

# House panel would let union members block firm's sale

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Union members could block the sale of a company to protect benefits in labor contracts under legislation given overwhelming approval by a House committee Tuesday.

Rep. Stanley Enebo, DFL-Minneapolis, chairman of the Labor/Management Relations Committee, said the bill may be the first of its kind in the nation and would be "landmark legislation."

The committee approved the bill by a vote of 15 to

5 and sent it to the full House for debate. It was supported by labor unions and opposed by business and industrial groups.

Under the provisions of the bill, all labor union contracts negotiated by workers and employers of a company would be binding upon anyone who bought the company.

Owners of the company planning to sell or transfer the firm would have to notify the union members involved at least 60 days ahead of the transaction. The owners also would be required to inform the prospective purchasers of the existing labor contract 60 days ahead of time.

In what Enebo considers the key provision of the legislation, union members would be allowed to block the transaction if it "appears likely to compromise, impair, modify, diminish, or extinguish the collective bargaining contract . . . of the workers. It would allow the workers or the union to enjoin the sale and to seek restraining orders in an effort to assure that the buyers of the company agree to accept the labor contract negotiated with the previous owners.

Union officials told the committee that workers frequently seek fringe benefits instead of wage increases and that these benefits are sometimes lost when a business changes hands.

Business officials said the legislation would make it difficult to sell or transfer companies and would discourage industry from locating in Minnesota.

From the Reader of the Conference on Alternative State & Local Public Policies held June 10-13, 1976 in Austin, Texas. The reader was edited and compiled by Derek Shearer, California Public Policy Center Los Angeles, California and Lee Webb, Professor of Public Policy, Goddard College Plainfield, Vermont.

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