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In Case You Missed It

Last Wednesday, Representative Rokita [introduced the Rewarding Achievement and Incentivizing Successful Employees \(RAISE\) Act, H.R. 4385](#). The RAISE Act would amend the National Labor Relations Act to reform the collective bargaining process and allow employers to give merit-based bonuses, raises, or other increases to individual employees above the levels set by future union contracts. The bill has gained national coverage and has so far drawn 29 cosponsors in the House.

National Coverage and Editorial/Op-Ed Support:

[Rokita Op-Ed in The Washington Examiner - RAISE Act would permit merit pay-raises](#) (*full text below*)

[Hot Air - Do union workers need a RAISE?](#)

[The Heritage Foundation Foundry blog - All Workers - Including Union Workers - Should Be Able to Achieve Rewards](#)

[National Review - Removing Union Wage Ceilings](#)

[The Hill - Republicans propose amending NLRB rules to allow performance bonuses, raises](#)

Washington Examiner

Op-Ed: RAISE Act would permit merit pay-raises

By U.S. Rep. Todd Rokita

Friday, April 20, 2012

Imagine that you show up to work each day, perform your duties exceptionally and exceed all of your boss's expectations. You never slack off and you frequently receive compliments from your

superiors and co-workers about your positive contributions to the company. And then imagine this depressing fact: You'll never, ever be able to get a performance-based raise.

There are more than 8 million Americans for whom this is reality. They work under contracts that are negotiated by labor unions and protected by federal law that forbid raises for individual employees no matter how exceptional their work ethic and job performance may be. What effect on work ethic and productivity do you think that might have?

Labor unions were first established to protect employees from being underpaid and exploited, not to prevent them from getting raises. Increasingly, though, union contracts have served to drag down exceptional employees. These contracts set a floor and a ceiling to employees' wages and effectively discourage hard work by taking away the best incentive an employer can offer.

How can we expect American businesses to be competitive in a 21st century globalized economy under such a system?

To make things worse, the National Labor Relations Board has repeatedly ruled that individual bonuses constitute "direct dealing," which is illegal under collective bargaining law, and that the NLRB has the power to strike down any bonuses or pay raises not negotiated by unions. This is a distortion of the intended role of the NLRB: to be a dispassionate, fair referee, rather than a heavy-handed advocate for union bosses.

The denial of raises to deserving employees goes against our American tradition of individual achievement. Since our country's founding, our free enterprise system has encouraged a unique work ethic by allowing people to be rewarded for doing good work. But distortions caused by labor agreements and backed up by lopsided federal regulations have created an uneven playing field for millions of American workers.

The ban on individual raises destroys morale and discourages honest hard work. If it doesn't make any difference whether you bust your tail to do a good job or lazily scrape by to meet your basic job requirements, then where's the incentive to try harder?

To correct this unfair system, this week I introduced the Rewarding Achievement and Incentivizing Successful Employees Act. This bill would amend the National Labor Relations Act to reform the collective bargaining process and allow employers to give merit-based bonuses, raises or other increases to an individual employee above the level set by the employee's union contract.

Although the RAISE Act would not alter existing contracts, it would protect employees' ability to earn pay raises under future contracts. And rather than giving preferential treatment to union or non-union members, the RAISE Act would ensure that all employees have an equal shot at getting raises. Federal law prevents discriminatory treatment of employees based on union membership, and the RAISE Act would not change that.

According to the Heritage Foundation, economic research shows that the average worker's earnings rise between 6 and 10 percent when they are eligible for performance-based pay. Allowing union members to earn such performance pay would mean significant raises -- between \$2,600 and \$4,300 a year for the typical union member.

As families across the country struggle through the worst recession in memory, Congress should ensure that hard work and success are rewarded, not punished. Passing the RAISE Act would be a major step in that direction.

Todd Rokita is a congressman representing Indiana's 4th District and Indiana's former Secretary of State.