



## ***News Release***

# **National Labor Relations Board**

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### **Top NLRB officials respond to House budget proposal**

The House of Representatives is expected to vote today or tomorrow on a Continuing Resolution to fund the federal government for the remainder of FY 2011. National Labor Relations Board Chairman Wilma B. Liebman and Acting General Counsel Lafe Solomon issued the following statement on the impact of that proposal:

“The House of Representatives is expected to soon vote on a funding proposal that contains drastic cuts to several federal agencies, including the National Labor Relations Board. The proposal would eliminate \$50 million from this small administrative agency, or 18% of its total annual budget. Because the reduction would be squeezed into the final 7 months of the fiscal year, the cuts would be felt even more deeply - representing the equivalent of one-third of remaining 2011 funding.

Nearly all of the agency's budget is spent on salaries and rents; there are no programs to eliminate or postpone. The only way to meet this extreme and immediate reduction would be to furlough all of the NLRB's 1,665 employees for 55 workdays, or nearly three months, between now and the end of September. The great majority of these employees work far from Washington D.C., in 51 local offices, where every NLRB case begins. The economic impact of this cut would be felt by families and communities in 33 states.

If enacted, the House proposal could force the NLRB to curtail all agency operations, including investigating alleged illegal practices by private sector employers and unions, conducting workplace elections, and helping to settle election-related disputes. Regulation of a broad range of conduct, such as unlawful lockouts of workers, termination of union organizers, refusals to bargain with unions selected by workers, unilateral changes to contract provisions covering such things as health insurance and pensions, unlawful strikes, picket line violence, and secondary boycotts, would be stalled if this proposal were adopted.

The delays would occur at a great cost to working people and responsible employers trying to survive in this difficult economic climate, and would have the potential to destabilize relations between labor and business. The severe cuts would also curtail the ability of the agency to restore jobs to people who were illegally fired. Charges of illegal discharges account for a significant portion of the Agency's caseload, and in just the last three years, the NLRB won 6,814 offers of reinstatement and obtained over \$351 million in backpay for illegally discharged employees.

We are certainly aware of the tough economic times that all Americans are currently facing; they are reflected every day in our cases across the country. Our agency seeks to ensure that every tax dollar is well-spent, and has continually looked for efficiencies wherever possible in technology and staffing. These efforts are succeeding in achieving notable reductions in case backlogs and turnaround times while also improving case management and making more information available to the public. Rather than assist or accelerate those efforts, however, this proposal would be counterproductive, even reckless. At the end of the budget cycle, the backlog of cases would have grown, perhaps by 18,000, and turnaround times would have increased, without lasting efficiencies in return.

This proposal would have another effect: It would undercut the agency's momentum just as the Board returns to health after more than two years of vacancies, and as the Acting General Counsel spearheads a number of initiatives, including one that is bringing speedier resolution to charges of illegal discharges. The NLRB's reinvigoration was examined in a hearing called by the House majority last week, which featured critics and advocates, and underscored the long history of controversy involving this agency. Fortunately, an even more draconian House proposal that would have eliminated all NLRB funding for the remainder of the year was defeated during debate on amendments on Thursday, although it disturbingly garnered 176 votes. We hope that as the budget debate moves into the Senate, a serious discussion about these important issues will occur.”

The National Labor Relations Board is an independent federal agency vested with the power to safeguard employees' rights to organize and to determine whether to have unions as their bargaining representative. The agency also acts to prevent and remedy unfair labor practices committed by private sector employers and unions.

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