

Statement of Stefan Gleason
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The National Right to Work Foundation is a non-profit, charitable organization that provides free legal assistance to American employees who have been victimized by compulsory unionism abuses. Founded in 1968, Foundation attorneys have fought for the rights of more than 20,000 individual employees in more than 2,200 cases, all the way from arbitration hearings to the U.S. Supreme Court. The Foundation believes strongly that an individual's rights take precedence over the rights of a private organization – which is why we are here, in front of the United Auto Workers headquarters, to announce a significant lawsuit being filed today in U.S. District Court.

UAW officials and Freightliner, a Daimler-Chrysler subsidiary, struck an illegal backroom deal to force non-union workers into union ranks. The arrangement, detailed in once-secret agreements between UAW and Freightliner officials, outlines a *quid pro quo* deal at the expense of Freightliner workers at several plants in North and South Carolina. In a nutshell, UAW union officials agreed in advance to limit the wages and benefits of Freightliner employees in exchange for valuable company assistance in organizing those workers into dues-paying union ranks.

Specifically, Freightliner and the UAW union expressly agreed, in advance, to limitations on wages, cancellation of an employee profit sharing bonus, an increase in the health care costs shouldered by employees, as well as other

concessions – actions that effectively handed control of the union over to the company. The NLRB’s General Counsel has already determined this to be unlawful. In return, the company agreed to provide sweeping access to company employees, facilitate pro-union captive audience speeches to pressure employees, and deny secret ballot elections. This has also been found to be unlawful company assistance to UAW officials. But employees harmed by this scheme have not yet been made whole.

As a result, and with free legal aid from the National Right to Work Foundation, five autoworkers today are filing a class-action federal racketeering lawsuit against the UAW union and Freightliner on behalf of themselves and their coworkers at three major Freightliner facilities. Filed under the Racketeer Influenced and Corrupt Organizations Act, also known as RICO, the lawsuit alleges a pattern of violations of longstanding federal law. The employees seek treble damages for forced union dues seized and wages and benefits denied.

The five workers who are filing the class-action lawsuit on behalf of several thousand of their colleagues, two of whom we will hear from in a few moments, deserve our utmost respect and admiration. The National Right to Work Foundation is proud to stand with them. These courageous workers are standing firmly and defiantly against union pressure and intimidation. The Freightliner/UAW scheme points up a growing trend adopted by unions across the country to partner with willing employers to force workers into union ranks against their wishes.

The irony is that fifty years ago, the UAW and other big international unions pushed for “company unions” to be made illegal. Union officials opposed the

practice of companies giving “things of value” to union officials, which compromised the union’s advocacy for the employees. As a result, the Taft-Hartley Act was passed in 1947 making such activity unlawful.

Now, since unions are having trouble increasing their numbers by traditional, *voluntary* means, they are offering themselves up to be company unions in exchange for valuable company assistance in forcing new dues-paying members into union ranks.

National Right to Work Foundation attorneys believe this sweetheart deal between UAW union officials and Freightliner violates civil and criminal provisions of the Taft-Hartley Act. And since it has been implemented in numerous facilities, it is a pattern and practice of unlawful behavior triggering both civil, and potentially criminal, racketeering exposure under RICO.

The filing of this federal lawsuit today signifies a momentous, groundbreaking step forward in advancing and protecting the rights of hardworking employees across the country. The National Right to Work Foundation believes the injustices UAW union officials are imposing on American auto workers cannot go unnoticed or unpunished.