

OPPOSE THE EMPLOYEE FREE CHOICE ACT

The misnamed "Employee Free Choice Act" (EFCA) threatens our economic competitiveness under the guise of protecting free choice. This legislation would undermine worker privacy and open the door to government control of wages and benefits in unionized workplaces.

This bill, commonly referred to as the "Card Check" bill would replace the current process of private ballot union representation elections with a system called "card check," which exposes employees to coercion by union organizers and their peers. If passed, this legislation would also impose an artificial timeline for when the first labor contract must be reached when a union is certified. Under this system, a federal arbitrator could dictate the terms of the contract, including wages, benefits and work rules. We strongly urge all Members of Congress to oppose this legislation in any form.

- This legislation contains numerous provisions that radically overhaul our current labor law system which would hinder economic growth and threaten our economy's ability to create jobs.
- The misnamed Employee Free Choice Act will not result in labor law reform. Instead, it would overturn its longstanding principles of fairness and balance in our labor law system.
- This legislation effectively eliminates private ballot elections and implements a card check system. The current election process works as most elections are held within 56 days filing an election petition. Recent data shows that labor unions currently win two-thirds of these union representation elections. Under a card check system, a union would be *automatically* certified if a majority of workers are persuaded into signing an authorizing card.
- Secret ballots are the cornerstone of the democratic process and the best way to protect workers from intimidation. However, union leaders find secret ballot elections to be an obstacle to unionization. They prefer a "card check" system, where employees are forced to choose sides in front of union organizers and employees who already support unionization. Public opinion data show that there is strong opposition (69 percent) among union households to eliminating their right to a private ballot election.
- This legislation contains equally concerning language that would force binding arbitration on employees and employers. This provision undermines the system of collective bargaining. In such a system, once a labor union becomes certified, the union and employer must begin first contract negotiations within ten days. After 90 days of collective bargaining, either party may notify the Federal Mediation and Conciliation Service and request mediation. After 30 additional days, this federal panel would be able to impose a binding decision on both parties for two years that includes wages, benefits and work rules.
- Our labor law system never intended the government to be able to impose binding contracts on employees and employers. This provision is direct assault on free enterprise, and creates uncertainty for employers and would greatly undermine businesses' ability to effectively control their operation. Such a system also eliminates employees' ability to vote on or ratify their contract terms of employment.
- None of these provisions will result in economic growth, especially at a time when our economy faces such large challenges. Unfortunately, there is no way to improve this legislation, as it is the most direct threat to manufacturers' ability to compete in the increasing competitive global market and will reduce the incentive to create jobs in our manufacturing economy.

For more information on this issue visit our website at www.nam.org/efca or contact the NAM's Keith Smith at (202) 637-3045 or ksmith@nam.org.

