

## **PRESERVING A FAIR AND INNOVATIVE WORKPLACE**

**CEA POSITION:** In today's struggling economy, government must embrace policies that help advance business development and creates jobs. The Employee Free Choice Act ("EFCA"), also known as card check legislation, harms American businesses by allowing unions to do away with secret ballots, weakening our basic democratic freedoms in the workplace. CEA opposes the passage of the Employee Free Choice Act and recommends Congress and the president preserve private balloting for all employees in union elections.

**BACKGROUND:** The EFCA would modify the National Labor Relations Act (NLRA), the law governing union activities and elections in the United States. To determine whether a union should be formed, current law requires federally monitored and regulated elections using private balloting to be held at the request of 30 percent of employees within a workplace. The EFCA would eliminate these elections and allow unions to be formed automatically after at least 50 percent of employees sign a union authorization card. The EFCA also dictates that once a new union is recognized under the act, management and the union will have a limited amount of time to develop a new contract or face set terms from a government mediator.

During the 110<sup>th</sup> Congress, the EFCA passed the House of Representatives but failed to achieve cloture in the Senate. House and Senate Democratic majority leaders have indicated that this ECFA is their top priority in the 111<sup>th</sup> Congress.

**CEA EVALUATION:** The American economy thrives in a highly competitive, democratic and innovative environment. It is these fundamental values that allow our marketplace to respond to changing economic conditions. The passage of the Employee Free Choice Act would threaten these essential components of economic growth in dramatic ways.

- The EFCA Threatens Core American Democratic Principles – Currently, the method for determining whether or not employees want a union to represent them is a private ballot election overseen by the National Labor Relations Board (NLRB). The NLRB provides detailed procedures that ensure a fair election, where employees may cast their vote confidentially without peer pressure, coercion or reprisal from unions or employers. Conversely, the EFCA would allow union organizers to pressure workers to sign authorization cards without appropriate oversight or protections. Control of these elections would be in the hands of union organizers, without any participation by the company's management, as is currently permitted under the NLRA.
- The EFCA Threatens Competitiveness & Innovation – The passage of the EFCA would open the door to binding arbitrations between first time unions and companies, which could result in unfair and burdensome contract terms.

If the Employee Free Choice Act is enacted into law, it will place both businesses and workers at risk in a time of economic difficulty for the county. The preservation of fair, private and free union elections promotes a strong innovative workplace. Congress should reject the EFCA and uphold the rights of workers.

For more information, please contact CEA at [publicpolicy@CE.org](mailto:publicpolicy@CE.org)  
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