

Card-check bill would be devastating to businesses

THE CHAMBER VIEW

by Pamela Tumpap



Chambers and Hawaii businesses have been fighting the destructive card-check bill on the

state level for the last two years and the battle rages on. The bill is also being taken up in Congress and President Obama has said he will sign it if it passes. It is the hot topic on a national level, with businesses, industries and associations ringing in to oppose it now so that they are not wrung out by it soon.

What is the card-check bill? It is a bill benignly titled the Employee Free Choice Act, commonly referred to as the card check bill, that is clearly misnamed. Instead of giving employees "free choice" where they can vote their conscience on the prospect of unionization in private, it takes that right away.

Currently, at least 30 percent of employees would have to sign a petition indicating they are interested in organizing for the process to move forward. This petition would be sent to the National Labor Relations Board to validate the signatures. Once the signatures were validated, by law the business would hold a union election with a process allowing a vote via secret ballot. However, the card-check bill cuts this language out of the existing law.

Instead, all a union has to do is obtain a bare majority — 50 percent plus one — of employees to sign a petition and that's the end of the process. There are no other steps. The business will be unionized. The process will not be open or necessarily in front of employers, and there is no timeline for

obtaining the required signatures. Union organizers could work on the process as long as it takes to get a simple majority — weeks, months, a year.

A business may not even know that organizing is taking place as organizing efforts are often done by visits to employees' homes. An owner could walk in one Monday morning and learn that 50 percent plus one of their employees signed a petition over the weekend and that they now have a union operation.

But, the bill doesn't stop there. It also gives government bureaucrats great control in the workplace through provisions that allow a federal arbitrator to write the collective bargaining agreements for newly organized companies when agreements cannot be reached within 120 days. This means that a government arbitrator, who is not familiar with and has no obligation to the business, would set wages, benefits and other operations that significantly affect workers' jobs or working conditions, such as promotion procedures, retirement plans, health benefits, work assignments, etc. They can determine what tasks a business is able to subcontract out and what must be performed in-house. And, the decisions by the federal arbitrator would last for two years. Currently, this type of mandatory binding arbitration is required only in public sector jobs where strikes are not allowed by law (like the police, firefighters, etc.).

Additionally, the workers would not even have the ability to vote on this contract, effectively silencing their voice in the process. Employers would lose control of critical elements of their business and their ability to pursue business strategies would be hampered. Therefore, the card-check bill is viewed by many as a govern-

ment takeover of businesses.

Many businesses report that if organized in this manner, they will have to shut their doors, which will lead to higher unemployment. This system will harm companies, make it extremely difficult for businesses to recover from government mistakes, and hurt the economy. This cannot pass.

If enacted, the card-check bill will apply to *all* businesses as there is no meaningful small-business exemption. The National Labor Relations Act's small-business exemption has not been updated since 1959 and covers all nonretail businesses with gross revenues of \$50,000 a year and retail businesses with gross revenues over \$500,000 a year. According to the Heritage Foundation (www.heritage.org), the bill would authorize federal control of up to 4 million small businesses employing 39 million Americans.

In Hawaii, the card-check bill passed last legislative session but was vetoed by Gov. Linda Lingle. Legislators did not override her veto. State legislators are again taking up this bill, knowing the issue is being addressed at the federal level where all of Hawaii's congressional leaders support this bill.

The card-check bill represents a monumental paradigm shift in the workplace that will be devastating to businesses. While we understand that businesses are doing everything possible to maintain their business, keep their employees and gear up for a better economy, we need your help. Businesses must organize and speak out or the unions and the federal government will come in and organize for us. Ring in, be heard, and oppose the card-check bill.

■ *Pamela Tumpap*
is president of the Maui Chamber of Commerce.