

**Chapter 22**  
**Legislative Control over**  
**Labor and Labor Relations**

1 Source: Bohlman/Dundas, The Legal, Ethical,  
& International Environment of Business

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**INTRODUCTION**

- Abuses of labor caused legislation & unionization
- Legislation protecting employees
- Rights of employees to form unions and union functions

2 Source: Bohlman/Dundas, The Legal, Ethical,  
& International Environment of Business

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**Fair Labor Standards Act**

- Defines employers and employees
- Establishes minimum wage requirements and overtime standards
- Prohibits certain types of child labor
- Enforced by Department of Labor

3 Source: Bohlman/Dundas, The Legal, Ethical,  
& International Environment of Business

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## Retirement and Income Security

- Social security
- Medicare
- Private retirement plans
- Unemployment compensation
  - Federal
  - State

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Source: Bohlman/Dundas, The Legal, Ethical,  
& International Environment of Business

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## Employee Protection Statutes

- Unemployment compensation
  - Federal
  - State
- Health and safety protection
  - OSHA
- Plant Closing Act
- Family and Medical Leave Act

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Source: Bohlman/Dundas, The Legal, Ethical,  
& International Environment of Business

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## Medical Coverage

- Consolidated Omnibus Budget Reconciliation Act
- Health Insurance Portability and Accountability Act

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Source: Bohlman/Dundas, The Legal, Ethical,  
& International Environment of Business

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## Privacy Rights of Employees

- Polygraphs
- Drug testing
- Employee records

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Source: Bohlman/Dundas, The Legal, Ethical, & International Environment of Business

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## Labor Laws

- Federal Anti-Injunction act of 1932 (Norris LaGuardia Act)
  - Restricts a federal court's power to issue injunctions against unions engaged in peaceful strikes
- National Labor Relations Act of 1935 (Wagner Act)
  - Established employee's right to engage in collective bargaining and to strike
- Labor-Management Relations Act of 1947 (Taft-Hartley Act)
  - Establishes employer unfair labor practices
- Labor-Management and Reporting Disclosure Act of 1959 (Landrum-Griffin Act)
  - Deals with unions

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Source: Bohlman/Dundas, The Legal, Ethical, & International Environment of Business

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## National Labor Relations Board

- NLRB enforces the statutes described on slide 7
  - Oversees union elections
  - Prevents employer or unions from engaging in unfair an illegal antiunion activities and unfair labor practices

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Source: Bohlman/Dundas, The Legal, Ethical, & International Environment of Business

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## Collective Bargaining Agreement

- The National Labor Relations Act requires both employers and unions to bargain at reasonable times and in good faith with respect to wages, hours, and other terms and conditions of employment

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Source: Bohlman/Dundas, The Legal, Ethical, & International Environment of Business

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## International Considerations

- Prison labor
- There is no vested right to a job in the US because of the employment at will doctrine

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Source: Bohlman/Dundas, The Legal, Ethical, & International Environment of Business

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## Summary

- Fair Labor Standards Act
- Retirement and Income Security
- Employee Protection Statutes
- Medical Coverage
- Privacy Rights of Employees
- Labor Laws
- National Labor Relations Board
- Collective Bargaining Power
- International Considerations

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Source: Bohlman/Dundas, The Legal, Ethical, & International Environment of Business

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