SOLUTIONS

From Chaos to Order

Part II:

The Modern Labor Movement and Public-Sector Labor Relations

By:
Phil Berg
Labor Relations

In the short time since the spring publication of "From Chaos to Order," the State of Missouri has seen a number of developments resulting from the State's continued interaction with the labor unions that represent nearly 40% of the State's employees. While the impact of the expanded rol of state employee unions has been particularly dramatic for certain agencies, its continued presence in state government is part of a national trend that has historically affected all public administrators.

In 1935, the United States Legislature passed the National Labor Relations Act (NLRA), also known as the Wagner Act. As part of President Roosevelt's New Deal initiative, this far-reaching legislation ushered i a new legal status and political era fo labor unions. In recognition of historical work stoppages effecting national commerce, the NLRA established policy that encouraged collective bargaining. With this new law in place, the nation hoped to decrease costly work strikes and other protests resulting from management's refusal to acknowledge labor unions.

The American Federation of Labor (AFL) was one of the most active unions when the NLRA was passed into law. The AFL was formed in 1886 as a unifying organization of several smaller unions who joined the AFL but also maintained their status as individual unions. The success of the AFL may be partly attributable to policies and tactics that are commonplace in today's labor environment. For example, the AFL was one of the first unions to utilize strike tactics with the goal of achieving "economic betterment" for employees.

With the sharp rise of industrial mass production in the 1920's, many union leaders believed that the AFL should represent the large and growing body of factory workers despite the views of some AFL leaders that including industrial workers in an organization traditionally occupied by skilled tradesmen would potentially decrease the status of the AFL. To address this concern, the Committee for Industrial Organizations (CIO) was formed within the AFL in 1935. However, AFL membership, never formally agreeing to represent industrial employees, soon insisted that the CIO disband or leave the AFL. In 1938, the CIO responded by becoming a rival of the AFL as an independent labor federation.

As separate union federations, the AFL and CIO both witnessed enormous growth in membership after the implementation of the NLRA. With this new legislation, the effective use of strikes and changing public opinion gained labor unions considerable power. Union membership reached its peak in 1945 with members constituting 36% of the national workforce, but strikes, boycotts, and pressure on employees to become union members led some legislators to believe that unions had gained too much power from the NLRA. This belief led to an amendment to the NLRA known as the Taft-Hartley Act. This amendment was seen as a balancing component of the NLRA that identified a number of new unfair labor practices that restrict union bargaining power.

Since the NLRA was amended by the Taft Hartley Act in 1947, there have been only limited changes in the concerns, strategies and organization of the labor movement on a national scale. Two major changes have been the reuniting of the AFL and CIO, now intuitively known as the AFL-CIO, and the onset of collective bargaining in the public sector.

The merger of the AFL and CIO resulted from several factors, including changes in union leadership and a perceived need to decrease competition among unions in order to focus on political initiatives. Although some unaffiliated unions continue to exist and even thrive separate from the AFL-CIO, the organization is now the primary political voice and unifying factor of the American labor movement.

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Each union in the AFL-CIO is a separate entity made up of councils and locals that negotiate their own agreements with employers based on specific regional conditions and goals consistent with the general parameters defined by the AFL-CIO. Examples of the AFL-CIO's services to unions and their members include speaking for organized labor before Congress, keeping contact with labor unions throughout the world, coordinating community services and education programs, and helping to organize non-union employees in the United States.

The other significant change witnessed in recent years is a concerted and successful movement to unionize public-sector employees. On a national scale, public-sector labor relations has developed from a time when employees were required to lobby legislators for improved working conditions to an environment in which true collective bargaining occurs.

Mirroring the progression of the labor movement in the private sector, legislation followed political efforts to gain public employees collective bargaining rights. The first major piece of this legislation came with President Nixon's signing of the Postal Reorganization Act of 1970, which established the U.S. Postal Service as an independent entity within the federal executive branch of government and formalized labor-relations activities among postal workers. Under President Kennedy's executive orders, the Post Office Department had previously never fully acknowledged unions that represented postal employees even though the Post Office Department was the largest employer in the United States with the highest proportion of union members among its workforce.

Most federal-sector labor relations are now governed by the Civil Service Reform Act (CSRA), which was passed in 1978. According to the most recent report by the U.S. Department of Labor, although overall union membership has decreased from 36% of the nation's workforce in 1945 to 13% in 2003, public-sector membership has risen steadily since 1983. Today, 37% of public-sector employees are union members compared to 8% in the private sector.

State, county, and municipal labor relations are governed by their own policies, statutes, and executive orders. However, the lack of a congressional mandate to participate in collective bargaining appears to have had little effect on employee relations policies in state government. Nearly every state engages in collective bargaining with at least one major group of public employees either at the state or local level. To date, 27 states have passed laws granting collective bargaining rights to state employees in addition to five other states that are minimally required by law to "meet and confer" with employee organizations regarding working conditions. Missouri is among the five states that meet and confer with state employees by law, however Missouri's practices and policies include some components of collective bargaining.

Managers and supervisors in Missouri and all state governments must be mindful of labor relations practices on both a local and national level in order to contemplate the impact that collective bargaining might have on their individual work group and day-to-day practices. Establishing effective human resources policy by its very nature involves consolidating opposing views among individuals and groups to arrive at a mutual understanding. In the public sector and indeed the State of Missouri, the labor relations process represents merely another growing dimension in the overall management of personnel.

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