Hatch Updates the Labor Issues

Senator Orrin Hatch gives overview of labor picture in exclusive interview.

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Senator Orrin Hatch (R-Utah), a longtime friend of AWCI, will probably be the most important person on the labor scene during the next four years in his role as Chairman of the powerful Senate Labor and Human Resources Committee.

Hatch, 46, held a union card in the lathers’ union many years ago when he was working his way through college and law school. Today Orrin Hatch is still a friend of the worker while at the same time working to fight unnecessary government regulation. Hatch is also one of the best friends of small business in government today.

In this exclusive CONSTRUCTION DIMENSIONS interview, Hatch discusses topics of vital interest to our industry.

DIMENSIONS: Because of your fight against the Labor Law Reform Bill back in 1978 you have gotten the reputation, probably unfairly, that you are anti-labor. How do you see your relations with labor over the next four years?

HATCH: I think it’s a little unfair to characterize anybody as anti anything because of one fight. On the other hand, if it means have I supported all of labor’s big government approaches, the answer is no. I haven’t and I don’t know of any self-respecting free-enterpriser who would. So, that doesn’t make me anti-labor. I was raised in the labor movement. I learned a trade by the time I was sixteen and worked my way through high school, college and law school. I respect the labor movement in this country, and I think we need labor as the essential balance in this country, but I disagree quite a bit with some of the labor union leaders, some of whom admit they are Democratic Socialists. I don’t believe Socialism has ever proven itself to be a viable political theory—certainly not...
a viable economic theory. Even in countries like Sweden that have been used as socialistic showplaces, incredible problems have surfaced. It always winds up eating the lunch of every taxpayer in that particular country, and that's what's happening.

No, I am not anti-union. I expect to have a good relationship with unions if they will open their doors as widely as I will open my door and as widely as I am opening my mind. If they will give some consideration to some of the reasonable and decent thoughts that we might have and just try to work with us on things mutually agreed on, and where we disagree, respectfully disagree and fight it out. But, I do expect to have a decent relationship with them, and I hope I've made it clear that we care. I've made it clear that we’re going to look for common grounds, and I’ve also been making it abundantly clear that I agree with the labor movement’s approach toward international labor relations. I intend to take a solid supportive role in the international labor organization. I feel like we have some common ground and that we can work together. We just have to get rid of the bug-a-boos of calling someone pro-labor, anti-labor, big-union or big-business and start talking about realities and about what the real issues are. We have to start seeing what we can do to start resolving those issues.

**DIMENSIONS:** AWCI believes that the Davis/Bacon Act should be repealed. Do you believe that’s a realistic approach, and do you foresee a chance for repeal during the next four years?

**HATCH:** Davis/Bacon came into existence back in, I believe, 1931. It probably had some reasonable basis back then, because the only construction money at that time was Federal government construction money, and they were trying to keep the work within the local community with local contractors and local people. Today it's working precisely the other way around. A non-union local contractor has a difficult time getting Federal work, while an outside union contractor can come in and take it away from him.

The prevailing wage concept of Davis/Bacon always seems to turn up to be the highest union wage, freezing out non-union contractors and even some of the local union contractors in favor of some of the larger out-of-town contractors who come in. Davis/Bacon is an economic disaster in this country. The GAO, in what many consider to be a very
conservative analysis, came out and said that the Davis/Bacon Act is costing us an unnecessary $700,000,000 a year. Many people think that figure should be as high as three billion dollars a year.

We really have to reconsider the Davis/Bacon Act and see if we can arrive at a middle ground that will work better for all concerned—one that will keep the work among the local contractors and local areas.

**DIMENSIONS:** What about possible repeal?

**HATCH:** Well, Davis/Bacon, at the very least, needs to be fairly overseen, which we will try to do. I don’t think the Labor Department does anything about it right now. It may need to be repealed. My personal feeling is that Davis/Bacon serves no real good functional use. But, Governor Reagan said during his campaign that he is not eager to repeal Davis/Bacon. I’m willing, however, to give it a thorough looking at. If it has significant redeeming value, we’ll find out; if it doesn’t, the labor union movement itself ought to start saying, “Look, we can’t continue to fight for things that are detrimental to society.” If in fact that should be true, we’re going to have to stand up on our own hind legs and fight for things that are beneficial to society just like anybody else.

We can no longer afford the luxury of busting the budget every year like we’ve been doing. We have a budget that’s out of control on national debt, and that’s because of fifty years of liberal unresponsive actions in this country.

**DIMENSIONS:** President Ford said during his administration that OSHA should be dropped. President-elect Reagan has not said it should be dropped, but he has come very close. Do you think this is a realistic approach?

**HATCH:** I don’t think that’s quite realistic. But, when I first came here to Washington, OSHA was an obstreperous and oppressive agency that would hire kids right out of college who had never had a job, who’d come in and make ridiculous rulings and give citations and impose fines against small businessmen, telling them how to run their business, when in fact, they caused more problems than they solved.

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During this last session of Congress, Senator Schweiker and I passed an amendment on the floor called the Schweiker-Hatch amendment which would have knocked out the OSHA requirements for all small businesses with ten or less employees with good safety records, but would have left intact the regulations for small businesses with bad safety records.

Under the guise that if OSHA will clean its own house and start to do what it really should do—that is, work in a cooperative atmosphere with an effort to work with business and management, or business and labor, to make workplaces more safe and more efficient—then it can justify its existence. However, if that principle for exempting small businesses of ten or less employees works then why wouldn’t the exemption work for big businesses? Why shouldn’t we say to all business, “If you will clean your house, clean up your dangerous conditions, and make your workplaces safe voluntarily, then OSHA will have no power over you. It will only have power over you when you have an unsafe place to work.” I think that’s a pret-
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ty reasonable approach, and I think that it's what Governor Reagan has in mind. I can't disagree with that approach.

There are unsafe workplaces; there are unsafe working conditions. We have to be concerned about the workers of America. We also have to be concerned about the economy and everything else, so we need balance.

If OSHA can become a balanced agency, an agency that is serving the people rather than dictating to them, an agency that is cooperative in working with management and labor, is creating safer and more productive workplaces, an agency that helps to resolve the toxic waste and toxic chemical problems in our society, an agency that can really justify its existence, then I'm really all for keeping it alive. But, I do think it needs to be reformed. It would be wonderful if the [regulatory] agencies would be self-policing and self-reforming. Unfortunately, they never seem to do this—never seem to catch on—and so, it winds up that Congress has the job of reforming them.

DIMENSIONS: While talking to Canada's Minister of Labour, he said that Canada's Occupational Safety and Health agency is working well. He said this is because business and labor have worked together on policy. The Canadian agency is a helping agency rather than a punitive one.

HATCH: That's a good suggestion and really what I have in mind. We have to get management and labor to work together for the betterment of the workers. If we can do that—and I might add not just for the workers but for the betterment of society as well—then productivity would be increased and more efficient workplaces would be established.

DIMENSIONS: Business has been on the offensive for the past few years, and has been successful in the areas of common situs picketing and labor reform. Do you see more of this business offensive in the future, and if so, in what areas?

HATCH: I think that business is tired of all this liberal legislation that has just made it impossible to do business in our society and certainly small business people are sick of it. I see business working hard to balance the scales again. The scales went way far to the one side. Business should not give up. Business should work very hard to get the Federal government off its back. On the other hand, too, business should also recognize that there are certain legitimate concerns that the Federal government has that they should be more cooperative with.

I think labor too could take a very good lesson from that, and I think that if labor doesn't, I see more problems for labor down the line. I think that the average blue collar worker in this society is becoming highly educated and he is starting to recognize that the union leaders haven't been articulating this philosophy that really is alien to the patriotic conservative blue collar worker.

But, not all union leaders are doing this—some of them have been doing a terrific job.

DIMENSIONS: Do you think that interest rates will be going down?

HATCH: The high interest rates in this country are killing the construction industry. Frankly, what really offends me is the Democratic administration's masquerade under the guise of monetary policy, when we all know that the whole country—the whole world—was flooded with money in the last seven months of this year. Nobody is so crass as to say that they did that to get Carter through the election, but I don't see any other good reason for doing it.

If you are going to have a monetary policy, and you are going to raise interest rates to try and cool off the heat in the economy, then you can't continue to flood the country with money. Unfortunately we have lived with deficit spending in this country for so long that now they don't know how to handle his problem. But, we [Republicans] do. We believe in the supply side. We believe that by producing more goods, by greater productivity, by allowing the
workers to keep more of what they earn through tax rate reductions and by allowing the corporations to be able to replace tired worn-out machinery, equipment, buildings and so forth, we can solve most of the problems. But, after fifty years of deficit spending to stimulate this economy on every occasion, we are now having great difficulty bringing the economy back in line, and I think it will take years to do it. I don’t think it will take fifty years, but do think it will take more than one or two years.

DIMENSIONS: There has been wide organization by small businessmen into lobbying groups. Do you see more of this type of organization?

HATCH: Yes I do because there are a number of people out there who believe more in the small business sector than in other sectors of our economy. And I believe that small businessmen are the most oppressed people in our society. We are going to do everything we can to aid and assist the small businessman. Most of them don’t make enough money out of their businesses to justify the existence of that business. When government keeps pushing up the minimum wage, keeps pushing up other costs, keeps inflation floating high, it’s easier for them to want to quit too and get a government job so that they can live off the public costs. I’ve had any number of small businessmen come in here and say “Gee, get me out of all this and get me a job in the public sector so I don’t have to worry about what’s coming next.”

DIMENSIONS: You have said there have been abuses by the National Labor Relations Board during the past few years. Will you comment?

HATCH: I could go on for hours on that subject. I think that the NLRB is an over-balanced Board. I think it has been balanced totally against the business people in this society except for one man of the Board. Frankly, we have got to get to where the Board represents both business and labor interest in a more moderate way so that they are not trying to enact labor law reform by NLRB fiat thereby trying to go against what Congress refused to do. They have tried to usurp powers in a judgmental way that really aren’t theirs to begin with. I believe we’ve got to change the Board and get it more balanced or there are going to be all kinds of problems in this country.

DIMENSIONS: What are your views on quota systems under affirmative action programs?

HATCH: Voluntary affirmative action programs I believe in. There are many enlightened in business who realize that Blacks, Hispanics and other minority groups—women included, even though they are not truly a minority group—have not been treated properly through the years. Under EEOC guidelines, the rules are not goals, but quotas. These rules have become government mandated discrimination based on race only. I don’t care what anybody says. If I were Black today, and I had gone to college and understood these things, I would say that you never, never allow discrimination of anyone, not even government mandated discrimination based on race only to help underprivileged people. It always winds up coming back to bite the very people who wanted it to begin with, as other special interest groups become more powerful. Right now we think that the EEOC has been used primarily to help Blacks. Hispanics have been ignored. Eventually the Hispanics are going to pass the Blacks and when that occurs the Blacks are not going to be forgiving. They are going to wonder why this awful thing called affirmative action was started.

DIMENSIONS: Do you see any change in Section 14(b) of the Taft-Hartley Act?

HATCH: As long as I’m here there’s no question that we’re going to fight to preserve it. I think that most of us believe that the worker has the right to choose whether he should belong to a union, pay dues to it or not. Furthermore, he should have the right to
say whether dues should be used for political activities. Frankly, they shouldn’t be allowed to use dues for political activities anymore than a corporation should use corporate profits for political activities. I suspect that there will be a little more push by the National Right-to-Work Committee and others to enact the right-to-work on a statewide level in various states.

I believe that the National Right-to-Work Committee has its work cut out for it, and has a better opportunity now than ever before to make its case for free choice in this country.

DIMENSIONS: Do you see a comeback of the common situs picketing issue?

HATCH: Frankly, no. I don’t believe you should allow secondary boycotts in the construction places, and I don’t think that one minor subcontractor should be able to shut down the entire job just because of a right to secondarily boycott.

We’re all workers no matter what we do. We should start looking at one another’s viewpoints together to make a more productive and successful America. If we don’t, and we continue to have the strikes that we’ve had in the past, we’re going to have some real problems in this country. We cannot look like a country that can never run out of energy. We have to act like a country that can produce and accomplish and deal with our innovative mentalities, our high technologies and the greatest economic system the world has ever known. We’ve just all got to work together. I’m going to try to do it by having good relationships with labor leaders and business leaders. You can’t please everybody, but I’m going to try to work with both of them.