

Big Labor's Push for Micro-Unions

*The NLRB and Congress need to stop gerrymandering of union elections
and fracturing of the workplace*

Throughout the Obama Administration, organized labor pushed unelected bureaucrats at the National Labor Relations Board (NLRB) to make sweeping policy changes aimed at increasing union membership rolls at the expense of employees and employers. One of the Board's most controversial actions—which promises to hamstring job creators—was its decision in Specialty Healthcare, in which the Board allowed for the formation of “micro-unions,” or smaller-than-traditional bargaining units. The Board needs to reverse course or legislation is needed to roll back this economically damaging Board action.

THE PROBLEM

In *Specialty Healthcare*, the Board announced a new standard for determining composition of bargaining units, allowing organized labor to gerrymander units and disenfranchise employees that oppose unionization. This new standard makes it easier for unions to divide the workplace into multiple siloed bargaining units. For example, if the majority of machinists do not want union representation in a manufacturing facility, a union may attempt to organize a small group of employees working on one machine or one product rather than all machinists. Likewise, a union may now organize only the greeters at a retail store, because cashiers and floor associates don't want to unionize. These “micro-unions” or fractured units would greatly limit an employer's ability to cross train and meet customer and client demands via lean, flexible staffing as employees could not perform work assigned to another unit. Employees will also suffer from reduced job opportunities, such as promotions and transfers.

The *Specialty Healthcare* decision has already negatively impacted employers and employees alike. For example, in a recent case, one of the Board's Regional Directors ruled that full and part-time employees in the fragrance and cosmetics department of a single Macy's store constituted an appropriate bargaining unit. This ruling came approximately a year and a half after the petitioning union had lost an election involving a proposed unit that included all store sales employees. On July 22, 2014, the Board ruled against Macy's, determining the bargaining unit was in fact an appropriate unit, because the employees made up a single department within the store. *Macy's* thus makes clear the insidious effect of *Specialty Healthcare*, allowing unions to pick apart groups of employees who for decades would have been considered a single bargaining unit and focusing on isolated sub-groups.

LEGISLATIVE SOLUTIONS ARE NEEDED

In light of the Board's radical actions, the 114th Congress introduced legislation to reinstate the previous standard, but those efforts were unsuccessful. CDW strongly urges the new Congress to quickly pass legislation that will return balance to our workplace laws and provide an atmosphere that is conducive to economic growth.