

VETO OF H.R. 743

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MESSAGE

FROM

**THE PRESIDENT OF THE UNITED STATES**

TRANSMITTING

HIS VETO OF H.R. 743, A BILL ENTITLED THE "TEAMWORK FOR  
EMPLOYEES AND MANAGERS ACT OF 1995"



JULY 30, 1996.—Message and accompanying papers ordered to be printed

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U.S. GOVERNMENT PRINTING OFFICE

29-011

WASHINGTON : 1996

*To the House of Representatives:*

I am returning herewith without my approval, H.R. 743, the "Teamwork for Employees and Managers Act of 1995." This act would undermine crucial employee protections.

I strongly support workplace practices that promote cooperative labor-management relations. In order for the United States to remain globally competitive into the next century, employees must recognize their stake in their employer's business, employers must value their employees' labor, and each must work in partnership with the other. Cooperative efforts, by promoting mutual trust and respect, can encourage innovation, improve productivity, and enhance the efficiency and performance of American workplaces.

Current law provides for a wide variety of cooperative workplace efforts. It permits employers to work with employees in quality circles to improve quality, efficiency, and productivity. Current law also allows employers to delegate significant managerial responsibilities to employee work teams, sponsor brainstorming sessions, and solicit employee suggestions and criticisms. Today, 30,000 workplaces across the country have employee involvement plans. According to one recent survey, 96 percent of large employers already have established such programs.

I strongly support further labor-management cooperation within the broad parameters allowed under current law. To the extent that recent National Labor Relations Board (NLRB) decisions have created uncertainty as to the scope of permissible cooperation, the NLRB, in the exercise of its independent authority, should provide guidance to clarify the broad legal boundaries of labor-management teamwork. The Congress rejected a more narrowly defined proposal designed to accomplish that objective.

Instead, this legislation, rather than promoting genuine teamwork, would undermine the system of collective bargaining that has served this country so well for many decades. It would do this by allowing employers to establish company unions where no union currently exists and permitting company-dominated unions where employees are in the process of determining whether to be represented by a union. Rather than encouraging true workplace cooperation, this bill would abolish protections that ensure independent and democratic representation in the workplace.

True cooperative efforts must be based on true partnerships. A context of mutual trust and respect encourages the prospect for achieving workplace innovation, improved productivity, and enhanced efficiency and workplace performance. Any ambiguities in this situation should be resolved, but without weakening or eliminating the fundamental rights of employees to collective bargaining.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 30, 1996.*

H. R. 743

**One Hundred Fourth Congress  
of the  
United States of America**

**AT THE SECOND SESSION**

*Begun and held at the City of Washington on Wednesday,  
the third day of January, one thousand nine hundred and ninety-six*

**An Act**

To amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes.

*Be it enacted by the Senate and House of Representatives of  
the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Teamwork for Employees and Managers Act of 1995".

**SEC. 2. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds that—

(1) the escalating demands of global competition have compelled an increasing number of employers in the United States to make dramatic changes in workplace and employer-employee relationships;

(2) such changes involve an enhanced role for the employee in workplace decisionmaking, often referred to as "Employee Involvement", which has taken many forms, including self-managed work teams, quality-of-worklife, quality circles, and joint labor-management committees;

(3) Employee Involvement programs, which operate successfully in both unionized and nonunionized settings, have been established by over 80 percent of the largest employers in the United States and exist in an estimated 30,000 workplaces;

(4) in addition to enhancing the productivity and competitiveness of businesses in the United States, Employee Involvement programs have had a positive impact on the lives of such employees, better enabling them to reach their potential in the workforce;

(5) recognizing that foreign competitors have successfully utilized Employee Involvement techniques, the Congress has consistently joined business, labor and academic leaders in encouraging and recognizing successful Employee Involvement programs in the workplace through such incentives as the Malcolm Baldrige National Quality Award;

(6) employers who have instituted legitimate Employee Involvement programs have not done so to interfere with the collective bargaining rights guaranteed by the labor laws, as was the case in the 1930's when employers established deceptive sham "company unions" to avoid unionization; and

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(7) Employee Involvement is currently threatened by legal interpretations of the prohibition against employer-dominated "company unions".

(b) PURPOSES.—The purpose of this Act is—

(1) to protect legitimate Employee Involvement programs against governmental interference;

(2) to preserve existing protections against deceptive, coercive employer practices; and

(3) to allow legitimate Employee Involvement programs, in which workers may discuss issues involving terms and conditions of employment, to continue to evolve and proliferate.

**SEC. 3. EMPLOYER EXCEPTION.**

Section 8(a)(2) of the National Labor Relations Act is amended by striking the semicolon and inserting the following: "*Provided further*, That it shall not constitute or be evidence of an unfair labor practice under this paragraph for an employer to establish, assist, maintain, or participate in any organization or entity of any kind, in which employees who participate to at least the same extent practicable as representatives of management participate, to address matters of mutual interest, including, but not limited to, issues of quality, productivity, efficiency, and safety and health, and which does not have, claim, or seek authority to be the exclusive bargaining representative of the employees or to negotiate or enter into collective bargaining agreements with the employer or to amend existing collective bargaining agreements between the employer and any labor organization, except that in a case in which a labor organization is the representative of such employees as provided in section 9(a), this proviso shall not apply;".

**SEC. 4. LIMITATION ON EFFECT OF ACT.**

Nothing in this Act shall affect employee rights and responsibilities contained in provisions other than section 8(a)(2) of the National Labor Relations Act, as amended.

NEWT GINGRICH,

*Speaker of the House of Representatives pro tempore.*

STROM THURMOND,

*President of the Senate pro tempore.*

[Endorsement on back of bill:]

I certify that this Act originated in the House of Representatives.

ROBIN H. CARLE, *Clerk.*

