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Labor Wants Obama to Take on Big Fight

After Working Hard to Elect Democrat, Unions Expect Help on Their Agenda

By KRIS MAHER

Organized labor sees a historic opportunity with Tuesday's election and is counting on the incoming Obama administration to back its agenda in what promises to be a landmark battle with business.

At the top of labor's wish list is passage of the Employee Free Choice Act, which would make it harder for companies to fight union-organizing drives. "It is the most important issue that we have," said John Sweeney, president of the AFL-CIO.

President-elect Barack Obama has promised to fight for the legislation, but whether it is introduced in the first 100 days of his administration could signal how strongly he is aligning himself with the progressive wing of the Democratic Party, say political consultants. Moderate Democrats and those who have just won seats in traditionally Republican states are expected to argue against making the legislation an early priority.

Unions failed to get major labor legislation passed under the Carter and Clinton administrations, and union membership has declined to 7.5% of private-sector workers, from about 20% in 1980, according to U.S. Labor Department data.

After unions spent more than \$400 million on the election and mounted massive voter-turnout efforts for Mr. Obama, they're inclined to push for bringing the Employee Free Choice Act up for a vote early next year, believing they have a narrow window to get it passed. They're worried other issues could emerge to eclipse the legislation, and that business would have more time to mount opposition the longer action is delayed.

"This is one the business community is united on," says Dan Yager, spokesman for HR Policy Association, a corporate lobbying group. "Now that it looks like it has a serious possibility of being enacted we think it will galvanize the community even more," he said.

The U.S. Chamber of Commerce and large employers, especially those that have resisted union organizing like Wal-Mart Stores Inc., vehemently oppose the legislation. Business groups, including the Chamber, spent a combined \$50 million this year on advertising against it and say they will ratchet up ads and

lobbying.

Some Democrats worry the issue could produce a divisive fight early in the Obama administration, imperiling the new president's broader agenda.

Paul Blank, a consultant who ran the United Food and Commercial Workers campaign against Wal-Mart before leaving to work for the presidential campaign of former North Carolina Sen. John Edwards, said he expects "political World War III" between labor and business over the issue.

Both sides say the legislation would lead to increased unionization. Unions say that would lift wages and help the middle class, while businesses say it could increase costs and eventually lead to widespread layoffs.

The bill would give unions -- rather than companies under current law -- the choice of having workers vote for a union by signing cards instead of through a secret-ballot election. Card-signing is preferred by unions because it can be done without an employer's knowledge. With secret-ballot elections, companies typically have months to mount an opposition.

The bill also authorizes an arbitrator to impose a first contract if a union fails to reach agreement with a company by 120 days following the union's formation. Under current law, if the two sides don't reach a contract within a year, the union typically loses its right to be the exclusive bargaining agent for the workers.

"If we're going to build a stronger labor movement and have a stronger campaign on behalf of workers, we need the passage of the Employee Free Choice Act," Mr. Sweeney said.

With Democrats failing to win a filibuster-proof 60-seat majority in the Senate, some say a compromise on the controversial card-signing provision is more likely now.

Hal Coxson, a management-side labor lawyer in Washington, said he expects the AFL-CIO to propose shortening the notice before elections to five days, which would give companies less time to campaign against a union, but allow Democrats to say they preserved secret-ballot elections. "If they overreach, they lose," Mr. Coxson said of the AFL-CIO.

Randel Johnson, vice president of labor policy for the Chamber, said he thinks unions proposed an "outrageous" bill in order to win a lesser compromise that would still be a big victory for labor. But he added, "any combination that still leaves the binding-arbitration in there would still be unacceptable to the business community."

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