

Seven Essential Labor Reforms

State & federal reforms to respect worker rights and increase worker protections

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Introduction

For eight years businesses owners and working families in Washington state and across the country have been shouldering an ever-increasing burden of arbitrary rules imposed by executive branch regulators. Often these rules have been imposed without specific approval by either Congress or the state legislature.

The rules have been imposed by regulators at federal and state agencies who want to expand their own power, by controlling when, where, and how people may work and earn an income. They have also tried to restrict the messages workers may hear about their own legal rights, and they have sought to perpetuate a system of forced payments that serve the financial interest of private labor unions.

These expanded state and federal rules have not only suppressed essential worker protections and denied employees access to information about their legal rights, they are also a primary reason the U.S. economy has failed to grow by more than three percent annually for eight years in a row.

Seven state & federal reforms to respect worker rights and increase worker protections

1. Enact right-to-work protections

- Making Washington a right-to-work state would respect the right of workers not to join a union without fear of losing their jobs.
- Today thousands of Washington residents are forced to pay fees and dues to private labor organizations as a condition of employment.
- No one should live in fear of losing a job because of a personal decision not to give money to a labor union, or to any other private organization.
- It should be a core value of the American workplace that workers should not be forced to join a union against their will, or be forced, through union fees, to support political causes they oppose.
- This month Missouri became the 28th state to provide right-to-work protections for its workers. States that recently passed similar protections include Kentucky, Wisconsin, Michigan and Indiana, and more states are expected to protect workers in the coming months.
- Washington's legislature should work with Governor Inslee to pass a right-to-work law. The act would establish in law the civil rights principle that no one may be denied employment or access to work opportunities due to financial conditions imposed by a private labor union.

2. End the transfer of public money to private labor organizations

- Currently, state agencies direct public funds to labor unions every month as payment for monthly dues. These are direct bank transfers; workers never see or possess the money that is paid to private unions on their behalf.
- State officials provide all monthly bookkeeping and financial services to unions at no charge, for the purpose of providing financial security to the receiving private organization. This policy is a gift of public funds and an administrative benefit from the state to a private labor organization.
- The state should adopt a policy that public money may only be directed for a public benefit and to carry out public business. Any financial arrangement between government employees and a private labor organization should be conducted by the parties involved, without the use of public funds.

3. Require workplace democracy

- Lawmakers should require that any private labor organization that benefits from any program or project that uses public money hold a workplace certification election at least once every two years.
- Regular certification elections would protect workers and insure that private labor organizations legitimately and honestly represent the interests of their members.
- Many workers who are forced to pay money to a union as a condition of employment have never voted in a union certification election. Some unions have gone decades without calling an election, enfranchising workers and denying them an opportunity to participate in workplace democracy.
- Workers have a right to have a voice in choosing who represents them. Requiring regular workplace elections for unions that benefit from public spending would ensure that workers are heard.

4. Repeal U.S. Department of Labor's unfair "Persuader Rule"

- This federal rule violates free speech rights by requiring employers to disclose to the union the identity of any person (including attorneys) hired to oppose the union position in a workplace election.
- Regulators at the U.S. Department of Labor imposed the rule in March 2016, without approval by Congress.
- In November 2016, a U.S. District Court blocked the rule, saying it violated free speech and freedom of association rights protected by the First Amendment.
- In 2017, the U.S. Department of Labor, guided by the new Administration, should end the controversy, and stand up for the free speech rights of employers and all Americans, by repealing the so-called "Persuader Rule".

5. End burdensome overtime rules

- In 2016 regulators at the U.S. Department of Labor, without input from Congress, sought to double the pay level at which workers cannot be considered salaried employees from \$23,660 a year to \$47,476 a year, with this dollar level increasing automatically every three years.
- The result will be massive new restrictions imposed on work, scheduling and hiring, further constraining the U.S. economy's ability to generate jobs.
- On November 22nd a federal court in Texas delayed implementation of the burdensome work limits until two law suits are settled: one filed by officials in 21 states, and the second filed by a group of business owners led by the U.S. Chamber of Commerce.
- So far, the courts have agreed that Department of Labor officials exceeded their authority in trying to impose the new rule on American workplaces.
- The new Trump Administration should withdraw the proposed federal rule and end the dispute, thus increasing the ability of American businesses to create jobs.
- Regulators at the Labor Department should be required to get specific authorization from Congress before trying to impose rules that hamper opportunities and stifle job creation that work to the benefit of all Americans.

6. Repeal U.S. Department of Labor misclassification of "employees"

- In July 2015, regulators at the U.S. Department of Labor forced all employers to use an expanded legal definition of the term "employee" in an effort to increase government control over the American economy.
- Department of Labor regulators invented an "economic realities" test. The test is designed to assure a pre-set outcome for the government, so that consultants, contractors and other temporary hires must be labeled permanent employees. The purpose of the test is to make more workers subject to Department of Labor controls.
- Repeal of the forced re-labeling of "employees" would return flexibility and efficiency to the American job market, would show respect for the voluntary choices that workers make, and would return the power of Department of Labor managers to the legal limits set by Congress.

7. Remove the Obama Administration's gag order against informing workers of their rights under the "Beck" ruling.

- In 1988, the U.S. Supreme Court ruled in *Communications Workers of America v. Beck* that workers cannot be fired for not joining a union. The Court said workers can only be charged for the legitimate costs of workplace representation, not for a union's political activity.
- The ruling protects the basic civil right that no one should be forced to give money to political parties, causes, or candidates against his will.
- This protection of worker rights is law today, but the Obama Administration has ordered that workers should not be informed of this right. The gag order applies to every workplace in the country.

- Ending former President Obama’s gag order would restore the federal requirement that employers must fairly inform workers of their right to decline union membership if they choose, and that workers cannot be fired for exercising their Beck rights.

Conclusion – showing respect for workers

The seven essential labor reforms presented here are about more than promoting economic growth and job creation. They are about federal and state lawmakers showing respect for working families, by removing the fear of union retaliation from the workplace, protecting workers’ freedom of association, and promoting workplace democracy.

The rules and restrictions imposed on American workers in recent years follow a consistent pattern and they all contain three components:

1. They all represent efforts by state and federal regulators to increase their own power;
2. They all serve the political and financial interests of private labor unions;
3. They all deny workers core fairness protections as employees and access to information about their rights.

Adopting the seven essential labor reforms would show respect for working people by removing arbitrary state and federal controls in ways that benefit working families and spur economic growth for everyone.

More importantly, by adopting these reforms, state and federal lawmakers would show they respect working people by expanding access to economic opportunity and jobs, and by allowing all workers to have full access to the financial and legal benefits they have earned.

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