Labor Day Report Card: A Mixed Bag for American Workers

Since 1886, when President Grover Cleveland declared the first Monday in September as Labor Day, most big cities held huge parades to celebrate the trade union movement and the struggle for workers’ right. Is it a sign of the labor movement’s success or failure that today few cities still hold Labor Day parades anymore?

On the one hand, by lifting many working people out of poverty and into the middle class, unions helped provide Americans with the economic security to take a three-day during this official holiday. On the other hand, American working families are typically so exhausted from over-work that its no wonder that they view Labor Day weekend as a chance to rest rather than protest.

On most measures of economic and social well-being, American workers rank below their counterparts in other affluent nations. For example, Americans work more hours each year than employees in Canada, Western Europe, Japan, or Australia. In 2004, the most recent data collected by the Organization for Economic Cooperation and Development (OECD), employed Americans worked an average of 1,824 hours annually, compared with 1,816 in Australia, 1,789 hours in Japan, 1,751 hours in Canada, 1,669 in England, 1,585 in Sweden, 1,443 in Germany, 1,441 in France, and 1,363 in Norway.

Unlike every other affluent country, the U.S. has no statutory minimum vacation policy. As a result, American workers spend fewer weeks on vacation than workers elsewhere. Most countries mandate that workers get at least four weeks of paid vacation a year. France, Austria, Denmark and Sweden require five weeks. In reality, the typical European worker takes at least seven weeks of vacation each year compared with less than four weeks in the U.S. But many American workers only get to take off national holidays, like Christmas, July 4, and Labor Day.

Although the U.S. ranks third behind Norway and Japan in overall per capita income, American workers do not derive the benefits of prosperity compared with their counterparts elsewhere. Workers in other countries have used their political clout to take their productivity gains in the form of reduced hours -- shorter work weeks, longer vacations, and earlier retirements. But they also do better in terms of their paychecks. Workers in many countries -- including Germany, France, England, Austria, Belgium, Denmark, Finland, the Netherlands, Norway, Sweden, and Switzerland -- significantly outpace Americans in terms of pay and benefits. This is not only true for factory workers but also for service sectors workers, such as secretaries, janitors, hotel workers, and retail clerks.

As the current crop of presidential candidates keeps reminding us, the U.S. is the only country without a system of universal health insurance. It is also the only country without mandated paid maternity leave. We spend less on job training, child care, and affordable housing, and much more on prisons, than other well-off nations. The U.S. also has the widest gap between rich and poor and the highest poverty rate. And, as we saw recently with the deaths of Utah miners, our workplace safety laws are weak and poorly-enforced compared with those elsewhere.

What accounts for these disparities? The weakness of the American labor movement, compared to its counterparts in other affluent, democratic societies is a prime suspect. Unions collective bargaining agreements play a less important role in the U.S. than in other affluent nations. The U.S. (12 percent) ranks next-to-last, behind France (10 percent), in union membership among the workforce. In France, however, even workers who are not union members are covered by collective bargaining agreements. They cover 90 percent of all workers in France, compared with only 14 percent of U.S. workers.

Business leaders argue that American employees anti-union attitudes account for the decline in union membership, which peaked at 35 percent in the 1950s. In fact, a December 2006 poll found that 58 percent of non-managerial workers would join a union if they could. But they won’t vote for a union, much less participate openly in an organizing drive, if they fear losing their jobs for doing so.

And there's the rub. Americans have far fewer rights at work than employees in other democratic societies. Current federal laws are an impediment to union organizing rather than a protector of workers' rights. The rules are stacked against workers, making it extremely difficult for even the most committed and talented organizers and workers to win union elections. Elections held under current National Labor Relations Board (NLRB) rules put workers and their unions at a disadvantage. Any employer with a clever attorney can stall union elections, giving management time to scare the living daylights out of potential recruits.

According to Professor Kate Bronfenbrenner of Cornell University, one-quarter of all employers illegally fire at least one employee during union organizing campaigns. In 2005, over 31,000 workers were illegally disciplined or fired for union activity, according to the NLRB. The lucky workers get reinstated years later after exhaustive court battles. Indeed, penalties for these violations are so minimal that most employers treat them as a minor cost of doing business. Employees who initially signed union cards are often long-gone or too afraid to vote by the time the NLRB conducts an election.
Big business spends hundreds of millions of dollars a year to hire anti-union consultants who use elaborate strategies to keep unions out. Employers in the United States can require workers to attend meetings on work time where company managers and consultants give anti-union speeches, show anti-union films and distribute anti-union literature. Unions have no equivalent rights of access to employees. To reach them, organizers must visit their homes or hold secret meetings. This is hardly workplace democracy.

The next battle in the struggle for workers' rights is the Employee Free Choice Act (EFCA), the most important pro-worker legislation since the original National Labor Relations Act was passed in 1935. EFCA would level the playing field between management and workers, making it more likely that union organizing campaigns will be successful and reverse the labor movement's four-decade membership decline.

The EFCA would allow employees to form unions by simply signing a card stating that they desire union representation. If a majority of employees in a workplace sign a card, the company would be obligated to bargain with the union the employees choose. The law would also increase penalties for companies who violate worker rights and provide for mediation and arbitration for first contract disputes — a key provision given that employers often drag out negotiations to wear down a new union.

If EFCA were enacted, the U.S. would match other democracies in the protection of worker rights. In Canada, for example, the "card check" process is in place, and union membership is more than twice that in the U.S.

Last March, the U.S. House of Representatives approved the EFCA by a 241-185 vote. In June, 51 Senators -- all but one of the 52 Democrats (Sen. Tim Johnson of South Dakota, was ill and did not vote) and one Republican (Arlen Specter of Pennsylvania) -- voted in favor of EFCA, but it wasn't enough to end the Republican filibuster. Even had it gotten out of Congress, President Bush pledged to veto it.

Those who support the EFCA stood up to heavy opposition by the U.S. Chamber of Commerce, which launched a costly barrage of radio ads across the country. Business leaders and their allies in Congress (and the religious right) understand that a resuscitated labor movement would be an effective counterweight to their political influence. That is why they are on the warpath against the EFCA.

The labor movement is likely to make support for the EFCA a litmus test for targeting its endorsement, money, and ground troops to candidates running for House and Senate in 2008, particularly those in swing districts and states, where Republican incumbents are vulnerable to defeat. All the Democratic candidates for president support the bill. So if a Democrat is elected to the White House in November 2008, and the Democrats maintain a majority in Congress, the battle will heat up even more. Business groups will try to persuade moderate Democrats to withdraw their support for the EFCA.

It's do-or-die time for the American labor movement. In the next decade or two, unions will either make a comeback or become marginal players in American society and politics. If labor stumbles towards irrelevance, our overall society will become nastier, more unequal and individualistic than it already is. It's not a happy prospect -- but one worth pondering on this Labor Day.

*A shorter version of this commentary appears in Monday's Philadelphia Inquirer.*