employees to challenge it.

The Employee Free Choice Act also dramatically increases penalties on employers for certain violations of the National Labor Relations Act without increasing any penalties on unions for violations that they might commit.



**The River Heights Chamber of Commerce opposes the Employee Free Choice Act because:**

- **It would effectively eliminate the secret ballot** currently used to determine if unions will represent employees in a workplace and expose employees to coercion and intimidation. Unions may or may not be good for employees, but that is their decision to make based on all the facts and circumstances. Employees should be able to make that choice privately, without union organizers or company officials looking over their shoulders – or worse. Exposing employees’ decisions to unions, employers, and their co-workers opens the door to coercion and intimidation. The secret ballot process has served us so well for so long in so many situations because it respects our values. To take it away because one side doesn’t like the results that it is producing would be a huge mistake.
- **The bill would require federally-appointed arbitrators to write labor contracts** that are binding for two years. If, after only 120 days of negotiations, there is no agreement for a first contract, the matter could be submitted to binding interest arbitration where a federally-appointed arbitrator would decide all of the terms and conditions of the union contract, from pay and benefits to work rules and outsourcing. Employers could be forced to radically change their business models or eliminate important competitive advantages.
- **The Employee Free Choice Act would impose a completely unbalanced increase in penalties.** Under the bill penalties on employers would be increased significantly without any corresponding increase in penalties on unions. Such one-sided increases conflict with any sense of fairness or balance.

*Minnesota Business Leaders is a coalition powered by the U.S. Chamber of Commerce along with chambers, associations, and businesses to save the secret ballot.*

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