Louisiana Business Groups Unite to Defeat Card Check Legislation

The Employee Free Choice Act, known as “Card Check” is opposed by Greater New Orleans, Inc. as one of its top federal policy issues of 2009. The issue has gained interest throughout Louisiana and the nation.

The U.S. Chamber of Commerce hosted a Card Check Fly In March 10 in Washington DC to galvanize the grass roots opposition and carry the message on Capitol Hill. Nearly 200 business representatives across the country participated in the event, with about 20% of the attendees from Louisiana.

- Louisiana Association of Business & Industry
- Bossier Chamber of Commerce
- Chamber of Southwest Louisiana
- Greater New Orleans, Inc.
- Greater Shreveport Chamber of Commerce
- Jefferson Chamber of Commerce
- River Region Chamber of Commerce
- St. Tammany West Chamber

The Threat is Real

- Card Check would effectively eliminate private elections. Under Card Check, if more than 50% of workers at a facility sign a card, the NLRB would have to certify the union, and a private ballot election would be prohibited, even if workers want one.

- EFCA provides that once a union is designated the representative of the employees, the employer must come to terms under its first contract with the union within 120 days, and failing to do so will result in the terms and conditions of the contract being determined by a government appointed arbitrator.

- Employers Will Be Subjected To Greater Penalties. EFCA calls for extensively larger monetary penalties for employers who violate employees’ rights under the Act. Unfortunately, the Act, as currently presented, lacks fairness. There are no increases in penalties for unions.

The Data is Compelling

- Unions have lost their prevalence in the workforce over the past five decades, making up 30% of the private workplace in the 1950s and less than 8% today. “Card Check” would reverse this trend and open up wide swaths of the economy to union organizing, especially small business.
Data recently compiled by the U.S. Chamber showed that the economies of right-to-work states, like Louisiana, grew faster than those that compelled membership or payment of union dues. “Over the five-year period from 2001 – 2006, the average right-to-work state saw its gross state product grow by 18.1 percent, versus 13.6 percent for non-right-to-work states,” the research in the study Is Unionization the Ticket to the Middle Class? The Real Economic Effects of Labor Unions points out.

According to a recent study by Dr. Anne Layne-Farrar with LECG Consulting, if the bill does what some proponents claim it can do – increase union membership by 1.5 million per year – then 600,000 jobs would be lost by each following year. Her study finds that by in passing EFCA it would lead to a 1 percentage point increase in unemployment rate for every 3 percentage points gained in union membership brought about by system of card checks and mandatory arbitration. These facts are concrete evidence that that EFCA is not helpful to the economy or the workers.

The Time to Act is Now

GNO, Inc. and other partners are calling on the business and economic development community to get engaged and get messages into the local media and the Louisiana Congressional delegation, both House and Senate members, to oppose Card Check.

“EFCA would have a particularly devastating impact on small employers who, as the primary source for new jobs, are counted on to reverse the current economic downturn. This bill is an awful idea in good economic times and a catastrophic idea in the difficult economic times now upon us,” said Thomas J. Donohue, president and CEO of the U.S. Chamber of Commerce.

More information about the U.S. Chamber’s efforts to defeat this job-killing measure is available at www.uschamber.com/wfi