

MODERNIZING

AMERICAN LABOR

Meeting the Challenges
Facing Modern Unions
Today.

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Challenges

- ❑ Non Union labor
- ❑ Public Opinion
- ❑ Government Intercession



Specifics of Challenges

□ **Non Union Labor**

- Decreases collective bargaining power
- Competes with Union Labor
- Drives down price of wages

□ **Public Opinion**

- Decreases chance of Non Union workers joining Union
- Decreases likelihood that companies will hire Union labor
- Dramatically increases probability of Government intercession

□ **Government Intercession**

- “Right to work” legislation
- Union busting
- Pro-Company legislation

The Proposal

□ A system of productivity standards

- All Union members must meet a minimum standard of productivity and proficiency

□ Intra-Union training programs

- These programs would be aimed at helping Union members develop their skills in their respective job areas

□ Future outreach to Non Union workers

- Educating Non Union labor about Union benefits and encouraging their membership into the BAC

Overall aim: Increasing value of Union workers to hiring companies

Justification for Proposal

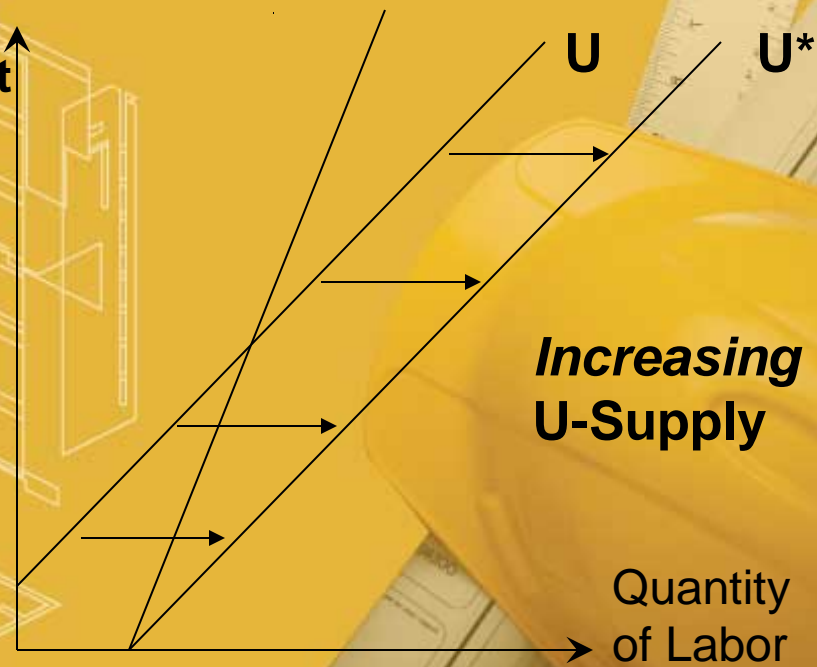
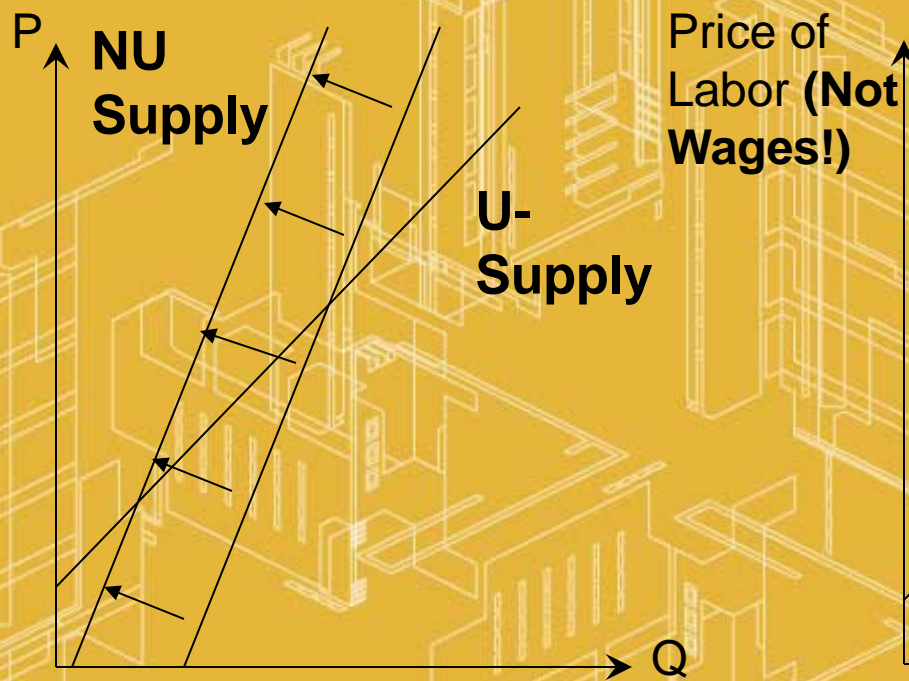
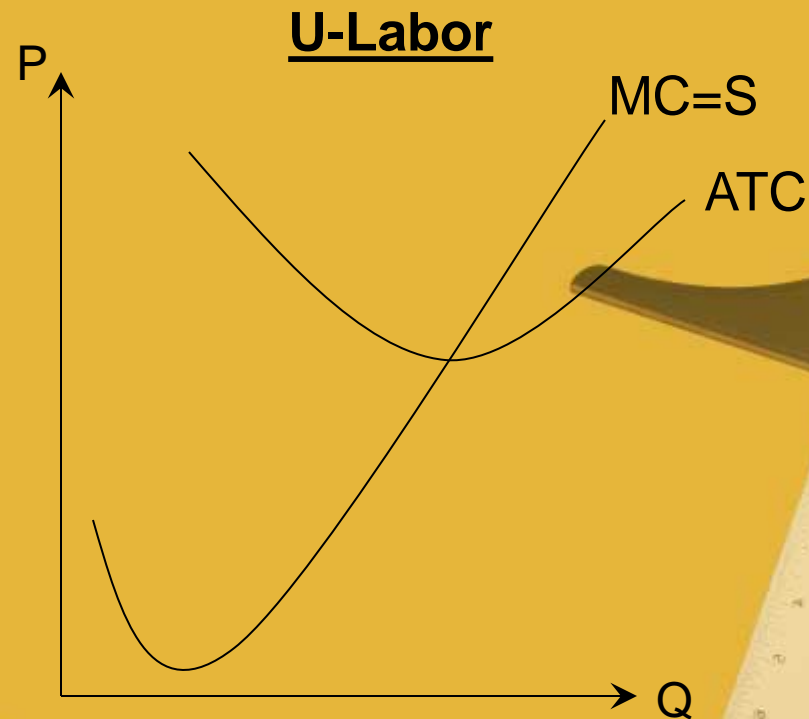
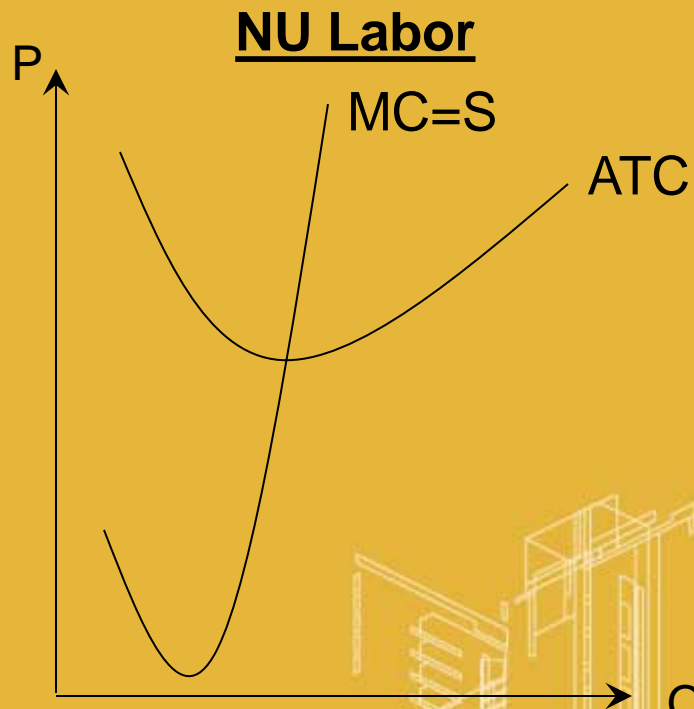
□ How do current labor Unions generally function?

- Labor market can be approximated as two competing firms: Union labor vs. Non Union labor
- Union labor is a price maker; Non Union labor is a price taker
- Cornering the market:
 - Unions functionally offer production at higher price
 - Lack of proficiency & productivity in some cases
 - ***This is the root of all of the Union's problems***

Main Idea

- ***This proposal will allow the Union to effectively compete with Non Union labor without having to corner the market.***





Proposal Mechanism

□ Assembly of the committee

- Two-tiered process:
 - Full vote from all Union members to select a panel of BAC experts & Non-BAC workers (actuaries, economists, statisticians etc.)
 - These individuals will decide the standards

□ Training programs

- Intended to make current workers more proficient at their jobs, increasing the efficacy of this plan as a whole
- Mandates coursework based on performance compared to a threshold of a general assessment
- Essentially enhances safety records, productivity, and quality of work

Implications of this Proposal

- Union workers will necessarily be highly productive because of these new standards
- **Non Union Labor**
 - Companies will preferentially hire Union workers because of this guarantee
- **Public Opinion**
 - Union will be *decreasing* cost of construction, rather than increasing cost of production
- **Government Intercession**
 - Since the Union is not driving up product costs, and is not causing a deadweight loss, *and* will have favorable public opinion, the government will have no reason to intercede

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With this change, the motto becomes...

**“Hire Union; Build Better;
Work Union; Live Better.”**

Thank You