

EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

> June 20, 2007 (Senate)

## **STATEMENT OF ADMINISTRATION POLICY**

H.R. 800 – Amending the National Labor Relations Act

(Sen. Kennedy (D) MA and 46 cosponsors)

The Administration strongly opposes H.R. 800, which would strip workers of the fundamental democratic right to a supervised private ballot election, interfere with the ability of workers and employers to bargain freely and come to agreement over working terms and conditions, and impose penalties for unfair labor practices only on employers – and not on union organizers – who intimidate workers. If H.R. 800 were presented to the President, he would veto the bill.

The Administration opposes any effort to circumvent supervised elections and private balloting. It is a fundamental tenet of democracy that individuals are able to vote their conscience, privately, free from the threat of reprisal. It was in part because of widespread intimidation of workers during organizing drives in the 1930s and 1940s that Congress amended the National Labor Relations Act in 1947 expressly to provide workers with the right to a private ballot. Substituting a "card check" mechanism for private ballots would turn back the clock 60 years and return us to a failed system. The right of a worker to a secret ballot is a precious right sought by millions across the world. It is a right that must be protected, not destroyed.

Additionally, compulsory binding arbitration as required by this legislation would be an unprecedented government intrusion into the right to bargain freely over working terms and conditions, would take away the right of members of a newly recognized union to accept or reject a contract, and would overturn nearly 60 years of law and precedent on collective bargaining.

Under this bill, workers would lose substantial control over their employment situation: without a private ballot they lose control over whether they belong to a union in the first place, and with mandatory binding arbitration they lose control over the decision to accept a collective bargaining agreement.

Finally, the bill would provide excessively punitive penalties that apply only to employers, not to unions, that interfere illegally with organizing drives. The National Labor Relations Board can already order remedial damages if an employer is found to have committed such violations. The bill's one-sided penalties are particularly troubling in conjunction with a mandatory card check process. The bill would effectively expose workers to coercion to join a union through card check, and then muzzle employers with new penalties, without any offsetting check on unions' behavior in obtaining signed cards.

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