



## [The Employee Free Choice Act: Playing the Union Card](#)

### **Video interview with David Smith, PhD, Associate Dean of Academic Affairs and Associate Professor of Economics**

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**Dr. David Smith:** I'm concerned about the Employee Free Choice Act in the current state that the California and a national company finds itself in. This is a piece of legislation that will give significantly more powers to unions. I think in this fragile economic environment, it just isn't well advised because there's a lot of evidence to suggest that while unions have benefits, they also tend to increase unemployment. And so, I'm concerned that in this fragile economic environment we find ourselves in that this piece of legislation is being advanced.

I see two fundamental flaws in the Employee Free Choice Act. First and foremost, it takes away the anonymity in the union voting process. This has been a fundamental part of the union authorization process for 74 years and I'm very concerned that it gives too much power to unions and gives the ability to coerce individuals to join a union that might otherwise not join a union. The second fundamental flaw I see in the Employee Free Choice Act is that it gives the government the ability after a time/a period when the unions aren't able to reach agreements with management, the government to impose collective bargaining agreements. I think, unfortunately, the way the legislation is written, there is an incentive there for the union not to come to an agreement after 120 days and allow the government to impose a collective bargaining agreement, which could potentially tilt more power in favor of unions.

I think one of the things that businesses really need to be cognizant of is to maintain positive relationships with their employees. It's really critical for the long-run success of a company. Take an example such as Southwest Airlines who has a history of a high degree of employee satisfaction. They have also high degrees of customer satisfaction. I think if businesses can keep the lines of communication open



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between their employees in a positive manner, then problems can be resolved without the need for a union. In the absence of the EFCA passing, I think that we do need to make sure that we continue to enforce the existing laws that are on the books.

I think in the future, workers are going to have to find themselves to be more flexible, to have skills that are highly transferable. A union environment doesn't necessarily encourage that and sometimes, a union environment can reduce the flexibility that workers seek in their roles. I think for the workforce of the future, we're going to have to plan to be highly flexible, workers are going to have to understand that they're going to have to maybe switch jobs much more frequently than their parents have done, and I think those sorts of skills in the future will help our economy avoid strong downturns and put it back on a positive trajectory of growth.

I think it's very likely that the Employee Free Choice Act will pass. It's a question of when. From my standpoint, it would be much better if we allow the economy to recover and put itself back on more sure footing before we have to absorb kind of the cost implications of the Employee Free Choice Act. So, my hope is that the legislation is at least delayed a year or two until our economy can get in a better position.

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