

### 3: The Nature of Unions

#### Learning Objectives

- Be able to discuss the history of labor unions.
- Explain some of the reasons for a decline in union membership over the past sixty years.
- Be able to explain the process of unionization and laws that relate to unionization.

There is a good chance that, at some time in your career, you will join a labor union. The purpose of this chapter is to give you some background about unions. Oftentimes, depending on your union involvement, you may have to use a number of human relations skills you have gained so far from reading this book. For example, the ability to work in a team and handle conflict are all aspects you may experience as a union member—or a member of any organization. A **labor union**, or union, is defined as workers banding together to meet common goals, such as better pay, benefits, or promotion rules. In the United States, 10.0 percent of American workers belong to a union, down from 20.1 percent in 1983.<sup>[1]</sup> In this section, we will discuss the history of unions, reasons for the decline in union membership, union labor laws, and the process employees go through to form a union. First, however, we should discuss some of the reasons why people join unions.

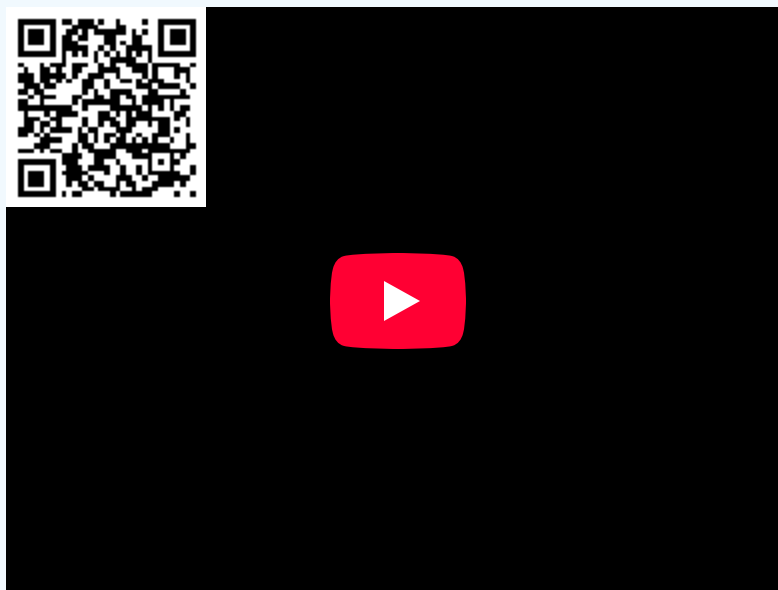
People may feel their economic needs are not being met with their current wages and benefits and believe that a union can help them receive better economic prospects. Fairness in the workplace is another reason why people join unions. They may feel that scheduling, vacation time, transfers, and promotions are not given fairly and feel that a union can help eliminate some of the unfairness associated with these processes. Let's discuss some basic information about unions before we discuss the unionization process.

#### History and Organization of Unions

Trade unions were developed in Europe during the Industrial Revolution, when employees had little skill and thus the entirety of power was shifted to the employer. When this power shifted, many employees were treated unfairly and underpaid. In the United States, unionization increased with the building of railroads in the late 1860s. Wages in the railroad industry were low and the threat of injury or death was high, as was the case in many manufacturing facilities with little or no safety laws and regulations in place. As a result, the Brotherhood of Locomotive Engineers and several other brotherhoods (focused on specific tasks only, such as conductors and brakemen) were formed to protect workers' rights, although many workers were fired because of their membership.

#### ✓ Labor Union AFL-CIO Perspective

A video from the AFL-CIO shows a history of labor unions, from its perspective.



The first local unions in the United States were formed in the eighteenth century, in the form of the National Labor Union (NLU).

The National Labor Union, formed in 1866, paved the way for other labor organizations. The goal of the NLU was to form a national labor federation that could lobby government for labor reforms on behalf of the labor organizations. Its main focus was to limit the workday to eight hours. While the NLU garnered many supporters, it excluded Chinese workers and only made some attempts to defend the rights of African Americans and female workers. The NLU can be credited with the eight-hour workday, which was passed in 1862. Because of a focus on government reform rather than collective bargaining, many workers joined the Knights of Labor in the 1880s.

The Knights of Labor started as a fraternal organization, and when the NLU dissolved, the Knights grew in popularity as the labor union of choice. The Knights promoted the social and cultural spirit of the worker better than the NLU had. It originally grew as a labor union for coal miners but also covered several other types of industries. The Knights of Labor initiated strikes that were successful in increasing pay and benefits. When this occurred, membership increased. After only a few years, though, membership declined because of unsuccessful strikes, which were a result of a too autocratic structure, lack of organization, and poor management. Disagreements between members within the organization also caused its demise.

The American Federation of Labor (AFL) was formed in 1886, mostly by people who wanted to see a change from the Knights of Labor. The focus was on higher wages and job security. Infighting among union members was minimized, creating a strong organization that still exists today: in the 1930s, the Congress of Industrial Organizations (CIO) was formed as a result of political differences in the AFL. In 1955, the two unions joined together to form the AFL-CIO.

Currently, the AFL-CIO is the largest federation of unions in the United States and is made up of fifty-six national and international unions. The goal of the AFL-CIO isn't to negotiate specific contracts for employees but rather to support the efforts of local unions throughout the country.

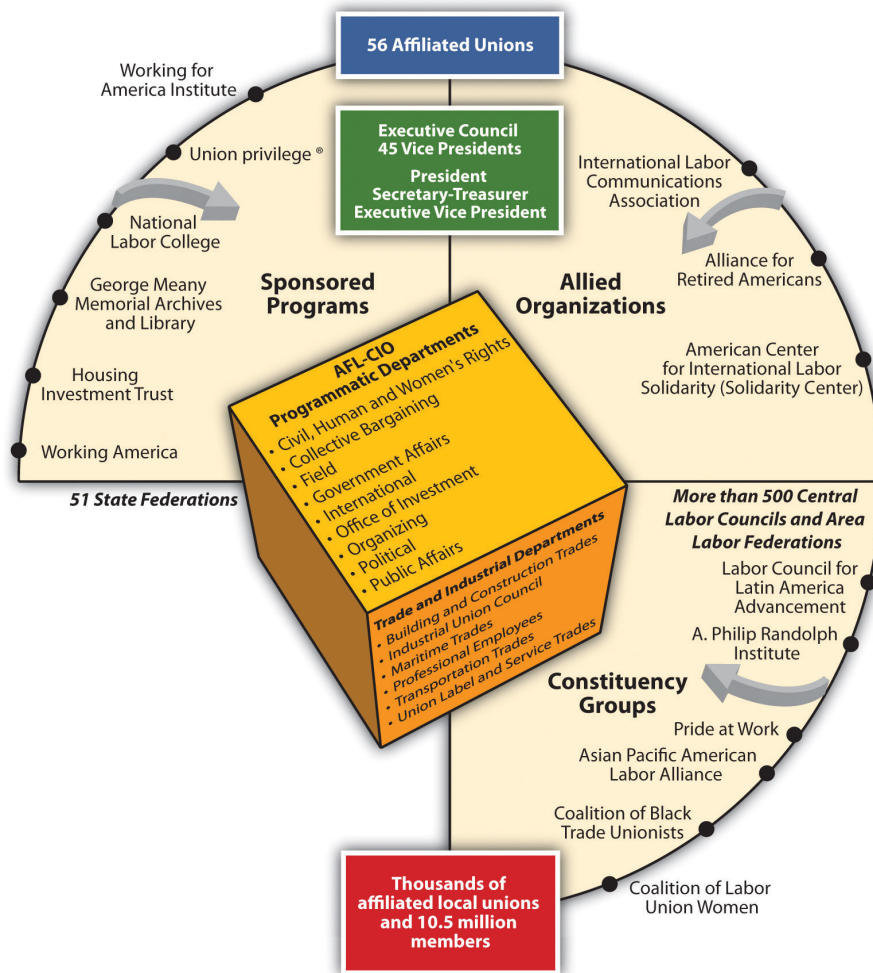


Figure: The Complicated Structure of AFL-CIO. Source: AFL-CIO.

Currently, in the United States, there are two main national labor unions that oversee several industry-specific local unions. There are also numerous independent national and international unions that are not affiliated with either national union:

1. AFL-CIO: local unions include Airline Pilots Association, American Federation of Government Employees, Associated Actors of America, and Federation of Professional Athletes
2. CTW (Change to Win Federation): includes the Teamsters, Service Employees International Union, United Farm Workers of America, and United Food and Commercial Workers
3. Independent unions: Directors Guild of America, Fraternal Order of Police, Independent Pilots Association, Major League Baseball Players Association

The national union plays an important role in legislative changes, while the local unions focus on collective bargaining agreements and other labor concerns specific to the area. Every local union has a **union steward** who represents the interests of union members. Normally, union stewards are elected by their peers.

A national union, besides focusing on legislative changes, also does the following:

1. Lobbies in government for worker rights laws
2. Resolves disputes between unions
3. Helps organize national protests
4. Works with allied organizations and sponsors various programs for the support of unions

For example, in 2011, the national Teamsters union organized demonstrations in eleven states to protest the closing of an Ontario, California, parts distribution center. Meanwhile, Teamster Local 495 protested at the Ontario plant.<sup>[2]</sup>

## Labor Union Laws

The **Railway Labor Act (RLA)** of 1926 originally applied to railroads and in 1936 was amended to cover airlines. The act received support from both management and unions. The goal of the act is to ensure no disruption of interstate commerce. The main provisions of the act include alternate dispute resolution, arbitration, and mediation to resolve labor disputes. Any dispute must be resolved in this manner before a strike can happen. The RLA is administered by the National Mediation Board (NMB), a federal agency, and outlines very specific and detailed processes for dispute resolution in these industries.

The **Norris-LaGuardia Act** of 1932 (also known as the anti-injunction bill) barred federal courts from issuing injunctions (a court order that requires a party to do something or refrain from doing something) against nonviolent labor disputes and barred employers from interfering with workers joining a union. The act was a result of common **yellow-dog contracts**, in which a worker agreed not to join a union before accepting a job. The Norris-LaGuardia Act made yellow-dog contracts unenforceable in courts and established that employees were free to join unions without employer interference.

In 1935, the **Wagner Act** (sometimes called the National Labor Relations Act) was passed, changing the way employers can react to several aspects of unions. The Wagner Act had a few main aspects:

1. Employers must allow freedom of association and organization and cannot interfere with, restrain or coerce employees who form a union.
2. Employers may not discriminate against employees who form or are part of a union or those who file charges.
3. An employer must bargain collectively with representation of a union.

The **National Labor Relations Board (NLRB)** oversees this act, handling any complaints that may arise from the act. For example, in April 2011, the NLRB worked with employees at Ozburn-Hessey Logistics in Tennessee after they had been fired because of their involvement in forming a union. The company was also accused of interrogating employees about their union activities and threatened employees with loss of benefits should they form a union. The NLRB utilized their attorney to fight on behalf of the employees, and a federal judge ordered the company to rehire the fired employees and also to desist in other anti-union activities.<sup>[3]</sup>

The **Taft-Hartley Act** also had major implications for unions. Passed in 1947, Taft-Hartley amended the Wagner Act. The act was introduced because of the upsurge of strikes during this time period. While the Wagner Act addressed unfair labor practices on the part of the company, the Taft-Hartley Act focused on unfair acts by the unions. For example, it outlawed strikes that were not authorized by the union, called **wildcat strikes**. It also prohibited **secondary actions** (or secondary boycotts) in which one union goes on strike in sympathy for another union. The act allowed the executive branch of the federal government to disallow a strike should the strike affect national health or security. One of the most famous injunctions was made by President Ronald Reagan in 1981. Air traffic controllers had been off the job for two days despite their no-strike oath, and Reagan ordered all of them (over eleven thousand) discharged because they violated this federal law.

The **Landrum Griffin Act**, also known as the Labor Management Reporting and Disclosure (LMRDA) Act, was passed in 1959. This act required unions to hold secret elections, required unions to submit their annual financial reports to the US Department of Labor, and created standards governing expulsion of a member from a union. This act was created because of racketeering charges and corruption charges by unions. In fact, investigations of the Teamsters union found they were linked to organized crime, and the Teamsters were banned from the AFL-CIO. The goal of this act was to regulate the internal functioning of unions and to combat abuse of union members by union leaders.

<b>Railway Labor Act</b>	<ul style="list-style-type: none"> <li>• Covers railroad and airlines</li> <li>• Alternate dispute resolution methods instead of striking for these two industries</li> </ul>
<b>Norris-LaGuardia Act</b>	<ul style="list-style-type: none"> <li>• As a result of yellow-dog contracts</li> <li>• Barred federal courts from issuing injunctions against nonviolent labor disputes</li> </ul>
<b>Wagner Act</b>	<ul style="list-style-type: none"> <li>• Allowed for freedom to join a union without interference</li> <li>• May not discriminate against union employees</li> <li>• Set collective bargaining rules</li> </ul>
<b>Taft-Hartley Act</b>	<ul style="list-style-type: none"> <li>• Amended Wagner Act</li> <li>• Focus was on unfair practices by the union</li> </ul>
<b>Landrum-Griffin Act</b>	<ul style="list-style-type: none"> <li>• Required unions to hold secret elections</li> <li>• Financial reporting of unions required</li> </ul>

Figure: Major Acts Regarding Unions, at a Glance

#### Key Takeaways

- Union membership in the United States has been slowly declining. Today, union membership consists of about 10 percent of the workforce, while in 1983 it consisted of 20 percent of the workforce.
- The reasons for the decline are varied, depending on whom you ask. Some say the moving of jobs overseas is the reason for the decline, while others say unions' hard-line tactics put them out of favor.
- Besides declining membership, union challenges today include globalization and companies' wanting a union-free workplace.
- The United States began its first labor movement in the 1800s. This was a result of low wages, no vacation time, safety issues, and other issues.
- Legislation has been created over time to support both labor unions and the companies who have labor unions. The *Railway Labor Act* applies to airlines and railroads and stipulates that employees may not strike until they have gone through an extensive dispute resolution process. The *Norris-LaGuardia Act* made *yellow-dog contracts* illegal and barred courts from issuing injunctions.
- The *Wagner Act* was created to protect employees from retaliation should they join a union. The *Taft-Hartley Act* was developed to protect companies from unfair labor practices by unions.
- The *National Labor Relations Board* is the overseeing body for labor unions, and it handles disputes between companies as well as facilitates the process of new labor unions in the developing stages. Its job is to enforce both the *Wagner Act* and the *Taft-Hartley Act*.
- The *Landrum Griffin Act* was created in 1959 to combat corruption in labor unions during this time period.

#### ? Exercise 3.1

1. Visit the National Labor Relations Board website. View the "weekly case summary" and discuss it in at least two paragraphs, stating your opinion on this case.
2. Do you agree with unionization within organizations? Why or why not? List the advantages and disadvantages of unions to the employee and the company.

1. "Union Members: 2010," Bureau of Labor Statistics, US Department of Labor, news release, January 21, 2011, accessed April 4, 2011, <http://www.bls.gov/news.release/pdf/union2.pdf>.

2. "Teamsters Escalate BMW Protests across America," PR Newswire, August 2, 2011, accessed August 15, 2011, [www.prnewswire.com/news-relea...126619168.html](http://www.prnewswire.com/news-relea...126619168.html).
3. "Federal Judge Orders Employer to Reinstate Three Memphis Warehouse Workers and Stop Threatening Union Supporters While Case Proceeds at NLRB," Office of Public Affairs, National Labor Relations Board, news release, April 7, 2011, accessed April 7, 2011, [www.nlr.gov/news/federal-jud...house-workers- and-stop-threatening-un](http://www.nlr.gov/news/federal-jud...house-workers- and-stop-threatening-un).

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