COLLECTIVE BARGAINING

Overview

Collective bargaining is a type of negotiation between employees and an employer. This can exist in both private and government organizations. During the process of negotiations, workers will negotiate job contracts with their employer. Some issues that are typically covered in negotiations include, but are not limited to:

- Hours
- Wages
- Benefits
- Working conditions
- Rules/guidelines of the workplace

Once both sides reach an agreement on a contract, it is approved and set for a period of time. This final contract is called a collective bargaining agreement.

More information on collective bargaining can be found here.

History

The issue of collective bargaining has been rooted in American culture for many years. One of the beginnings of this movement started in 1935, when President Franklin Delano Roosevelt signed the Wagner Act into law. This act established the right to collective bargaining in the United States. The issue found its way to Michigan in 1937, when a sit down strike by about 33,000 General Motors workers occurred in Flint, Michigan. This very event skyrocketed the issue into the national spotlight and Michigan was at the forefront of it all.

As a result, many skilled trade workers began using their skills as bargaining tools to compel their employers to meet their needs. Generally, employees in collective bargaining situations are represented by a union. Collective bargaining actually begins with joining a union, agreeing to abide by the rules of the union, and electing union representatives.

In 1947, the Michigan Legislature passed Public Act 336, the Public Employment Relations Act, which gave state employees the right to organize and enter into collective bargaining agreements. Prior to this act, competitive bargaining with a public sector union was illegal. However, growth of Michigan government employee unions did not really take place until after Executive Order 10988. New amendments would also be added to PERA; however they did not legalize strikes by government employees.

In 1962, President Kennedy issued Executive Order 10988 approving unionization for federal employees, which inspired many other state governments to do the same for their state employees.
You can follow the complete history of collective bargaining in Michigan, by following this link. You can also read about the history of collective bargaining in Michigan public education, by clicking on this link.

**Advantaged Vs. Disadvantages**

There are many different points of view, like many other issues, on the advantages or disadvantages of collective bargaining in the workplace. Here is a brief listing for some of the possible pros and cons of collective bargaining.

Advantages:

- Contract to guide standards
- It opens participation in decision-making process
- All union members and management must conform to terms of contract without exception
- Process exists to question manager’s authority if member feels something was done unjustly
- Can lead to high-performance workplace where labor and management jointly engage in problem solving, addressing issues on an equal standing
- Promotes fairness and consistency in employment policies and personnel decisions within different organizations

Disadvantages

- Reduced individuality
- All union members and management must conform to terms of contract without exception
- Everyone involved must pay union dues even if they do not support unionization
- Creates significant potential for polarization between employees and managers
- Increased wages and improved facilities for workers can indirectly result in high prices for goods and services
- Restricts management’s ability to deal effectively with a troubled employee individually

A larger listing of pros and cons can be found by reading this document.

**Sources**


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