

ALASKA LEGISLATURE COMMITTEE FILES 1999-2000 8672

10013 HOUSE STATE AFFAIRS

**"You will find some people saying that they are for the so-called 'Right to Work' law, but they also believe in unions. This is absurd -it's like saying you are for motherhood but against children."**

**President Harry S. Truman, 1947**

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## **Introduction**

**The latest edition of Webster's Dictionary defines the word lying as -likely or calculated to mislead ... marked by or given to falsehood." A better description of the right-to-work' scam has never been written.**

**Over the years, the merchandisers of 'right-to-work' have been fond of describing their quackery as a patron saint of individual liberty and an economic magic bullet that will create jobs. Neither could be further from reality.**

**The truth is that right-to-work' won't protect or create a single job and it certainly doesn't convey any meaningful employment rights. Ironically, what it will do is weaken and destroy unions the very institutions which were created by workers for workers to protect their rights both on and off the job. And as surely as day follows night, it doesn't take long for a right-to-work' law to translate into lower wages and benefits, a diminished standard of living and substandard legal protections for workers and their families in the states that have these oppressive laws.**

**The relevant arguments often associated with this issue. By scratching below the surface of its phony sloganeering, this site enables you to quickly understand the 'right-to-work' fraud for what it is: A mass deception that all too frequently has been**

**perpetrated on an uninformed and unsuspecting public by the propagandists of this anti-union. anti-worker orthodoxy.**

**All too often states that are beset by economic problems are among the most easily enticed by the quick fix promise of the 'right-to-work' hoax. But as this site points out, 'right-to-work' is the worst kind of public policy gimmickry that will only lead to an erosion of workers rights and wages while causing deep divisions within the community. For these reasons and the many outlined in the following pages. right-to-work' should be disregarded for the Big Lie that it is.**

### Background



**QUESTION:** What is a so-called 'right-to-work' law?

**ANSWER:** It is a loophole created under Section 14(b) of the National Labor Relations Act (NLRA) that allows a state to enact a law prohibiting employers from negotiating a union security clause (or union shop agreement) into a collective bargaining contract with the union that represents their employees. Because union security is vital to the existence of an effective union and the administration of the collective bargaining contracts it services, 'right-to-work' laws outlawing union security represent a state-sanctioned policy of union suppression .

**QUESTION:** How did section 14(b) come about and what was it designed to do?

**ANSWER:** Section 14(b) the so-called 'right-to-work' provision was part of the 1947 Taft- Hartley Act, a major anti-worker overhaul of federal labor law pushed through by the 80th Congress despite a veto by President Harry Truman. This Congress, the first that had been under Republican control since 1932, was intent on undoing a major accomplishment of President Franklin Roosevelt's New Deal - federal protection of the legal right of workers to freely join trade unions. The New Deal years had seen unprecedented growth in America's unions, reaching a high water mark of 34.8 percent of the work force in 1945. Labor's enemies were committed to

reversing that tide and the Taft-Hartley Act with its 14(b) provision was their vehicle. Anti-union conservative Rep. Ralph W. Gwinn a Republican from New York - told it like it was way back in 1947 when, during Congressional consideration of 14(b), he praised the proposal because "...It recognizes and deals with the dangerous expansion of unionism..."

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**QUESTION: What's a union security clause and why is it so important?**

**ANSWER: A union security clause requires all workers who receive the benefits of a collective bargaining agreement to share the cost of union representation. With 'right-to-work' outlawing union security, a local union has the nearly impossible task of raising the finances it needs to service the contracts it administers and represent the workers under these contracts.**

**QUESTION: Don't all collective bargaining agreements have union security clauses?**

**ANSWER: No. Federal employees and some state employees are not allowed to negotiate union security clauses and those states with so-called 'right-to-work' (or open shop) laws forbid such contract clauses even in the private sector. Even where the negotiation of union security clauses is permitted, some employers refuse to agree to them.**

**QUESTION: Are any workers forced to join a union before going to work?**

**ANSWER: No. Under Federal law nobody can be forced to join a union before going to work. This used to be called the "closed shop." It was banned by the same law which let states enact so-called 'right-to-work' laws.**

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**QUESTION: Do all workers have to be union members when a union security clause is in the contract?**

**ANSWER: No. Workers do not have to join the union even when a union security clause is in the contract. However, they can be required to pay an amount equivalent to either union dues or a union-service fee, except in so-called 'right to-work' states.**

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**\*shop agreement whereby employees covered by the contract authorize payment of a fair share fee for collective bargaining and other union services.**

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**"Union Security is also in the social interest. Without it, no union can be expected to accept the responsibility for labor relations and for contract observance which our society must demand of a successful union movement"**

**Peter Drucker, Management Consultant**

Workplace Democracy

## Workplace Democracy

**QUESTION:** Who decides if workers Will be represented by a union?

**ANSWER:** The workers make that decision.<sup>2</sup> Workers have the right to union representation in collective bargaining if a majority of the eligible workers in a particular work unit so decide. That's called workplace democracy.

**QUESTION:** What are the procedures for getting union representation?

**ANSWER:** The most common procedure is for a company's employees to request the National Labor Relations Board (NLRB) - a U.S. government agency - to conduct a secret ballot election. If a majority of the workers vote for the union, the NLRB will certify the union as their representative. The employer is then legally bound to negotiate with the union for a collective bargaining contract. In states and localities which authorize collective bargaining for public employees, procedures similar to the NLRB determine representation elections.

**QUESTION:** Suppose union members have concerns about the representation or service they receive from their local union?

**ANSWER:** That's the purpose of regular union meetings and periodic local union elections of officers and governing boards. Local union officials - like any other elected official - can be voted out of office by their members if they are dissatisfied with the policies of the local union. And the same Federal law and applicable state laws that give private and/or public sector workers the right to form a union, also provide procedures for not only changing union representation but also revising the terms of the union security clause.

**QUESTION: Are all workers who are covered by a collective bargaining contract required to financially support the union?**

**ANSWER: That depends on decisions made both by the majority of the workers at the union-represented work site and by the employer. If a majority of the workers decide that all who benefit from union representation should pay their fair share in support of the union, they can bargain for it with their employer. But there's no guarantee that the employer will agree to it. However, in so called 'right-to-work' states, union workers and their employers are forbidden from even negotiating about a union security provision.**

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**QUESTION: What about workers whose religious beliefs prohibit them from joining or financially supporting the union?**

**ANSWER: The law provides that workers who are members of a denomination that forbids union membership, like the Seventh Day Adventist Church, only have to pay the amount of money equivalent to a level of union dues to a mutually agreed upon charitable organization. They don't have to join the union or pay union dues.**

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**2-Only workers specifically covered by the NLRA can exercise the rights provided by it. For example, agricultural workers are totally exempted from coverage Rail and airline workers are covered by a separate law the 1926 Railway Labor Act and that law does not include a provision similar to the 14b.**

### Rights and Representation

## Rights and Representation

**QUESTION:** What if a worker has concerns about how their dues money is spent. Can they object?

**ANSWER:** Of course. A local union is created by local union members. They elect its officers and have ultimate authority over how dues dollars are spent. If a member has any concerns, he or she can take it up with their elected union officers and with other members at a union meeting. Moreover, nonmembers may object to paying that part of any contractually required payment that goes for non-collective bargaining expenditures. Upon receiving such an objection, the union is required to make the necessary reduction in the fee charged to the objecting nonmember.

**QUESTION:** Is the union required to represent all employees - members as well as nonmembers - in a company with a union contract?

**ANSWER:** Yes. Federal law requires a union to represent all employees where the union has a contract with the employer. In free collective bargaining states, all workers employed under a contract with a union security provision are obliged to help share in the cost of their union representation and the servicing of their union contract. But in 'right-to-work' states, where many nonmembers often pay nothing, the union must still represent them just the same as they represent dues-paying members. (This is also true for public employee unions covered under state and local collective bargaining laws.) So 'right-to-work' laws force dues-paying union members to subsidize union services for "free riders."

**"A union-shop arrangement has been thought to distribute fairly the cost of these (representatives) activities among those who benefit, and it counteracts the incentive that employees might otherwise have to become free riders'- to refuse to contribute to the union while obtaining benefits of union representation that**

**necessarily accrue to all employees."**

**U.S. Supreme Court  
Aboud v. Detroit Board of Education, 1977**

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**QUESTION: In other words, a worker employed at a facility with a union contract gets all the economic benefits and services of union membership but doesn't have to pay any dues?**

**ANSWER: Correct. For employees covered by Federal law, the only thing compulsory about this issue is the legal requirement that a union is forced to represent all workers - union and nonunion alike within the bargaining unit. For example, when a wage increase or benefit improvement is negotiated by the union, all workers get it whether they are a union member or not. Similarly, if a nonunion employee is unjustly discharged, the union must defend the worker as if he or she were a member even if it requires going through the costly process of grievance arbitration. (Again, this is also true for public employees covered under applicable state and local laws.) Moreover, nonunion employees including those who have never paid one cent in dues - have the legally protected right under federal labor law to sue the union if they think they haven't been properly represented.**

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**QUESTION:** What is there to servicing" a collective bargaining agreement?

**ANSWER:** Assuring compliance with and improving upon a labor contract is a time-consuming process which requires a lot of effort and resources. Contract negotiations are lengthy proceedings during which a union attempts to gain the best possible wages, fringe benefits and working conditions for the employees it represents, including such protections as a guarantee of job security and grievance rights. Union representatives - often shop stewards elected by the workers - monitor the day-to-day application of the contract at the job site. The union also then manages grievances for individuals who feel their rights have been violated by the employer. If taken through to arbitration, this can cost the union thousands of dollars. Arbitration and contract negotiations may require the services of full-time union officials, lawyers, industrial engineers, safety experts, labor economists, field representatives, office secretaries, etc. So servicing a contract costs money, but it benefits everyone.

**QUESTION:** So what 'right-to-work' really does is encourage free riders?

**ANSWER:** Exactly. And that's why union members resent and oppose 'right-to-work' laws. They don't want to be forced to subsidize the benefits of collective bargaining for people who are not willing to pay their fair share. And when they are denied the right to exercise the most basic American right of majority rule-with the majority decision to have a union security agreement binding on everyone then they don't even have job site democracy anymore. Can you imagine what would happen in our own democratic system of government if voters couldn't make electoral decisions by majority rule? Or suppose we had a system where citizens who didn't like the outcome of an election were free to refuse to abide by the laws passed by those who were elected? The bottom line is that 'right-to-work' makes an absolute mockery of democracy.

**QUESTION:** Proponents of 'right-to-work' say that if free riders are such a problem, why not simply amend federal labor law so that unions don't have to represent nonmembers in their bargaining units?

**ANSWER:** That solution would make a bad situation worse and literally "throws the baby out with the bath water." As the Supreme Court has noted, "The principle of exclusive union representation ... is a central element in the congressional structuring of industrial relations."<sup>3</sup> The principle is indeed central to federal labor relations policy, because exclusive representation benefits employees, employers and the nation as a whole. In the above case, the Supreme Court summed it up as follows:

"The designation of a single representative avoids the confusion that would result from attempting to enforce two or more agreements specifying different terms and conditions of employment. It prevents inter-union rivalries from creating dissension within the work force and eliminating the advantages to the employee of collectivization. It also frees the employer from the possibility of facing conflicting demands from different unions, and permits the employer and a single union to reach agreements and settlements that are not subject to attack from rival labor organizations."<sup>4</sup>

In still another case, the Supreme Court determined that overturning the exclusive representation system would have the effect of "returning the individual [employee] to the vagaries of independent and unsystematic negotiation."<sup>5</sup> Even Chief Justice

**William Howard Taft - a conservative jurist - recognized over 70 years ago that, "A single employee is helpless in dealing with an employer ... A union is essential to give laborers opportunity to deal on equality with the employer:"<sup>6</sup> Of course, since the public interest requires the exclusive representation system and fair union representation of all employees within that system, it follows that all the covered employees should pay their fair share just as all citizens pay their taxes.**

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**QUESTION: But, isn't a so-called 'right-to-work' law still necessary to put a stop to "compulsory" unionism, in other words forcing workers to join unions?**

**ANSWER: Under federal law and applicable state and local public employee statutes, no one has to actually join a union to get or keep their job. Moreover, federal labor law protects nonmembers against making payments to the union that violate their religious or political principles. So don't be deceived by the lame attempts of right-to-workers to distort this debate into somehow being about individual freedom because that's an absolute misrepresentation of fact.**

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### Government vs. Labor vs. Management

## Government Versus Labor Versus Management

**Question:** Don't 'right to work' laws represent government interference in private collective bargaining?

**ANSWER:** They sure do. The whole point of a 'right to work' law is to take the important matter of union security off the bargaining table. This approach amounts to nothing less than having the government restrict the right of private enterprise to set the terms and conditions of employment by telling employers and their workers what they can't bargain over. And that's contrary to our system of free collective bargaining. The bottom line is that labor and management should have the freedom to agree upon the conditions of work. Neither party wants government dictating to them what they can or cannot negotiate into their collective bargaining contract.

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**QUESTION:** In other words, 'right-to-work' really helps anti-union employers help themselves and doesn't do anything for the workers?

**ANSWER:** Exactly. One of the fundamental purposes of federal labor law is to encourage a process of collective bargaining where labor and management are coequals. 'Right-to-work' upsets that balance by giving management a clear advantage by restricting the right of the union and its members to maintain the unity and cohesion of the bargaining unit. That's a little like sending a boxer into the ring for a fight with one hand tied behind his back.

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**QUESTION:** With so many challenges and problems confronting the American workplace today, what does 'right- to-work' do to encourage labor-management cooperation?

**ANSWER:** Nothing. At its core, 'right-to-work' challenges the very existence of the union at a work site where the employees have voted to have union representation. Even when management is willing to agree to a union security clause, a state

**'right-to-work' law weighs in against workers and their right of free choice. Thus, in the earliest and often most difficult stages of the development of a new collective bargaining relationship between labor and management, 'right-to-work' generates added conflict over an issue which, if left to the parties, would be bargained to settlement.**

**QUESTION: 'Right-to-work' would also seem to be tailor- made to cause problems between the workers themselves. True or false?**

**ANSWER: True - and that's the really insidious thing about 'right-to-work' By allowing freeloaders to avoid paying their fair share, union members are forced to subsidize their services and benefits. This creates resentment, unnecessary antagonism, conflict and even hostility among employees at the workplace. The bottom line is that 'right-to work' pulls apart labor and management, and worker from worker, destroying their ability to work together to deal with other more serious workplace issues.**



**In the last several years, both chambers of the republican controlled New Hampshire legislature have repeatedly rejected 'right to work'**

## Free Collective Bargaining

## Free Collective Bargaining and Those Who Would Destroy It

**QUESTION: Who's behind this so-called 'right-to-work' movement?**



**ANSWER: Originally it was the National Association of Manufacturers, who, in 1905, kicked off this anti-union, "open shop" attack. Later, during the 1920s and 1930s, it became known as the "American Plan." During World War II, their assault on unions picked up the 'right-to-work' name tag courtesy of a Dallas editorial writer. Along the way, other diehard, anti-worker groups, like U~S. Chamber of Commerce and the American Farm Bureau, joined in. Keep in mind these are the same groups that led the fights against the National Labor Relations Act, child labor and minimum wage laws, unemployment insurance and workers' compensation, job safety standards, pension protection legislation and every other twentieth century pro-worker law designed to civilize the American workplace. And they were also the same groups that led the fight for the 1947 Taft-Hartley Act and 14(b).**

**QUESTION: So who is pushing 'right-to-work' these days?**

**ANSWER: When they get the chance, the state associations of the original three**

ringleaders are still out there peddling right-to-work.' But the main front group is a right-wing organization called the National Right To Work Committee (NRTWC) which is funded and controlled by anti-union business executives. A court suit brought against the Committee revealed that more than 80 percent of its contributions come from business and corporate sources. Headquartered in Virginia since the early 1990s, the NRTWC and its legal foundation received annual contributions of more than \$9 million.

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**QUESTION: What is the goal of the NRTWC?**

**ANSWER: To destroy unions pure and simple. They seek to do so by financially crippling our unions so they are less effective in representing workers and in dealing with employers. That's why for the last 40 years, the Committee has engaged in a persistent campaign of legislative and lawsuit harassment against public and private sector unions and their members. This has forced our unions to divert millions of membership dollars away from the task of representing union members. Moreover, the right-to-work' laws they support are specifically intended to decimate the bargaining strength of unions by denying them the ability to raise the funds needed from all who benefit in order to effectively service, enforce and improve collective bargaining contracts under the local union's supervision. No wonder a Federal Appeals Court in 1984 in the case of *Buckle vs. AFTRA* said that "requiring collective bargaining agents to tolerate free riders not only would result in flagrant inequity, but might seriously undermine the union's ability to perform its bargaining function."<sup>7</sup>**

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**QUESTION: So what's their track record?**

**ANSWER: It's so bad that their motto should be "thriving through failure." In its 40 years of existence with an estimated \$160 million spent in more than 100 attempts to enact 'right-to-work,' only five states have done so. In other words, voters and/or legislators have repeatedly rejected the 'right- to-work' scam. But even with this record of failure, they keep coming back for more. In fact, in the last twenty years only two of their dozens of state legislative campaigns to enact 'right-to-work' statewide succeeded. So it's obvious that their incessant fund-raising schemes serve only one real goal: to raise right-wing, corporate front money for constant harassment campaigns against the collective bargaining rights of employees and**

**their unions.**

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**QUESTION: Is enactment of statewide 'right-to-work' laws the only thing they're after?**

**ANSWER: No. The NRTWC or one of their related front groups the Public Service Research Council, the Center on National Labor Policy or the Concerned Educators Against Forced Unionism - have targeted public employees and teachers too. They are lobbying hard for an agenda that includes: repeal the right to negotiate agency shop agreements; implement restrictions on union dues payment (checkoff) procedures and expenditures, and; weakening or eradicating state and local collective bargaining laws. In addition, in an effort to bankrupt state and local public employee unions, they have financed dozens of frivolous lawsuits against them regarding union dues' issues and other claims.**

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Right to Work = Low Wages

## 'Right-To-Work' = Low Wages

**QUESTION: Do so-called 'right-to-work' laws affect wages?**

**ANSWER: They sure do. By every major barometer of pay- per capita income, average annual pay, manufacturing earnings, and even minimum wage - workers in 'right-to-work' states earn far less than their counterparts in free bargaining states. For example, workers in 'right-to-work' states make \$4,343 per year less than workers in states that allow collective bargaining for union security safeguards.<sup>8</sup> In fact, according to 1993 U.S. Department of Labor statistics, not one of the right-to-work states has an average wage level above the national average. This is particularly true in the South the homeland of most 'right-to work' states. In a 1994 report, the Corporation for Enterprise Development (CFED) - a nonprofit organization that has worked with many state and local governments on economic development strategies - described this region as "... the land of the working poor.' millions of Southerners live two paychecks away from welfare. Thus, many southern states rank near the bottom in measures of pay, health coverage, poverty and income distribution."<sup>9</sup> That's why 'right-to- work' should be called by its real name - 'right-to-work-FOR-LESS.'**

**QUESTION: What about fringe benefits and working conditions?**

**ANSWER: In free bargaining states some of the larger employers copycat union contracts and provide their workers with slightly higher than average wages and benefits as a way of keeping their employees from organizing. In 'right to-work' states, there are fewer union members and fewer union contracts so employers don't have to worry about matching union benefits, working conditions and wages. That's why, according to insurance industry statistics, more people in 'right-to-work' states lack health care coverage. Job fatality rates are also higher in 'right-to-work' states. In addition, 'right-to-work' states generally have weak unemployment insurance and workers' compensation laws. This means that workers themselves - not the state or the employers - must bear a disproportionate share of the costs associated with these kinds of economic calamities.**

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**Don't get hurt on the job in 'right-to-work' states because chances are your workers' compensation will be a lot less than in free bargaining states. In 'right-to-work' states workers injured on the job get on average nearly \$110 or 20% LESS in maximum weekly benefits for temporally total disability than injured workers in free bargaining jurisdictions.**

**What's Wrong with Right to Work, A Tale of Two Nations an AFL-CIO Statistical Analysis, 1995**

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**QUESTION: What about the overall standard of living and quality of life in 'right-to-work-for-less' states?**

**ANSWER: According to U.S. government statistics, besides wages being much lower, poverty rates are higher, overall general health conditions are worse, infant mortality rates are greater and so are personal bankruptcy rates. Tax systems are more inequitable because 'right-to-work' states rely more heavily on regressive sales taxes which hit the middle class and the poor the hardest. Because unions are weak, they can't compete with well-financed, business lobbyists at the state capitol in 'right-to-work' states. As a result state minimum wages are lower (in fact, all seven of the states without a state minimum wage law are 'right-to-work'), child labor protections are weaker and job fatality rates are higher. In addition, unemployment benefits and workers' compensation payments are generally much lower. It doesn't take a rocket scientist to figure out why anti-worker business groups love 'right-to-work' - because it means fewer and weaker unions, lower wages and ineffective or nonexistent state labor laws to protect working Americans.**

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**QUESTION:** But won't a 'right-to-work-for-less' law protect a worker's right to his or her job?

**ANSWER:** To the contrary, 'right-to-work' laws, by weakening unions and collective bargaining, destroy the best job security protection that exists - the union contract. In fact, union members are the only major group of employees with a real right-to-work. Every year thousands of employees who are improperly or arbitrarily terminated are rein stated to their jobs through the efforts of a union. Even in unavoidable layoff situations, the provisions of union contracts ease the trauma of job displacements and make sure the layoffs are a lot less arbitrary. It is, therefore, ironic that a law dubbed 'right-to-work' really diminishes the one major group of employees in America that actually has that right - union-represented workers.

Average Annual Pay-1993		
State	Rank	Pay
D.C.	1	\$39,199
Colorado	16	\$25,682
*North Dakota	50	\$19,382

**Average Weekly Pay-1993**

State	Rank	Pay
Michigan	1	\$662
Colorado	21	\$495
Minnesota	50	\$

**Average Hourly Pay-1993**

State	Rank	Pay
Michigan	1	\$15.36
Colorado	21	\$12.02
*Mississippi	50	\$9.16

\* "Right to work"

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**Right to Work for less is Bad Economics**

## **'Right To-Work-For-Less' Is Bad Economics**

**QUESTION: Does a so-called 'right-to-work-for-less' law promote new industries and economic development?**

**ANSWER: Not at all. Industries locate in a state for many reasons. In fact, a poll by Business Week magazine showed that businesses listed 19 other issues as far more important than the existence of a state 'right-to-work' law when considering relocation. Former Governor David Walters of Oklahoma, for example, has said that of the hundreds of business prospects he has talked to over the years, "not a single company" brought up 'right-to-work' as a factor in deciding whether to come to Oklahoma.<sup>10</sup> An earlier study by the state's own economic development consultant - Beldon Daniels - said that "...there is no statistical evidence..." that an open shop ('right-to-work') law "...has anything to do with economic development."**

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**QUESTION: But right-to-workers insist that companies considering relocation will ignore a state if it doesn't have a 'right-to-work' law.**

**ANSWER: Not True - and even business experts say so! In a Chicago Tribune article, Robert Ady, then executive vice president for the Fantus Co. - the nation's largest business relocation consultant - stated that ninety percent of the employers making relocation decisions in the 1980s don't include 'right-to-work' laws in the factors they consider. Moreover, Dennis Donovan, a former Fantus executive, has said that 'right to work' ...is not a valid factor for businesses to use in community selection.**

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**QUESTION: Right-to-workers also claim that 'right-to work' states are creating more jobs than other states because of right-to-work.' Yes or No?**

**ANSWER: No. First of all, most new jobs are created by existing firms and start**

ups, not by business relocation's. Secondly, there are dozens of factors that help keep or attract economic development - and 'right-to-work' isn't among them. They include: worker availability; skills and productivity; tax policies and incentives; the quality of schools and training programs; the costs of energy, housing and land; transportation infrastructure and proximity to markets. Thirdly, keep in mind that state employment trends are highly cyclical and are impacted significantly by national trends like de-industrialization, recession, technological change, corporate takeovers and downsizing. Even international factors like global competition and the end of the Cold War can affect state and local employment trends. Fourth, employment trends in 'right-to-work' states reflect the unusually low base industrialization existing in most of these states, as well as growth in low-wage and part-time employment. Finally, if you look at recent 1994 and 1995 unemployment statistics from the U.S. Department of Labor, of the ten states with the lowest levels of unemployment, five are 'right-to-work' and five are not.<sup>12</sup> So by that measurement the argument is a wash.

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**QUESTION: Won't right-to-work' for less improve a state's overall business climate?**

**ANSWER: Hardly. You see, when wages fall, state income and sales tax revenues fall. That means that the state has far less funding available to finance education, transportation, and other programs that are vital to attracting new industries and businesses. For example, the quality of a state's educational programs is a key factor in business decisions regarding the location of a new facility. Quality education translates into a skilled work force. But 'right-to-work' states spend nearly thirty percent less on education than free collective bargaining states. That means that 'right-to-work' states contribute about \$1,300 less per pupil for education than free collective bargaining states.**

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**QUESTION: What is the likely effect of a 'right-to-work' for less law on a state's economy?**

**ANSWER: By depressing wages, a 'right-to-work' law retards two of the key ingredients necessary for economic expansion - productivity and expendable consumer income. A union contract with good wages, benefits and working conditions means less employee turnover and better morale. That equals higher**

productivity, which in turn generates higher wages. So not only does 'right-to-work' not guarantee anyone any real economic rights or a job, it undermines stable labor-management relations. When you get right down to it, it ought to be called 'right-to-wreck' because that's what it does to a state's economy and its workers.

<b>Poverty Rates -1992-93</b>		
<b>*RTW</b>		
<b>State</b>	<b>Rank</b>	<b>Poverty Rate</b>
<b>Delaware</b>	<b>1</b>	<b>9%</b>
<b>Colorado</b>	<b>9</b>	<b>10.4%</b>
<b>*Louisiana</b>	<b>50</b>	<b>25.5%</b>

<b>Minimum Wage Laws -1994</b>	
<b>"Right to work" states</b>	
<b>Federal=\$4.25</b>	
<b>State</b>	<b>Law</b>
<b>Alabama</b>	<b>No law</b>
<b>Arizona</b>	<b>No law</b>
<b>Arkansas</b>	<b>\$4.25</b>
<b>Florida</b>	<b>No law</b>
<b>Georgia</b>	<b>\$3.25</b>
<b>Idaho</b>	<b>\$4.25</b>
<b>Iowa</b>	<b>\$4.65</b>
<b>Kansas</b>	<b>\$2.65</b>
<b>Louisiana</b>	<b>No law</b>
<b>Mississippi</b>	<b>No law</b>
<b>Nebraska</b>	<b>\$4.25</b>
<b>Nevada</b>	<b>\$4.25</b>
<b>North Carolina</b>	<b>\$4.25</b>
<b>North Dakota</b>	<b>\$4.25</b>
<b>South Carolina</b>	<b>No law</b>
<b>South Dakota</b>	<b>\$4.25</b>
<b>Tennessee</b>	<b>No law</b>
<b>Texas</b>	<b>\$3.35</b>
<b>U.S. Avg.</b>	<b>\$2.61/\$4.25</b>

Utah	\$3.01/\$4.25
Virginia	\$4.25
Wyoming	\$1.60

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Right to Work is a lie.

## Right To Wreck Is a Lie

**QUESTION:** So what are the new "rights" that workers will get under 'right-to-work?'

**ANSWER:** Other than creating a right-to-freeload, there aren't any new rights or real economic protections created under 'right-to-work.' It doesn't create a single new job and it doesn't guarantee workers a right to the jobs they now have. What workers do get, though, are lower wages and fewer benefits, less public investment in education, declining health conditions and a lower standard of living. Worst of all, it pits state against state in a cutthroat competition for jobs based on a low wage, race-to-the-bottom strategy. In the final analysis, 'right-to-work' isn't the economic "magic bullet" promised by its pitch-men.

**QUESTION:** If that's the case, then the whole concept of 'right-to-work' is a sham, isn't it?

**ANSWER:** Now you've got it. And even state courts have said so. In the early years of the state 'right-to-work' ballot fights, the Supreme Courts of two states and state officials in a third, refused to even allow the name 'right-to-work' on the ballot because they said it would have perpetrated a fraud on the voters. So when you hear about 'right-to-work,' think of the big lie technique, because the name 'right-to-work' is as bogus as they come!

**"In our glorious fight for civil rights, we must guard against being fooled by false slogans, as 'right-to-work.' It provides no 'rights' and no 'works.' Its purpose is to destroy labor unions and the freedom of collective bargaining**

**We demand this fraud be stopped."**

**-Martin Luther King, Jr.**

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Statistical Summary

## Statistical Summary

Measures	Free States	RTW States	U.S.	Data Date
Avg. annual pay	\$27,892	\$23,549	\$26,362	'93
Avg. hourly earnings	\$12.28	\$10.66	\$11.76	'93
Avg. weekly earnings	\$507.03	\$438.48	\$486.86	'93
Avg. min wage *1	\$4.30	\$3.84	\$4.15	'94
Poverty-% of population	14.2%	16.3%	15%	'93
Households without telephones	4.2%	7.2%	5.2%	'90
Unemployed-% receiving benefits	31%	26%	30%	'93
Avg. weekly benefit U.I.	\$185	\$154	\$172	'93
Max Benefit U.I.	\$283	\$214	\$254	'94
Max weekly Benefit workers comp	\$486	\$387	\$445	'94
Job Fatalities- per 100,00	6.1	9	7.1	'92
expenditure per pupil	\$5817	\$4534	\$5414	'93-94
School dropouts (age 16-19)	10.6%	12.3%	11.2%	'90
Population health rankings	+4	-3	-	'93
Health ins - % not covered	13.7%	17.8%	15.2%	'93
Children's health rankings	+10	+1	-	'93

\*1- Seven Right to Work States have no minimum wage law

# States

<u>State</u>	<u>Date Adopted</u>
Alabama	August 1953
Arizona	March 1947
Arkansas	February 1947
Florida	November 1944
Georgia	March 1947
Idaho	February 1986
Iowa	April 1947
Kansas	November 1958
Louisiana	July 1976
Mississippi	February 1954
Nebraska	June 1947
Nevada	March 1951
North Carolina	March 1947
North Dakota	March 1947
South Carolina	March 1954
South Dakota	March 1947
Tennessee	February 1947
Texas	April 1947
Utah	May 1955
Virginia	January 1947

**Wyoming****February 1963**

## **States Which Have Defeated By Referendum Proposed "Right-to-Work" Laws**

**California:** Proposed constitutional amendment defeated at general election November 1944 and November 1958.

**Colorado:** Proposed constitutional amendment defeated at general election November 1958.

**Maine:** Initiative petition for "Right-to-Work" Act defeated at general election September 1948.

**Massachusetts:** Initiative petition for "Right-to-Work" Act defeated at general election November 1948.

**New Mexico:** Proposed constitutional amendment defeated in referendum November 1948.

**Ohio:** Proposed constitutional amendment defeated at general election November 1958.

**Oklahoma:** Proposed constitutional amendment defeated in referendum May 1964.

**Washington:** Initiative petition for "Right-to-Work" Act defeated at general election November 1956 and November 1958.

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## **States Which Have Repealed**

## **"Right-to-Work" Laws**

**Delaware: April 1947. Declared union security agreements to be against public policy; established set of "unlawful" labor practices: prohibiting all types of union security. Repealed June 1949.**

**Indiana: January 1965. Repealed by act of State Legislature.**

**Maine: May 1947. Prohibited closed shops but permitted union shops. Defeated in referendum September 1948.**

**New Hampshire: June 1947. Prohibited union security agreements involving 5 or fewer employees and prohibited such agreements involving more than 5 employees unless certain conditions were met. Repealed March 1949.**

**Don't let Colorado be next.**

Your Comments

# ALASKA STATE LEGISLATURE



*Interim:*

600 East Railroad Avenue  
Wasilla, Alaska 99654  
(907) 376-3370  
(907) 376-3157 Fax

*Session:*

State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-6600  
(907) 465-3805 Fax

**SENATOR LYDA GREEN**  
SENATE DISTRICT N

## SB 230 "Right to Work" Index of Support Information

### Sponsor Statement SB 230 "Right to Work"

### SB 230 "Right to Work"

#### Articles

"Hospital worker files complaint over union dues" by Allen Baker (AP) Anchorage Daily News

News Release National Right to Work Foundation

"Right to Work States Continue Tradition of Economic Growth" by David Kendrick  
Op-Ed piece by Stephan Goodrick, V.P. National Right to Work Committee

#### Right to Work Laws in Other States

Texas

Wyoming

Virginia

South Dakota

Arizona

#### National Institute for Labor Relations Research

"Unions and Right to Work Laws"

#### National Right to Work

Frequently Asked Questions -FAQ

# ALASKA STATE LEGISLATURE



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**SENATOR LYDA GREEN**  
SENATE DISTRICT N

## Sponsor Statement

SB 230

*Right to Work*

The goal of SB 230, "Right to Work" legislation, is to allow individuals the opportunity to work in any given profession or industry for which they qualify. Union membership may be one of the choices an employee may make, however union membership should not be a requirement for employment or maintaining employment. Every employee should be free to join a union, but should not be compelled to join a union. Assuring individual freedom is the vitally important issue. States that have "Right to Work" laws have experienced greater economic growth, lower unemployment rates and higher wages. I would like Alaska to have the opportunity to experience that same positive growth.

Senator\_Lyda\_Green@legis.state.ak.us

Alexander Creek • Big Lake • Butte • Caswell • Chickaloon • Chulitna • Finger Lake • Goose Bay • Hatcher Pass • Houston  
Knik • Kashwitna • Lake Louise • Lazy Mountain • Montana Creek • Nancy Lake • Nelchuna • Palmer • Petersville • Point Mackenzie  
Sheep Mountain • Skwentna • Sunshine • Sutton • Talkeetna • Trail Lakes • Trapper Creek • Wasilla • Willow

**SENATE BILL NO. 230**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-FIRST LEGISLATURE - SECOND SESSION**

**BY SENATOR GREEN**

**Introduced: 1/31/00**

**Referred: Labor and Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the relationship between employees and labor organizations;  
2 and prohibiting collective bargaining contracts that require employees to join a  
3 labor or employee organization; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 \* **Section 1.** AS 23.40.225 is repealed and reenacted to read:

6 **Sec. 23.40.225. Prohibition against union shop or agency shop provisions**  
7 **in collective bargaining agreements.** A collective bargaining agreement entered into  
8 under AS 23.40.210 or an agreement entered into after arbitration under AS 23.40.200  
9 shall comply with AS 23.40.300 - 23.40.350.

10 \* **Sec. 2.** AS 23.40 is amended by adding new sections to read:

11 **Article 3. Freedom of Choice.**

12 **Sec. 23.40.300. Declaration of policy.** It is the policy of the state, in order  
13 to maximize individual freedom of choice in the pursuit of employment and to  
14 encourage an employment climate that is conducive to economic growth, that the right

1 to work is not subject to undue restraint or coercion. The right to work may not be  
2 infringed or restricted in any way based on membership in, affiliation with, or financial  
3 support of a labor organization or based on an individual's refusal to join, affiliate  
4 with, or support in any way a labor organization.

5 **Sec. 23.40.310. Freedom of choice guaranteed.** (a) A person may not be  
6 required as a condition of employment or of the continuation of employment to

7 (1) resign from or refrain from voluntary

8 (A) membership in a labor organization;

9 (B) affiliation with a labor organization;

10 (C) financial support of a labor organization;

11 (2) become or remain a member of a labor organization;

12 (3) pay dues, fees, assessments, or other charges of any kind to a labor  
13 organization;

14 (4) pay to a charity or other third party, in lieu of payments to a labor  
15 organization, dues, fees, assessments, or charges of any kind in an amount equivalent  
16 to, or that is a pro rata portion of, the dues, fees, assessments, or other charges paid  
17 to a labor organization;

18 (5) be referred, recommended, approved, or cleared for hiring or for  
19 continued employment by or through a labor organization.

20 (b) An employer may only deduct dues, fees, assessments, or other charges for  
21 a labor organization from the compensation of an employee if the employee has  
22 authorized the deduction by filing a signed, written authorization for the deductions  
23 with the employer. An employee may revoke an authorization filed under this  
24 subsection at any time by giving written notice of the revocation to the employer.

25 (c) An agreement, understanding, or practice, whether written or oral, implied  
26 or expressed, between a labor organization and an employer that violates the rights of  
27 employees guaranteed by this section is void. A strike, picket, boycott, or other action  
28 by a labor organization for the purpose of inducing or attempting to induce an  
29 employer to enter into an agreement that is contrary to this section is a violation of  
30 this section.

31 (d) A person, a labor organization, or an officer, agent, or member of a labor

1 organization may not

2 (1) compel or attempt to compel by means of a threat, intimidation, or  
3 other coercion an employee to join, affiliate with, or financially support a labor  
4 organization or to refrain from doing so; or

5 (2) cause or attempt to cause an employee to be denied employment  
6 or discharged from employment by inducing or attempting to induce another person  
7 to refuse to work with the employee because the employee supports or fails to support  
8 a labor organization.

9 **Sec. 23.40.320. Criminal and civil penalties.** (a) A person who knowingly  
10 violates a provision of AS 23.40.300 - 23.40.350 directly or indirectly is guilty of a  
11 class B misdemeanor. In this subsection, "knowingly" has the meaning given in  
12 AS 11.81.900.

13 (b) An employee who is injured as a result of a violation or threatened  
14 violation of AS 23.40.300 - 23.40.350 is entitled to injunctive relief, damages, or both,  
15 against a person who violates AS 23.40.300 - 23.40.350 to prevent or redress a  
16 violation of those sections. A court may award costs and reasonable attorney fees to  
17 a party entitled to injunctive relief or damages.

18 (c) The attorney general shall investigate complaints of a violation of  
19 AS 23.40.300 - 23.40.350 and shall prosecute persons who have violated AS 23.40.300  
20 - 23.40.350.

21 **Sec. 23.40.350. Definition for AS 23.40.300 - 23.40.350.** In AS 23.40.300 -  
22 23.40.350, "labor organization" means an organization of any kind, an agency, an  
23 employee representation committee, or a union that exists at least partly for the  
24 purpose of dealing with employers concerning wages, hours, and other terms and  
25 conditions of employment.

26 \* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section  
27 to read:

28 **PROSPECTIVE APPLICABILITY OF THIS ACT.** The provisions of this Act do not  
29 apply to an act or omission authorized or required under a contract entered into before the  
30 effective date of this Act or under a renewal or extension of a contract if the renewal or  
31 extension is entered into before the effective date of this Act.

1 \* Sec. 4. This Act takes effect immediately under AS 01.10.070(c).



## Anchorage Daily News

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Friday, February 25, 2000

### Hospital worker files complaint over union dues

By ALLEN BAKER  
The Associated Press

An emergency room technician at Alaska Regional Hospital filed a complaint with the National Labor Relations Board on Thursday after receiving a letter saying he would be fired if he didn't pay dues to the Laborers' Union representing workers there.

"I'm not anti-union," said Mark Baker, 29, in an interview Thursday. "I wouldn't say I'm pro-union. I'm against this particular union. They haven't really done anything.

"Mostly I'm against how they're threatening people to get them to join without telling them their rights."

Baker mounted his challenge with the help of the National Right to Work Legal Defense Foundation Inc., which provided a lawyer for him free of charge.

The NLRB complaint says the union has not informed workers of their right to pay reduced dues, and has repeatedly threatened employees if they didn't pay full union dues.

The Feb. 18 letter Baker received from business manager Mano Frey of Local 341 of the Laborers' International Union of North America says workers need to sign an authorization for dues to be deducted from their pay.

"We don't fear any legal challenge," Frey said. "In Alaska, it is legal to have a provision of union security in bargaining agreements. That provision was ratified by a vast majority of the people we represent."

Baker and representatives of the right-to-work organization say workers can't be required to join a union. They say federal law requires the union to spell that out for workers before trying to collect dues.

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## NEWS RELEASE

National Right to Work Legal Defense Foundation  
8001 Braddock Road, Springfield, VA 22160  
703-321-0510 | FAX: 703-321-9613 | [www.nrtw.org](http://www.nrtw.org)

For Release: February 24, 2000

Contact: Duncan Clark (703) 321-8510  
Stefan Gleason (703) 303-2496

### **Anchorage Hospital Employees File Federal Charges Against Laborers' Union over Illegal Threats**

*Foundation attorneys seek injunction to halt union's threats to have employees fired*

Anchorage, Alaska (February 24, 2000) – Alaska Regional Hospital employees, assisted by National Right to Work Foundation attorneys, filed unfair labor practice charges today against Laborers' International Union of North America (LIUNA) Local 341, challenging the legality of its demands for the payment of union dues.

The union hierarchy has threatened, in writing, to cause the firing of employees on Tuesday, February 29. Accordingly, the charges filed today by Foundation attorneys at the National Labor Relations Board also request an immediate injunction.

Charging party Mark Baker and other hospital employees are not members of the union, as is their right under numerous decisions of the U.S. Supreme Court, including the Foundation-won *Beck* decision. Nevertheless, in flagrant violation of their legal rights, union officials demand that Mr. Baker (and others) join the union, pay full union dues, or sign payroll deduction cards. In addition, union bosses are illegally threatening to force the employer, Alaska Regional Hospital, to terminate any employees who fail to comply immediately with its demands. The union has made this illegal demand in writing to employees, most recently in a letter dated February 18, 2000.

LIUNA Local 341 union officials have never informed the workers of their right to remain nonmembers or their right to pay only reduced financial core fees, as required by the U.S. Supreme Court. "The union officials' wanton disregard of workers' fundamental rights is reprehensible," said Stefan Gleason, Vice President of the National Right to Work Legal Defense Foundation.

Foundation attorneys are seeking retroactive remedies for the employees, including refunds of dues illegally seized. In addition, because the charging party and others are being threatened with termination, they are also seeking immediate injunctive relief under federal law.

The National Right to Work Legal Defense Foundation is a nonprofit, charitable organization providing free legal aid to employees whose human or civil rights have been violated by compulsory unionism abuses. The Foundation, which can be contacted toll-free at 1-800-336-3600, is assisting thousands of employees in nearly 500 cases nationwide. Its web address is [www.nrtw.org](http://www.nrtw.org).

(Call the Foundation for interviews.)

###

June 10, 1998

## RIGHT TO WORK STATES CONTINUE TRADITION OF ECONOMIC GROWTH

by David Kendrick

Workers in Right to Work states are free to decide for themselves whether a union deserves their financial support. A mountain of evidence built up over decades shows the positive effects of Right to Work on job and income growth.

### EMPLOYMENT STATISTICS

Earlier this year, both the Osage Nation and Seneca-Cayuga Tribe exercised their sovereignty by enacting Right to Work laws in the non-Right to Work state Oklahoma. Osage Nation Principal Chief Charles Tillman said that the tribes Right to Work law would, "create additional jobs, competitive wages and a more stable economy for the Osage Tribe and Oklahoma." Data from the US Labor Department's Bureau of Labor Statistics backs up Tillman's claim:

- ◆ The 21 Right to Work states have had lower unemployment rates than the non-Right to Work states in every year but four since 1978.

- ◆ Since 1977, the Right to Work states have created non-farm jobs at a pace twice that of the non-Right to Work states.
- ◆ In the heavily-unionized and high-paying construction industry, Right to Work states have created jobs at a rate almost one-third greater than the non-Right to Work states since 1977.
- ◆ In the high-wage manufacturing sector, the Right to Work states have gained over 800,000 jobs since 1977 while the compulsory unionism states lost almost 2 million jobs.

State legislatures which maintain compulsory unionism aren't only forcing employees to pay union dues just to keep their jobs. They're also forcing high-paying jobs out of their states.

Governor Frank Keating is one politician who is aware that Oklahoma's lack of a Right to Work law is costing that state's residents jobs. Businesses "simply look the other way," Keating said, when asked about Right to Work in March of this year.<sup>1</sup>

Insight Research Corporation, a company which performs business location searches for Fortune 500 firms, confirms Governor Keating's observation. Fully 90% of companies who plan extensions or relocations use Right to Work as one of their first "kickout" criteria.<sup>2</sup> These companies know that compulsory unionism is bad for business; employees in Right to Work states know it, too.

## MANUFACTURING GROWTH

Manufacturing jobs pay higher wages than the national average; the opening of a new factory brings many new, high-paying jobs and can raise the standard of living in many communities.

The Right to Work states have done a better job attracting new manufacturing jobs to their cities.

- ◆ The number of manufacturing establishments with 20 or more employees increased 20.2% since 1977 in the Right to Work states while the number of similar establishments in the non-Right to Work states declined by .3%.
- ◆ Since 1977, new capital expenditures increased 11% more in the Right to Work states than in the non-Right to Work states.
- ◆ The Right to Work states' growth in value added by manufacture since 1977 was over 50% greater than that of the non-Right to Work states.
- ◆ The number of manufacturing production workers increased 8.4% in the Right to Work states since 1977, while the number of similar workers fell 19.5% in the non-Right to Work states.

## INCOME GROWTH

It isn't just employment that is growing faster in the Right to Work states. The same pattern of higher growth also holds for income and wages.

- ◆ Since 1977, personal income in Right to Work states has grown almost 25% faster in the Right to Work states than in the non-Right to Work states.
- ◆ Hourly earnings of manufacturing employees increased 13.5% more in the Right to Work states from 1977-1996 than in the non-Right to Work states.
- ◆ The typical urban family in a Right to Work state has \$2,852 more in after-tax purchasing power than the same family would in a non-Right to Work state.<sup>3</sup>

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<sup>1</sup> Susan Parrott, "State Right to Work Law Urged at Tribal Signing," *Daily Oklahoman*, March 17, 1998.

<sup>2</sup> M. Elizabeth Morris, President and Chief Economist for Insight Research Corporation, letter to State Senator Jim Congrove (CO), February 19, 1998.

<sup>3</sup> James T. Bennett, *A Higher Standing of Living in Right-to-Work States* (Springfield, VA: National Institute for Labor Relations Research, 1994) p. 4.

# RATE OF INCREASE

Non-Agricultural Employees (1977-1997)	Right to Work States.....	72.9%
	Forced Union States.....	36.5%
	National Average.....	48.7%
	<small>(Source: Department of Labor, Bureau of Labor Statistics)</small>	
Manufacturing Employment (1977-1997)	Right to Work States.....	14.3%
	Forced Union States.....	-13.1%
	National Average.....	-5.2%
	<small>(Source: Department of Labor, Bureau of Labor Statistics)</small>	
Construction Employment (1977-1997)	Right to Work States.....	53.6%
	Forced Union States.....	41.6%
	National Average.....	46.8%
	<small>(Source: Department of Labor, Bureau of Labor Statistics)</small>	
Manufacturing Production Workers (1977-1996)	Right to Work States.....	8.4%
	Forced Union States.....	-19.5%
	National Average.....	-11.1%
	<small>(Source: Department of Commerce, Bureau of the Census)</small>	
Manufacturing Establishments (1977-1992)	Right to Work States.....	18.7%
	Forced Union States.....	1.2%
	National Average.....	6.1%
	<small>(Source: Department of Commerce, Bureau of the Census)</small>	
Manufacturing Establishments with 20 or more Employees (1977-1992)	Right to Work States.....	20.2%
	Forced Union States.....	-.3%
	National Average.....	5.2%
	<small>(Source: Department of Commerce, Bureau of the Census)</small>	
Capital Expenditures (1977-1997)	Right to Work States.....	205.2%
	Forced Union States.....	184.2%
	National Average.....	191.9%
	<small>(Source: Department of Commerce, Bureau of the Census)</small>	
Personal Income (1977-1997)	Right to Work States.....	404.8%
	Forced Union States.....	322.6%
	National Average.....	346.7%
	<small>(Source: Department of Commerce, Bureau of Economic Analysis)</small>	

Hourly Earning by Manufacturing Employees (1977-1997)	Right to Work States.....	145.2%
	Forced Union States.....	131.9%
	National Average.....	133.4%

(Source: Department of Labor, Bureau of Labor Statistics)

Average Weekly Earnings of Manufacturing Production Workers (1977-1997)	Right to Work States.....	155.7%
	Forced Union States.....	141.2%
	National Average.....	142.9%

(Source: Department of Commerce, Bureau of the Census)

Value Added by Manufacture (1977-1996)	Right to Work States.....	274.5%
	Forced Union States.....	171.1%
	National Average.....	199.2%

(Source: Department of Commerce, Bureau of the Census)

Unemployment (1977-1997)	Right to Work States.....	6.2%
	Forced Union States.....	6.9%
	National Average.....	6.6%

(Source: Department of Labor, Bureau of Labor Statistics)

## Alaska Needs a Right to Work Law:

### New Job-Creation Study Proves It

By Stephen Goodrick

Job growth in Alaska and other non-Right to Work states is being handicapped by federal labor-law provisions that authorize firing workers for refusal to pay tribute to a union.

This is the inescapable conclusion for any reader of a new study by the respected Cambridge, Mass., research firm Cognetics, Inc. who is familiar with the 21 state Right to Work laws.

State Right to Work laws protect private-sector employees from the coercive federal labor-law provisions that would otherwise force them to join or pay dues or "fees" to a union as a job condition.

They also bar forced union dues and "fees" for state and local government employees and teachers.

Cognetics concludes that eight of the top 10 states, eight of the top 10 large metro areas, and nine of the top 10 small metro areas for fast-growing companies are Right to Work states or wholly located within Right to Work states.

Alaska comes in 38th of the 50 states in the study (*Entrepreneurial Hot Spots*), whose rankings measure "the

actual, recorded frequency with which new firms start and young firms grow in different places."

Right to Work states' experience refutes the Big Labor premise that "too much" freedom is bad for workers.

The simple fact is, more often than not, trampling on employees' Right to Work does them substantial economic harm.

Alaska's experience is a case in point.

According to U.S. Department of Labor data, between 1968 and 1998 Alaska's average per capita income fell by 22% relative to the average in Right to Work states

And this sharp relative decline is merely an extreme example of the dismal trend in non-Right to Work states.

Overall, average per capita income in non-Right to Work states fell by 9% relative to the average in Right to Work states between 1968 and 1998.

The lesson is clear. Forced unionism actually limits opportunities for workers by dampening economic dynamism.

In a soon-to-be-published study, Dr. James T. Bennett, a senior faculty member of the Nobel Prize-winning Department of Economics at George Mason University, compiles statistics that bear clear witness to this fact.

Using data from the new edition of the respected *Places Rated Almanac*, authored by journalist David Savageau and statistician Ralph D'Agostino, Dr. Bennett compares household incomes for metropolitan areas in Right to Work and non-Right to Work states.

Dr. Bennett finds that the median household income for Right to Work states is \$2333 higher than the median for forced-dues states, when Right to Work states' lower taxes and living costs are taken into account.

Naturally, apologists for perpetuating compulsory unionism in Alaska routinely ignore the facts cited above when they debate Right to Work's economic impact.

The truth is that union bosses and their allies cannot offer any justification for forced union dues -- other than their own self-interest -- that withstands a minute's scrutiny. And the vast majority of legislators know this.

But so far a number of weak-kneed legislators who have a somewhat exaggerated view of Organized Labor's political clout have collaborated with forced-unionism apologists to block enactment of a Right to Work law in Alaska.

It is a tribute to the persistence of thousands of citizens, led by the Alaska members of the National Right to Work Committee, that change is on the horizon.

On Thursday, March 2, the Alaska House of Representatives' Committee on State Affairs will hold its first hearing in years on a state Right to Work measure (H.B.309).

I have accepted freedom-loving House members' kind invitation and will be in Juneau to testify about the many benefits of Right to Work legislation.

How much further will Alaska have to fall behind the Right to Work states in job and income growth before a

critical mass of legislators exercise the good sense and political wisdom to pass a Right to Work law for Alaskans?

Actually, it's up to you and other concerned citizens to keep turning up the heat until the Legislature does the right thing.

I urge you to get in touch with your state representative and state senator immediately. Ask them to push for enactment of H.B.309 and its Senate companion, S.B.230, immediately after the hearing.

(If you need help tracking your legislators down, please contact the National Right to Work Committee's state legislative department at 1-800-325-7892.)

For far too long, Alaska's economy has been held hostage to a handful of union bosses who enjoy inordinate legal privileges over individual employees. But citizens like you have the power to end Big Labor's free ride.

*Stephen Goodrick is vice president of the National Right to Work Committee, a 2.2 million-member citizens' group based in Springfield, Va.*



# Right to Work Laws

## TEXAS

Texas Codes Ann. Title 3 §§ 101.003, 004, 052, 053, 102, 111, 121, 122, 124

### § 101.003. Right to Bargain

A person's inherent right to work and to bargain freely with the person's employer, individually or collectively, for terms of the person's employment may not be denied or infringed by law or by any organization. (Enacted 1993.)

### § 101.004. Contract for Withholding Union Dues from Employee's Compensation Void Without Employee's Consent

A contract that permits or requires the retention of part of an employee's compensation to pay dues or assessments on the employee's part to a labor union is void unless the employee delivers to the employer the employee's written consent to the retention of those sums. (Enacted 1993.)

### § 101.052. Denial of Employment Based on Labor Union Membership Prohibited

A person may not be denied employment based on membership or nonmembership in a labor union. (Enacted 1993.)

### § 101.053. Contract Requiring or Prohibiting Labor Union Membership Void

A contract is void if it requires that, to work for an employer, employees or applicants for employment:

- (1) must be or may not be members of a labor union; or
- (2) must remain or may not remain members of a labor union. (Enacted 1993.)

### § 101.102. Legislative Findings; Policy

(a) The legislature finds that because the activities of labor unions affect the economic conditions of the country and the state by entering into almost all business and industrial enterprises, labor unions affect the public interest and are charged with a public use.

(b) Workers must be protected without regard to whether they are unionized. The right to work is the right to live.

(c) The policy of this state, in the exercise of its sovereign constitutional police power, is to regulate the activities and affairs of labor unions and officers, agents, organizers, and representatives of labor unions, as provided in this subchapter. (Enacted 1993)

### § 101.111. Fee for Privilege to Work Prohibited

(a) A labor union, a labor organizer, or an officer, member, agent, or representative of a labor union may not collect, receive, or demand, directly or indirectly, a fee as a work permit or as a condition for the privilege to work from a person who is not a member of the union. (Enacted 1993.)

(b) Subsection (a) does not prevent the collection of an initiation fee as provided by Section 101.113.

### § 101.121. Civil Penalty

A labor union that violates a provision of this subchapter is liable for a civil penalty not to exceed \$1,000 for each violation. The civil penalty may be recovered in the name of the state, acting through an enforcement officer, in a court of competent jurisdiction.

### § 101.122. Enforcement by Civil Process

(a) A district court on the application of the state acting through an enforcement officer, to issue a restraining order, a temporary or permanent injunction, or any other writ of process appropriate to enforce this subchapter.

(b) A proceeding under Subsection (a) shall be instituted, prosecuted and tried in the same manner as another civil case of a similar nature in the district court.

### § 101.124. Enforcement officers

The attorney general, and each district attorney and county attorney, within the attorney's respective jurisdiction, shall;

- (1) prosecute all criminal proceedings under this subchapter; and
- (2) institute and maintain all civil proceedings under this subchapter.



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# Right to Work Laws

## WYOMING

Wyo. Stat. Ann. §§ 27-7-108. through 115.

**§ 27-2-108. Right to work; definitions.**

(a) The term "labor organization" means any organization, or any agency or employee representation committee, plan or arrangement, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

(b) The term "person" shall include a corporation, association, company, firm or labor organization, as well as a natural person. (Enacted 1963.)

**§ 27-7-109. Right to work; membership in labor organization not required.**

No person is required to become or remain a member of any labor organization as a condition of employment or continuation of employment. (Enacted 1963.)

**§ 27-7-110. Right to work; abstention from membership in labor organization not required.**

No person is required to abstain or refrain from membership in any labor organization as a condition of employment or continuation of employment. (Enacted 1963.)

**§ 27-7-111. Right to work; payment or nonpayment of dues not required.**

No person is required to pay or refrain from paying any dues, fees, or other charges of any kind to any labor organization as a condition of employment or continuation of employment. (Enacted 1963.)

**§ 27-7-112. Right to work; connection with or approval by labor organization not required.**

No person is required to have any connection with, or be recommended or approved by, or be cleared through, any labor organization as a condition of employment or continuation of employment. (Enacted 1963.)

**§ 27-7-113. Right to work; misdemeanor to impose or try to impose prohibited requirements; civil liability.**

Any person who directly or indirectly places upon any other person any

requirement or compulsion prohibited by this act [ §§ 27-7-108 through 27-7-115], or who makes any agreement written or oral, express or implied, to do so, or who engages in any lockout, layoff, strike, work stoppage, slow down, picketing, boycott or other action or conduct, a purpose or effect of which is to impose upon any person, directly or indirectly, any requirement or compulsion prohibited by this act, is guilty of a misdemeanor and shall also be liable in damages to any person injured thereby. (Enacted 1963.)

**§ 27-7-114. Right to work; injunction against prohibited conduct.**

Any person injured or threatened with injury by any action or conduct prohibited by this act [ §§ 27-7-108 through 27-7-115] shall, notwithstanding any other law to the contrary, be entitled to injunctive relief therefrom. (Enacted 1963.)

**§ 27-7-115. Right to work; penalties.**

Any person convicted of a misdemeanor, as defined in this act [ §§ 27-7-108 through 27-7-115], shall be punished by a fine not to exceed one thousand dollars (\$1,000.00), or imprisonment in the county jail for a term not to exceed six (6) months, or both. (Enacted 1963.)



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# Right to Work Laws

## VIRGINIA

### Va. Code Ann. §§ 40.1-58 through 40.1-69

#### Article 3.

#### *Denial or Abridgment of Right to Work.*

**§ 40.1-58. Policy of article.** -- It is hereby declared to be the public policy of Virginia that the right of persons to work shall not be denied or abridged on account of membership or nonmembership in any labor union or labor organization. (Enacted 1947; amended 1970.)

**§ 40.1-58.1. Application of article to public employers and employees.** -- As used in this article, the words, "*person*," "*persons*," "*employer*," "*employees*," "*union*," "*labor union*," "*association*," "*organization*" and "*corporation*" shall include but not be limited to public employers, public employees and any representative of public employees in this State. The application of this article to public employers, public employees and their representatives shall not be construed as modifying in any way the application of § 40.1-55 to government employees. (Enacted 1973.)

**§ 40.1-59. Agreements or combinations declared unlawful.** -- Any agreement or combination between any employer and any labor union or labor organization whereby persons not members of such union or organization shall be denied the right to work for the employer, or whereby such membership is made a condition of employment or continuation of employment by such employer, or whereby any such union or organization acquires an employment monopoly in any enterprise, is hereby declared to be against public policy and an illegal combination or conspiracy. (Enacted 1947; amended 1970.)

**§ 40.1-60. Employers not to require employees to become or remain members of union.** -- No person shall be required by an employer to become or remain a member of any labor union or labor organization as a condition of employment or continuation of employment by such employer. (Enacted 1947; amended 1970.)

**§ 40.1-61. Employers not to require abstention from membership in union.** -- No person shall be required by an employer to abstain or refrain from membership in any labor union or labor organization as a condition of employment or continuation of employment. (Enacted 1947; amended 1970.)

**§ 40.1-62. Employer not to require payment of union dues, etc.** -- No employer shall require any person, as a condition of employment or continuation

of employment, to pay any dues, fees or other charges of any kind to any labor union or labor organization. (Enacted 1947; amended 1970.)

**§ 40.1-63. Recovery by individual unlawfully denied employment.** - Any person who may be denied employment or be deprived of continuation of his employment in violation of §§ 40.1-60, 40.1-61 or § 40.1-62 or of one or more of such sections, shall be entitled to recover from such employer and from any other person, firm, corporation or association acting in concert with him by appropriate action in the courts of this Commonwealth such damages as he may have sustained by reason of such denial or deprivation of employment. (Enacted 1947; amended 1970.)

**§ 40.1-64. Application of article to contracts.** -- The provisions of this article shall not apply to any lawful contract in force on April 30, 1947, but they shall apply in all respects to contracts entered into thereafter and to any renewal or extension of an existing contract. (Enacted 1947; amended 1970.)

**§ 40.1-65. Agreement or practice designed to cause employer to violate article declared illegal.** -- Any agreement, understanding or practice which is designed to cause or require any employer, whether or not a party thereto, to violate any provision of this article is hereby declared to be an illegal agreement, understanding or practice and contrary to public policy. (Enacted 1947; amended 1970.)

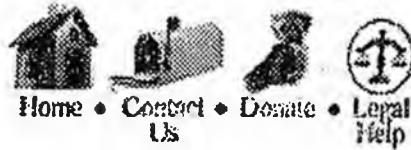
**§ 40.1-66. Conduct causing violation of article illegal; peaceful solicitation to join union.** -- Any person, firm, association, corporation, or labor union or organization engaged in lockouts, layoffs, boycotts, picketing, work stoppages or other conduct, a purpose of which is to cause, force, persuade or induce any other person, firm, association, corporation or labor union or organization to violate any provision of this article shall be guilty of illegal conduct contrary to public policy; provided that nothing herein contained shall be construed to prevent or make illegal the peaceful and orderly solicitation and persuasion by union members of others to join a union, unaccompanied by any intimidation, use of force, threat of use of force, reprisal or threat of reprisal, and provided that no such solicitation or persuasion shall be conducted so as to interfere with, or interrupt the work of any employee during working hours. (Enacted 1947; amended 1954 & 1970.)

**§ 40.1-67. Injunctive relief against violation; recovery of damages.** -- Any employer, person, firm, association, corporation, labor union or organization injured as a result of any violation or threatened violation of any provision of this article or threatened with any such violation shall be entitled to injunctive relief against any and all violators or persons threatening violation, and also to recover from such violator or violators, or person or persons, any and all damages of any character cognizable at common law resulting from such violations or threatened violations. Such remedies shall be independent of and in addition to the penalties and remedies prescribed in other provisions of this article. (Enacted 1947; amended 1954 & 1970.)

**§ 40.1-68. Service of process on clerk of State Corporation Commission as**

**attorney for union.** -- Any labor union or labor organization doing business in this State, all of whose officers and trustees are nonresidents of this State, shall by written power of attorney, filed with the Department of Labor and Industry and the State Corporation Commission, appoint the clerk of the State Corporation Commission its attorney or agent upon whom all legal process against the union or organization may be served, and who shall be authorized to enter an appearance on its behalf. The manner of service of process on the clerk of the State Corporation Commission, the mailing thereof to the labor union or organization, the fees therefor, the effect of judgments, decrees and orders, and the procedure in cases where no power of attorney is filed as required, shall be the same as provided for in cases of foreign corporations. (Enacted 1947; amended 1954, 1956 & 1970.)

**§ 40.1-69. Violation a misdemeanor.** -- Any violation of any of the provisions of this article by any person, firm, association, corporation, or labor union or organization shall be a misdemeanor. (Enacted 1947; amended 1954, 1970 & 1973.)



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# Right to Work Laws

## SOUTH DAKOTA

### S.D. Const. art. VI, § 2

#### § 2. Due process - Right to work.

No person shall be deprived of life, liberty or property without due process of law. The right of persons to work shall not be denied or abridged on account of membership or nonmembership in any labor union, or labor organization. (Approved 1946.)

### S.D. Codified Laws §§ 60-8-3 through 8-8

**§ 60-8-3. Denial of right to work because of membership or nonmembership in union as misdemeanor.** No person shall be deprived of life, liberty, or property without due process of law. The right of persons to work shall not be denied or abridged on account of membership or nonmembership in any labor union, or labor organization. Violation of this section is a Class 2 misdemeanor. (Enacted 1947.)

**§ 60-8-4. Agreement denying free exercise of right to work as misdemeanor.** Any agreement relating to employment, whether in writing or oral, which by its stated terms, or by implication, interpretation, or effect thereof, directly or indirectly denies, abridges, interferes with, or in any manner curtails the free exercise of the right to work by any citizen of the state of South Dakota, is a Class 2 misdemeanor. (Enacted 1947.)

**§ 60-8-5. Coercion to enter into agreement denying free exercise of right to work as misdemeanor.** Any request, demand or threat made by any person to any employer or employee, to persuade or coerce such employer or employee to enter into an agreement violative of the provisions contained in §§ 60-8-3 and 60-8-4 and article VI, § 2 of the state Constitution, is a Class 2 misdemeanor. (Enacted 1947.)

**§ 60-8-6. Coercion of employee to join labor organization as misdemeanor.** Any solicitation or request to join a labor organization made by any person to any employee, accompanied by threats of injury to such employee or members of his family, or damage to property, or loss or impairment of present or future employment of such employee, is a Class 2 misdemeanor. (Enacted 1947.)

**§ 60-8-8. Violation of right to work law - Investigations by state's attorney - Prosecutions.** It shall be the duty of the state's attorney of every county to prosecute all persons violating any of the provisions of §§ 60-8-3 to 60-8-6, inclusive, in his county and he shall be responsible for the proper enforcement of such sections, and whenever he shall have any information or knowledge or have any reason to believe that any of the provisions of such sections are being violated in his county, he shall investigate the same and use every legitimate means at his command to secure the necessary and proper evidence of such violation, and immediately upon securing such evidence, he shall file a complaint or preliminary information

against any person against whom he shall have any evidence of any such violation, and he shall have such person arrested and shall vigorously prosecute such charges to final judgment. (Enacted 1955.)



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# Right to Work Laws

## ARIZONA

### Ariz. Const. art. XXV

#### **Right to work or employment without membership in labor organization**

No person shall be denied the opportunity to obtain or retain employment because of non-membership in a labor organization, nor shall the State or any subdivision thereof, or any corporation, individual or association of any kind enter into any agreement, written or oral, which excludes any person from employment or continuation of employment because of non-membership in a labor organization. (Addition approved election Nov. 5, 1946, eff. Nov. 25, 1946; amended November 30, 1982.)

#### **ARTICLE 1. RIGHT TO WORK**

#### **Ariz. Rev. Stat. Ann. 23-1301 through 1307**

#### **§ 23-1301. Definitions**

In this article, unless the context otherwise requires:

1. "Labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment or other conditions of employment.
2. "Person" includes a natural person, a corporation, association, company, firm or labor organization. (Adopted by Referendum; effective November 22, 1948.)

#### **§ 23-1302. Prohibition of agreements denying employment because of nonmembership in labor organization**

No person shall be denied the opportunity to obtain or retain employment because of nonmembership in a labor organization, nor shall the state or any subdivision thereof, or any corporation, individual, or association of any kind enter into an agreement, written or oral, which excludes a person from employment or continuation of employment because of nonmembership in a labor organization. (Adopted by Referendum; effective November 22, 1948.)

#### **§ 23-1303. Illegality of acts or agreements violating article; strike or picketing for illegal purpose**

A. Any act or provision in an agreement which is in violation of this article is illegal and void.

**B.** Any strike or picketing to force or induce an employer to make an agreement orally or in writing in violation of this article is for an illegal purpose. (Adopted by Referendum; effective November 22, 1948.)

**§ 23-1304. Prohibition of threatened or actual interference with a person, his family or property to compel him to join labor organization, strike or leave employment**

It is unlawful for an employee, labor organization, or officer, agent or member thereof, by any threatened or actual interference with the person, his immediate family or his property, to compel or attempt to compel such person to join a labor organization, to strike against his will or to leave his employment. (Adopted by Referendum; effective November 22, 1948.)

**§ 23-1305. Prohibition of conspiracy to induce persons to refuse to work with persons not members of labor organization**

A combination or conspiracy by two or more persons to cause the discharge of any person or to cause him to be denied employment because he is not a member of a labor organization by inducing or attempting to induce any other person to refuse to work with such person, is illegal. (Adopted by Referendum; effective November 22, 1948.)

**§ 23-1306. Civil liability of person violating article**

A person who violates any provision of this article, or who enters into an agreement containing a provision declared illegal by this article, or who brings about the discharge of or denial of employment to any person because of nonmembership in a labor organization shall be liable to the person injured as the result of such act or provision and may be sued therefor, and in such action any labor organization, subdivision or local thereof shall be bound by the acts of its duly authorized agents acting within the scope of their authority, and may sue or be sued in its common name. (Adopted by Referendum; effective November 22, 1948.)

**§ 23-1307. Injunctive relief from injury resulting from violation of article**

A person injured or threatened with injury by an act declared illegal by this article shall, notwithstanding any other provision of law to the contrary, be entitled to injunctive relief therefrom. (Adopted by Referendum; effective November 22, 1948.)



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NATIONAL INSTITUTE FOR LABOR RELATIONS RESEARCH  
5211 Port Royal Road, Suite 510 • Springfield, Virginia 22151 • Tel. (703) 321-9606 • Fax (703) 321-7342

DAVID KENDRICK  
*Program Director*

# UNIONS AND RIGHT-TO-WORK LAWS

the global evidence  
of their impact  
on employment

edited by FAZIL MIHLAR



# Economic Development and the Right to Work

Evidence from Idaho and other  
Right-to-Work States

DAVID KENDRICK

## Passing Right-to-Work legislation: the start of the economic boom

Idaho became the nation's twenty-first Right-to-Work state in 1985, when the state Senate and the state House of Representatives overrode then-Governor John V. Evans's veto of House Bill 2. Idaho's status as a Right-to-Work state was immediately challenged by the state's labour unions, which obtained enough signatures to place the law on the 1986 general election ballot.

Having run the gauntlet of numerous committee hearings, votes in both houses of the legislature, second votes in the legislature on overriding the Governor's veto, the idea of Right-to-Work was clearly popular. However, union officials in Idaho had US\$1.3 million in forced union dues handed to them by the American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) in Washington, DC, to spend on their drive to

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Notes will be found on page 102.

In the five years previous to the enactment of Right-to-Work legislation in 1985, manufacturing employment in Idaho had declined by 8 percent. At the same time, neighbouring states such as Nevada, Utah, Wyoming and Arizona, which had enacted Right-to-Work laws, saw their manufacturing employment increase by no less than 16 percent, and as much as 36 percent, over the same five year period.

#### **Right-to-Work laws bring new businesses and new jobs**

Many businesses looking to relocate were waiting on the results of the vote. In June 1986, Phillip D. Phillips, a vice-president of the Fantus Company—one of the nation's largest industrial relocation firms—wrote in a letter to Michael Dolton of the Chamber of Commerce in Greater Twin Falls, Idaho: "Approximately 50 percent of our clients . . . do not want to consider locations unless they are in Right-to-Work states. As a result, states that are not Right-to-Work states, and the communities in them, are eliminated from consideration in the initial phase of the site selection process, no matter how strong their other advantages for a facility might be." That "deal sweeteners" like tax incentives or other bonuses for companies considering relocation were still inadequate was also clear from a study conducted by the Center for Business and Economic Research of the University of Tennessee in 1985. According to this survey, even incentives such as low taxes, tax concessions, government support for site acquisition, and quality of life were ranked less important than Right-to-Work laws as factors in deciding where to relocate (Hake, Ploch, and Fox 1985).

Since Idaho's Right-to-Work law took effect in 1987, the state has enjoyed growth in virtually all major areas of business. According to the United States Bureau of Labour Statistics, 142,500 new jobs were added to Idaho's payroll between 1986 and 1995, bringing the total non-agricultural employment to 476,900. High-technology industries continue to expand in Idaho, with the 1993 employment level at 27,000 compared to 17,100 in 1987. Over 1,000 net new businesses opened their doors in Idaho in 1992; since 1987, net new business starts have totalled 5,000 (Idaho Dep't of Commerce 1993).

Manufacturing employment in Idaho has grown at a rate far exceeding the growth of the pre-Right-to-Work era. Idaho's 36.2

*Right-to-Work laws produce lower unemployment*

When labour unions must compete in a free market—where employees have a choice about whether or not to join or support a union—union leadership must be attentive to the real needs and desires of the rank-and-file members. Right-to-Work states thus offer a business environment free from much of the onerous mandatory union-imposed regulation, feather-bedding, and work rules that raise labour costs and reduce jobs in non-Right to Work states. As a result, businesses in Right-to-Work states have lower costs, allowing them to produce goods and services less expensively, and to employ more people without cutting wages.

Unemployment rates tend to be lower in Right-to-Work states than they are in non-Right-to-Work states. For example, in 1995, forced-unionism states had an average unemployment rate of 5.6 percent. In Right-to-Work states, however, that average was only 4.8 percent, and Idaho mirrored this national trend (USBLS 1987, 1989, 1991, 1992, 1993, 1994, 1995).

In 1986—before the enactment of the Right-to-Work law—despite a strong national economy the unemployment rate in Idaho was 8.7 percent. In 1990—after passage of Right-to-Work legislation—with a nationwide recession underway the unemployment rate was 5.8 percent. In 1996, the unemployment rate was down to 5.4 percent (Idaho Dep't of Employment 1993).

*Right-to-Work laws bring higher wages and more personal income*

Perhaps, the best indicator of how Right-to-Work laws benefit a state economy is the level of personal disposable income. The more income individuals have, the more goods and services they can buy, which in turn stimulates the economy and contributes directly to economic growth. Since 1977, Professor James T. Bennett has pioneered research showing that, on average, real income adjusted for taxes and inflation is, in fact, higher in Right-to-Work states than non-Right-to-Work states (Bennett 1994). In 1994, per capita personal income in Idaho grew by 8.8 percent, well above the national average of 5.1 percent. The only two states with greater rates of growth in this period—Arizona and Nevada—were also Right-to-Work states. Over the longer range, 1987 to 1995, Idaho's personal income growth rate was 71.7 percent, the highest in the United States, and well above the average growth of 57.1 percent in the non-Right-to-Work states.<sup>5</sup>

Idaho's tax rates are lower than those of any other western state (Idaho Dep't of Commerce, Div. of Economic Development 1992: 4-1, citing US Bureau of Census 1990).

#### Idaho's prosperity and the "regional boom"

Is Idaho's prosperity since the introduction of Right-to-Work legislation merely the result of the economic growth of the entire region? It is certainly true, as the AFL-CIO argued before the Alberta Joint Review Committee on Right-to-Work, that Idaho's economic resurgence was "part of the regional boom in the Pacific Northwest states" (Alberta Economic Development Authority 1995: 20, citing AFL-CIO 1994). Since 1986, while Idaho has seen 36.2 percent growth in manufacturing jobs, Nevada's manufacturing employment has risen by 65.3 percent, Utah's by 34.5 percent, and Wyoming's by 22.5 percent. All of these states are Right-to-Work jurisdictions. (See figure 1 for a map showing states with Right-to-Work laws.)

On the other hand, the rates of growth in manufacturing employment for the non-Right-to-Work states in the region are not nearly so high: Colorado, 3.2 percent; Montana, 9.9 percent; Or-

Figure 1 States with Right-to-Work legislation.



The same pattern seen in the Pacific Northwest of prosperity in states with Right-to-Work laws and slow growth in states without such laws has also been observed in other parts of the United States. Between 1960 and 1993, according to the United States Bureau of Labor Statistics, the 21 Right-to-Work states<sup>6</sup> increased their manufacturing payrolls by 2.68 million while those states subject to federally imposed mandatory unions lost 1.36 million manufacturing jobs. Further, we now have evidence of a dramatic shift in manufacturing employment that one can see simply by stepping over the border from a forced-unionism state to a Right-to-Work state.

Dr. Thomas J. Holmes, in a study published by the Federal Reserve Bank of Minneapolis (1995), breaks new ground in our understanding of how state policies can encourage or discourage industrial development. Holmes first drew a border between Right-to-Work and non-Right-to-Work states in the eastern part of the continental United States (see figure 2). His border begins at the Right-to-Work state of North Dakota and the non-Right-to-Work state of Minnesota. The line runs south to Texas (Right-to-Work) and Oklahoma (non-Right-to-Work), then turns east, ending at the Atlantic coast between Virginia (Right-to-Work) and Maryland (non-Right-to-Work). Using data from the United States Census Bureau's County Business Patterns for 1992, Holmes then compared manufacturing employment on both sides of the border and found that, in 1992, manufacturing constituted 21 percent of total employment in those non-Right-to-Work counties within 25 miles of the border while, on the Right-to-Work side of the border, manufacturing accounted for 28.6 percent of total employment. Holmes writes: "[O]n average, manufacturing employment increases by one-third when one steps over the border" to a Right-to-Work state. (1995: 3).

To measure the long-term effect of Right-to-Work laws, Holmes contrasts the total growth of manufacturing employment during the period from 1947 to 1992 in those counties within 100 miles of the border between Right-to-Work and non-Right-to-Work states. Of the nine Right-to-Work states on Holmes's border (North Dakota, South Dakota, Nebraska, Iowa, Kansas, Texas, Arkansas, Tennessee, Virginia), all but Kansas had enacted their laws by the end of 1947. Within 100 miles of the border, manufacturing employment in Right-to-Work states

Some have pointed to accidental factors such as the South's warmer weather and the advent of air conditioning as the principal cause of this shift in manufacturing activity. But by comparing manufacturing employment on the border between Right-to-Work and non-Right-to-Work states, Holmes eliminates weather, which does "not change discontinuously at state borders," and highlights state policies, which do change at the border (1995: 3). In short, Holmes has uncovered the most conclusive evidence to date that state policies encouraging cooperative and voluntary relations between labour and management have played a crucial role in the exodus of manufacturers to the 21 Right-to-Work states.

While the evidence Holmes has gathered is new, the economic wisdom behind it certainly is not. Many employers know firsthand the costly burdens of union work rules and violent strikes. But back in 1960, Nobel-Prize winning economist Friedrich Hayek discerned that in the final analysis, "whatever true coercive power unions may be able to wield over employers is a consequence of this primary power of coercing other workers" (Hayek 1960: 269).

Using their control over the employer's labour to drive up his production costs, union officials inhibit job creation, as Holmes shows. They also liquidate existing jobs, leading to an average unemployment rate seven percent higher in non-Right-to-Work states than in Right-to-Work states since 1981.<sup>7</sup>

With a new factual certainty, Dr. Holmes has shown that Right-to-Work laws are a major spur to the creation of manufacturing growth and new jobs. That is a winning proposition for employees and employers alike.

### **Conclusion**

Having permitted a budget surplus, low unemployment, positive new job creation, and low taxes, Idaho's Right-to-Work law provides business recruitment leverage, a solid economic foundation, and a secure climate for sustained growth well into the next century. What Idahoans now enjoy as a way of life began at the 1986 watershed, the enactment of the state's Right-to-Work law. And the first seven years of Idaho's Right-to-Work law bode well for that state's future prosperity, so long as markets remain free and individuals maintain their right to choose whether or not to join or support a labour union.

# The Daily Californian

Guest column

## Right to Work states do best economically

By David Kendrick  
Guest columnist

As economic policymakers fret over the economic "flu" spreading from East Asia to the United States, they might want to study the 21 Right to Work states where employees are free to decide for themselves whether a union deserves their financial support.

As new government figures show, their regime of voluntary unionism has created a stable environment for healthy job growth, particularly in the case of Texas. But forced unionism states like Indiana, California, New Jersey and Massachusetts have been buffeted by the shock wave of the Asian tsunami.

In early October, the U.S. Bureau of Labor Statistics (BLS) reported a loss of 16,000 manufacturing jobs in September, a clear sign that the economic crisis which has gripped East Asia and Russia is beginning to harm the U.S. economy.

BLS Commissioner Katherine Abraham cited particularly large losses in the electrical and electronic equipment industry, "where both exports to Asia and imports from Asia are factors. The imprint of Asia on the data is very clear."

Now the BLS has released the September job figures on a state-by-state basis. Clearly, it is the 21 states where employees are free to decide for themselves whether to pay union dues that are providing the cushion for the nation's job climate.

In electrical equipment manufacturing, for example, nationwide employment has fallen by 13,200 since its high-water mark in March. 12,000 of those jobs have been lost in the forced unionism states — 91 percent of the total decline! So precipitous is this fall that the non-Right to Work states' losses in this sector have wiped out their gains from September of last year to this past March.

The non-Right to Work states have lost 5,800 electronic equipment jobs since September of last year, while the Right to Work states have gained 6,500.

Hardest hit have been Indiana, where employment in this industry has plummeted 3 percent in the last year, California with a 2.5 percent decline, New Jersey and Massachusetts where employment in electrical and electronic equipment has fallen 1.4 percent.

On the other hand, Texas has seen its employment in this industry rise by 1.2 percent since September 1997. Indeed, Right to Work states have consistently outperformed the forced unionism states in the past year. By this past June, the high water mark for electrical and electronic equipment, Right to Work states had increased their employment in the industry by nearly 2 percent, while forced unionism states had increased less than half a percent.

Then, in July alone, non-Right to Work states saw their employment in the industry plummet more than 1 percent. Thus, in the past year, jobs in electrical equipment manufacturing have fallen 0.5 percent in forced unionism states, while growing by 1.5 percent in the Right to Work states.

The government figures presented here are simply a snapshot of a larger pattern in all manufacturing. Over the long term, Right to Work states have gained 1.5 million manufacturing jobs since 1970, while forced unionism states have lost more than 2.5 million such jobs.

As nervous Americans in the 29 non-Right to Work states brace for the fallout from the economic crisis overseas, they would do well to examine the link between voluntary unionism and stable job growth in the 21 Right to Work states.

David Kendrick is program director of the National Institute for Labor Relations Research.



NATIONAL INSTITUTE FOR LABOR RELATIONS RESEARCH

5211 Port Royal Road, Suite 510 • Springfield, Virginia 22151 • Tel. (703) 321-9606 • Fax (703) 321-7342

## ***A Higher Standard of Living in Right to Work States: 1977-1999***

Nearly a quarter century ago, Alan Reynolds, then with the First National Bank of Chicago asked, "Is Mississippi Richer than New York?" After adjusting for the higher cost of living data then available, the answer was, "Yes."

Comparing each state's median family income, adjusted for average income taxes and cost of living, revealed that the supposed advantage in gross income enjoyed by states such as Massachusetts, New York and Hawaii over such states as Texas, Mississippi and Arkansas was an illusion.

When applied to per-capita personal income, a similar pattern emerged, in which real average family income in Wyoming was more than a third higher than New York's.

Reynolds noted that the Right to Work states were evenly distributed at all levels of adjusted incomes. He then concluded that the debate over Right to Work laws should be "waged on other grounds" than a supposed advantage in the gross incomes of non-Right to Work states.

Several years later, Dr. James Bennett of George Mason University took the same data for 1981, and found an even greater advantage for Right to Work states. In adjusted per-capita income, for instance, two-thirds of the Right to Work states were in the top 50 percent of adjusted income. Three-fifths were in the top 50 percent of adjusted family income.

Unfortunately, the Bureau of Labor Statistics' index of comparative living costs only included 28 states with then-defined "metropolitan areas." For other states, the COL index for the closest comparable state was used. This and other limitations in the available data prohibited further comparison between Right to Work and non-Right to Work states. And any further updates of this information became impossible when the U.S. Bureau of Labor Statistics ceased publication of its comparative cost data.

But in 1989, Richard Boyer and David Savageau published the *Places Rated Almanac* (PRA), in which they estimated family income, state and local taxes, and the cost of living for each of the 333 metropolitan areas containing three-quarters of the U.S. population, with at least one area in every state. After excluding those six areas straddling a border between a Right to Work and non-Right to Work state, Dr. Bennett separated the 129 Right to Work areas from the 198 non-Right to Work areas.

First, Dr. Bennett found that the average family in a non-Right to Work state paid nearly twice the state and local taxes of a family in a Right to Work state. He then found that accounting for the costs of food, housing, health care and transportation, the cost of living was 22 percent higher in a non-Right to Work state than in a Right to Work state.

After adjusting for these factors, Bennett found that while unadjusted family income was some \$5,600 higher in non-Right to Work states; average family income, adjusted for taxes and the cost of living, was \$1,377 higher in Right to Work states.

Four years later, Dr. Bennett recreated the study with the 1994 edition of the PRA. This time, he found that on average, families in non-Right to Work states paid \$3,005 in state and local taxes, compared to \$1,779 in Right to Work states, and that the cost of living was nearly 25 percent higher in non-Right to Work states. Thus, adjusted family income, on average, was \$2,852 higher in Right to Work than in non-Right to Work states.

In November of this year, Savageau and Ralph D'Agostino published the 1999 edition of the PRA. This time, state and local taxes have been factored into their COL index, thus requiring only an adjustment of average family income for 135 Right to Work and 189 non-Right to Work metro areas.

Before adjusting for cost of living, median family income is \$62,350 in Right to Work states, versus \$69,750 in non-Right to Work states, a difference of \$7,400. But the Right to Work states' average cost of living index for state and local taxes, housing, food, health care, transportation and recreation is 100, compared to 112 in non-Right to Work states. Thus, it is 12 percent more expensive to live in a non-Right to Work state than in a Right to Work state.

After adjusting the metro areas for the higher cost of living, median family income is \$64,608 in Right to Work states, versus \$62,275 in non-Right to Work states, an advantage of \$2,333.

In 1977, Alan Reynolds answered that Mississippi was richer than New York. Today, it can be said that Biloxi, Mississippi (adjusted family income, \$56,600), is richer than New York City (\$53,258).

Right to Work Metro Areas	Family Income	COL	Adjusted Income
W. Palm Beach-Boca Raton, FL	\$ 100,000	1.10	\$ 90,909
Naples, FL	\$ 100,000	1.18	\$ 84,746
Houston, TX	\$ 85,000	1.03	\$ 82,524
Sarasota-Bradenton, FL	\$ 84,700	1.03	\$ 82,233
Victoria, TX	\$ 71,100	0.87	\$ 81,724
Sioux Falls, SD	\$ 74,500	0.92	\$ 80,978
Dallas, TX	\$ 85,200	1.07	\$ 79,626
Memphis, TN-AR-MS	\$ 78,000	0.99	\$ 78,788
Casper, WY	\$ 72,700	0.94	\$ 77,340
Nashville, TN	\$ 77,300	1.01	\$ 76,535
Odessa-Midland, TX	\$ 68,900	0.91	\$ 75,714
Atlanta, GA	\$ 82,400	1.11	\$ 74,234
Fort Myers-Cape Coral, FL	\$ 70,400	0.95	\$ 74,105
Tyler, TX	\$ 67,100	0.91	\$ 73,736
San Antonio, TX	\$ 68,400	0.93	\$ 73,548
Topeka, KS	\$ 68,000	0.93	\$ 73,118
Fort Pierce-Port St. Lucie, FL	\$ 72,900	1.01	\$ 72,178
Jackson, TN	\$ 62,700	0.87	\$ 72,069
Fort Worth-Arlington, TX	\$ 72,000	1.00	\$ 72,000
Chattanooga, TN-GA	\$ 65,400	0.91	\$ 71,868
Reno, NV	\$ 81,600	1.14	\$ 71,579
Wichita Falls, TX	\$ 62,100	0.87	\$ 71,379
Jacksonville, FL	\$ 72,000	1.01	\$ 71,287
Omaha-NE-IA	\$ 75,500	1.06	\$ 71,226
Jackson, MS	\$ 67,000	0.95	\$ 70,526
Brazoria, TX	\$ 66,600	0.95	\$ 70,105
Boise City, ID	\$ 73,600	1.05	\$ 70,095
Roanoke, VA	\$ 71,300	1.02	\$ 69,902
Richmond-Petersburg, VA	\$ 78,600	1.13	\$ 69,558
Wichita, KS	\$ 69,500	1.01	\$ 68,812
Corpus Christi, TX	\$ 62,200	0.91	\$ 68,352
Amarillo, TX	\$ 61,400	0.90	\$ 68,222
Cedar Rapids, IA	\$ 72,100	1.06	\$ 68,019
Orlando, FL	\$ 68,000	1.01	\$ 67,327
Tampa-St.Petersburg-Clearwater, FL	\$ 65,900	0.98	\$ 67,245
Abilene, TX	\$ 60,500	0.90	\$ 67,222
Birmingham, AL	\$ 71,200	1.06	\$ 67,170
Dubuque, IA	\$ 68,500	1.02	\$ 67,157
Fort Lauderdale, FL	\$ 75,800	1.13	\$ 67,080
Longview-Marshall, TX	\$ 60,300	0.90	\$ 67,000
Shreveport-Bossier City, LA	\$ 62,100	0.93	\$ 66,774
Lubbock, TX	\$ 63,300	0.95	\$ 66,632
Little Rock-N. Little Rock, AR	\$ 67,900	1.02	\$ 66,569
Baton Rouge, LA	\$ 67,200	1.01	\$ 66,535
Beaumont-Port Arthur, TX	\$ 61,200	0.92	\$ 66,522
Knoxville, TN	\$ 62,900	0.95	\$ 66,211
Galveston-Texas City, TX	\$ 66,100	1.00	\$ 66,100
Decatur, AL	\$ 62,000	0.94	\$ 65,957
Las Vegas, NV-AZ	\$ 73,100	1.11	\$ 65,856
Salt Lake City-Ogden, UT	\$ 74,200	1.13	\$ 65,664

Huntsville, AL	\$ 66,300	1.01	\$ 65,644
Columbia, SC	\$ 66,800	1.02	\$ 65,490
Alexandria, LA	\$ 60,800	0.93	\$ 65,376
Waco, TX	\$ 57,500	0.88	\$ 65,341
Rapid City, SD	\$ 62,000	0.95	\$ 65,263
San Angelo, TX	\$ 60,000	0.92	\$ 65,217
Lincoln, NE	\$ 66,500	1.02	\$ 65,196
Savannah, GA	\$ 67,800	1.04	\$ 65,192
Cheyenne, WY	\$ 62,500	0.96	\$ 65,104
New Orleans, LA	\$ 68,300	1.05	\$ 65,048
Charlotte-Gastonia-Rock Hill, SC-NC	\$ 74,700	1.15	\$ 64,957
Sherman-Denison, TX	\$ 57,800	0.89	\$ 64,944
Montgomery, AL	\$ 66,800	1.03	\$ 64,854
Monroe, LA	\$ 61,600	0.95	\$ 64,842
Bismarck, ND	\$ 62,800	0.97	\$ 64,742
Waterloo-Cedar Falls, IA	\$ 60,800	0.94	\$ 64,681
Melbourne-Titusville-Palm Bay, FL	\$ 62,600	0.97	\$ 64,536
Sioux City, IA-NE	\$ 67,000	1.04	\$ 64,423
Charlottesville, VA	\$ 76,000	1.18	\$ 64,407
Miami, FL	\$ 71,900	1.12	\$ 64,196
Fayetteville, NC	\$ 63,100	0.99	\$ 63,737
Lake Charles, LA	\$ 61,700	0.97	\$ 63,608
Hickory-Morganton-Lenoir, NC	\$ 61,600	0.97	\$ 63,505
Austin-San Marcos, TX	\$ 67,700	1.07	\$ 63,271
Dothan, AL	\$ 57,500	0.94	\$ 59,278
Johnson City-Kingsport-Bristol, TN-VA	\$ 55,600	0.88	\$ 63,182
Des Moines, IA	\$ 74,200	1.07	\$ 76,495
Florence, SC	\$ 62,100	0.99	\$ 62,727
Augusta-Aiken, GA-SC	\$ 62,000	0.99	\$ 62,626
Lafayette, LA	\$ 58,800	0.94	\$ 62,553
Macon, GA	\$ 63,000	1.01	\$ 62,376
Ocala, FL	\$ 54,800	0.88	\$ 62,273
Provo-Orem, UT	\$ 67,000	1.08	\$ 62,037
Houma, LA	\$ 59,500	0.96	\$ 61,979
Greensboro--Winston Salem--High Point, NC	\$ 69,900	1.13	\$ 61,858
Fort Walton Beach, FL	\$ 65,300	1.06	\$ 61,604
Fayetteville-Springdale-Rogers, AR	\$ 61,600	1.00	\$ 61,600
Phoenix-Mesa, AZ	\$ 68,300	1.11	\$ 61,532
Columbus, GA-AL	\$ 60,200	0.98	\$ 61,429
Iowa City, IA	\$ 66,600	1.09	\$ 61,101
Texarkana, Tx-Texarkana, AR	\$ 56,200	0.92	\$ 61,087
Laredo, TX	\$ 52,500	0.86	\$ 61,047
Tallahassee, FL	\$ 62,200	1.02	\$ 60,980
Lynchburg, VA	\$ 60,700	1.00	\$ 60,700
Pensacola, FL	\$ 59,200	0.98	\$ 60,408
Raleigh-Durham-Chapel Hill, NC	\$ 74,600	1.24	\$ 60,161
Gainesville, FL	\$ 60,500	1.01	\$ 59,901
Norfolk, Va. Beach, Newport News, VA	\$ 65,200	1.09	\$ 59,817
Greenville-Spartanburg-Anderson, SC	\$ 61,900	1.04	\$ 59,519
Lakeland-Winter Haven, FL	\$ 59,700	1.00	\$ 59,400
Greenville, NC	\$ 61,000	1.03	\$ 59,223

Asheville, NC	\$ 62,500	1.06	\$ 58,962
Killeen-Temple, TX	\$ 52,900	0.9	\$ 58,778
Daytona Beach, FL	\$ 54,000	0.92	\$ 58,696
Mobile, AL	\$ 59,100	1.01	\$ 58,515
Tuscaloosa, AL	\$ 57,700	0.99	\$ 58,283
El Paso, TX	\$ 52,700	0.91	\$ 57,912
Rocky Mount, NC	\$ 58,300	1.01	\$ 57,723
Athens, GA	\$ 58,800	1.02	\$ 57,647
Florence, AL	\$ 55,900	0.97	\$ 57,629
Anniston, AL	\$ 52,500	0.92	\$ 57,065
Pocatello, ID	\$ 57,600	1.01	\$ 57,030
Brownsville-Harlingen-San Benito, TX	\$ 50,000	0.88	\$ 56,818
Biloxi-Gulfport-Pascagoula, MS	\$ 56,600	1.00	\$ 56,600
Panama City, FL	\$ 57,100	1.01	\$ 56,535
Albany, GA	\$ 60,900	1.08	\$ 56,389
Charleston-N. Charleston, SC	\$ 60,400	1.08	\$ 55,926
Pine Bluff, AR	\$ 54,700	0.98	\$ 55,816
Jacksonville, NC	\$ 54,000	0.97	\$ 55,670
Punta Gorda, FL	\$ 57,300	1.03	\$ 55,631
Jonesboro, AR	\$ 54,900	1.00	\$ 54,900
Tucson, AZ	\$ 58,000	1.06	\$ 54,717
Gadsden, AL	\$ 51,400	0.94	\$ 54,681
Wilmington, NC	\$ 60,000	1.10	\$ 54,545
Danville, VA	\$ 52,900	0.97	\$ 54,530
McAllen-Edinburg-Mission, TX	\$ 47,900	0.88	\$ 54,432
Flagstaff, AZ-UT	\$ 61,400	1.13	\$ 54,336
Sumter, SC	\$ 53,200	0.98	\$ 54,286
Lawrence, KS	\$ 53,800	1.00	\$ 53,800
Goldsboro, NC	\$ 53,600	1.00	\$ 53,600
Myrtle Beach, SC	\$ 57,700	1.10	\$ 52,455
Hattiesburg, MS	\$ 50,700	0.97	\$ 52,268
Bryan-College Station, TX	\$ 48,400	0.94	\$ 51,489
Yuma, AZ	\$ 48,900	1.10	\$ 44,455
<b>RTW Median</b>	<b>\$ 62,350</b>	<b>1.00</b>	<b>\$ 64,608</b>

Areas ranked in order of adjusted family income

Forced-Unionism Metro Areas	Family Income	COL	Adjusted Income
Bridgeport, CT	\$ 127,700	1.24	\$ 102,984
Stamford-Norwalk, CT	\$ 141,100	1.55	\$ 91,032
Danbury, CT	\$ 132,300	1.46	\$ 90,616
Trenton, NJ	\$ 106,400	1.28	\$ 83,125
Lowell, MA-NH	\$ 102,200	1.24	\$ 82,419
Long Island, NY	\$ 117,600	1.46	\$ 80,548
Madison, WI	\$ 78,800	1.01	\$ 78,020
Middlesex-Somerset-Hunterdon, NJ	\$ 106,600	1.37	\$ 77,810
Bergen-Passaic, NJ	\$ 112,200	1.46	\$ 76,849
Newark, NJ	\$ 107,400	1.41	\$ 76,170
Elkhart-Goshen, IN	\$ 72,400	0.96	\$ 75,417
Minneapolis-St. Paul, MN-WI	\$ 88,100	1.17	\$ 75,299
Fort Wayne, IN	\$ 73,000	0.97	\$ 75,258
Wilmington-Newark, DE-MD	\$ 85,300	1.14	\$ 74,825
St. Louis, MO-IL	\$ 80,000	1.07	\$ 74,766
Atlantic City-Cape May, NJ	\$ 83,800	1.13	\$ 74,159
Grand Rapids-Muskegon-Holland, MI	\$ 77,900	1.06	\$ 73,491
Waterbury, CT	\$ 87,400	1.19	\$ 73,445
San Jose, CA	\$ 111,500	1.52	\$ 73,355
Chicago, IL	\$ 94,200	1.29	\$ 73,023
Saginaw-Bay City-Midland, MI	\$ 73,200	1.01	\$ 72,475
Kokomo, IN	\$ 71,600	0.99	\$ 72,323
Manchester, NH	\$ 83,700	1.16	\$ 72,155
Indianapolis, IN	\$ 75,000	1.04	\$ 72,115
Bloomington-Normal, IL	\$ 74,100	1.04	\$ 71,250
Anchorage, AK	\$ 86,400	1.22	\$ 70,820
Hartford, CT	\$ 89,100	1.26	\$ 70,714
Peoria-Pekin, IL	\$ 70,700	1.00	\$ 70,700
Springfield, MA	\$ 69,700	1.12	\$ 70,700
Denver, CO	\$ 82,600	1.17	\$ 70,598
Ventura, CA	\$ 91,700	1.30	\$ 70,538
Baltimore, MD	\$ 82,500	1.17	\$ 70,513
Seattle-Bellevue-Everett, WA	\$ 91,400	1.30	\$ 70,303
New Haven-Meriden, CT	\$ 87,000	1.24	\$ 70,161
Monmouth-Ocean, NJ	\$ 88,200	1.26	\$ 70,000
South Bend, IN	\$ 67,200	0.96	\$ 70,000
Appleton-Oshkosh-Neenah, WI	\$ 73,900	1.06	\$ 69,717
Rochester, MN	\$ 77,900	1.12	\$ 69,554
Lawrence, MA-NH	\$ 87,600	1.26	\$ 69,524
Evansville-Henderson, KY	\$ 66,700	0.96	\$ 69,479
Detroit, MI	\$ 85,300	1.23	\$ 69,350
Ann Arbor, MI	\$ 90,900	1.32	\$ 68,864
Akron, OH	\$ 74,100	1.08	\$ 68,611
Portland, ME	\$ 73,400	1.07	\$ 68,598
Philadelphia, PA-NJ	\$ 87,000	1.27	\$ 68,504
Tulsa, OK	\$ 67,000	0.98	\$ 68,367
Boulder-Longmont, CO	\$ 83,800	1.23	\$ 68,130
Springfield, IL	\$ 66,700	0.98	\$ 68,061
Cincinnati, OH-KY-IN	\$ 76,100	1.12	\$ 67,946
Milwaukee-Waukesha, WI	\$ 82,200	1.21	\$ 67,934

Louisville, KY-IN	\$	72,600	1.07	\$	67,850
Cleveland-Lorain-Elyria, OH	\$	79,200	1.17	\$	67,692
Green Bay, WI	\$	74,200	1.10	\$	67,455
Lancaster, PA	\$	75,200	1.12	\$	67,143
Harrisburg-Lebanon-Carlisle, PA	\$	72,400	1.08	\$	67,037
Rockford, IL	\$	69,700	1.04	\$	67,019
Rochester, NY	\$	76,300	1.14	\$	66,930
Decatur, IL	\$	67,500	1.01	\$	66,832
Nashua, NH	\$	82,700	1.24	\$	66,694
Salinas, CA	\$	85,900	1.29	\$	66,589
Kalamazoo-Battle Creek, MI	\$	68,800	1.04	\$	66,154
Gary, IN	\$	71,400	1.08	\$	66,111
Sheboygan, WI	\$	70,700	1.07	\$	66,075
Springfield, MO	\$	62,700	0.95	\$	66,000
Toledo, OH	\$	71,200	1.08	\$	65,926
Brockton, MA	\$	31,900	1.25	\$	65,520
Pittsburgh, PA	\$	72,500	1.11	\$	65,400
Richland-Kennewick-Pasco, WA	\$	65,400	1.00	\$	65,400
Wausau, WI	\$	69,300	1.06	\$	65,377
Dayton-Springfield, OH	\$	70,500	1.08	\$	65,278
Racine, WI	\$	75,700	1.16	\$	65,259
Lexington, KY	\$	67,200	1.03	\$	65,243
Pittsfield, MA	\$	72,300	1.11	\$	65,135
Allentown-Bethlehem-Easton, PA	\$	72,800	1.12	\$	65,000
Oakland, CA	\$	92,000	1.42	\$	64,789
Lansing-E. Lansing, MI	\$	69,900	1.08	\$	64,722
Reading, PA	\$	74,400	1.15	\$	64,696
Sacramento, CA	\$	74,300	1.15	\$	64,609
San Francisco, CA	\$	111,700	1.73	\$	64,566
Janesville-Beloit, WI	\$	68,300	1.06	\$	64,434
Canton-Massillon, OH	\$	66,800	1.04	\$	64,231
Lima, OH	\$	63,400	0.99	\$	64,040
Olympia, WA	\$	71,500	1.12	\$	63,839
Charleston, WV	\$	65,100	1.02	\$	63,824
Oklahoma City, OK	\$	61,700	0.97	\$	63,608
Columbia, MO	\$	63,800	1.01	\$	63,168
Columbus, OH	\$	71,900	1.14	\$	63,070
New London-Norwich, CT-RI	\$	81,000	1.29	\$	62,791
York, PA	\$	70,900	1.13	\$	62,743
Youngstown-Warren, OH	\$	63,300	1.01	\$	62,673
Lafayette, IN	\$	58,800	0.94	\$	62,553
Hamilton-Middleton, OH	\$	69,300	1.11	\$	62,432
Enid, OK	\$	58,600	0.94	\$	62,340
Billings, MT	\$	62,900	1.01	\$	62,277
Buffalo-Niagara Falls, NY	\$	68,500	1.10	\$	62,273
Erie, PA	\$	64,600	1.04	\$	62,115
Orange County, CA	\$	97,300	1.57	\$	61,975
Flint, MI	\$	71,800	1.16	\$	61,897
Portsmouth-Rochester, NH-ME	\$	75,500	1.22	\$	61,885
Burlington, VT	\$	72,800	1.18	\$	61,695
Albany-Schenectady-Troy, NY	\$	71,500	1.16	\$	61,638

Benton Harbor, MI	\$	66,500	1.08	\$	61,574
Spokane, WA	\$	62,100	1.01	\$	61,485
Portland-Vancouver, OR-WA	\$	77,300	1.26	\$	61,349
Los Angeles-Long Beach, CA	\$	83,400	1.36	\$	61,324
Great Falls, MT	\$	60,700	0.99	\$	61,313
Albuquerque, NM	\$	66,800	1.09	\$	61,284
Jackson, MI	\$	63,700	1.04	\$	61,250
La Crosse, WI-MN	\$	65,400	1.07	\$	61,121
Joplin, MO	\$	57,900	0.95	\$	60,947
Parkersburg-Marietta, WV-OH	\$	59,700	0.98	\$	60,913
Santa Rosa, CA	\$	81,600	1.34	\$	60,896
Kankakee, IL	\$	66,200	1.09	\$	60,734
St. Joseph, MO	\$	58,900	0.97	\$	60,722
Syracuse, NY	\$	67,400	1.11	\$	60,721
Boston, MA-NH	\$	94,700	1.56	\$	60,705
Yakima, WA	\$	60,700	1.00	\$	60,700
Tacoma, WA	\$	67,900	1.12	\$	60,625
Fort Collins-Loveland, CO	\$	68,400	1.13	\$	60,531
Champaign-Urbana, IL	\$	60,900	1.01	\$	60,297
Santa Cruz-Watsonville, CA	\$	86,000	1.43	\$	60,140
Hagerstown, MD	\$	59,500	0.99	\$	60,101
Colorado Springs, CO	\$	66,100	1.10	\$	60,091
Kenosha, WI	\$	66,100	1.10	\$	60,091
Owensboro, KY	\$	58,800	0.98	\$	60,000
Fitchburg-Leominster, MA	\$	74,300	1.24	\$	59,919
Worcester, MA-CT	\$	73,600	1.23	\$	59,837
Muncie, IN	\$	60,900	1.02	\$	59,706
New Bedford, MA	\$	69,800	1.17	\$	59,658
Dutchess County, NY	\$	83,300	1.40	\$	59,500
Mansfield, OH	\$	60,700	1.03	\$	58,932
Bremerton, WA	\$	65,000	1.11	\$	58,559
Vallejo-Fairfield, CA	\$	76,100	1.3	\$	58,538
Fresno, CA	\$	64,300	1.10	\$	58,455
Scranton--Wilkes-Barre--Hazleton, PA	\$	61,900	1.06	\$	58,396
Lawton, OK	\$	55,300	0.95	\$	58,211
Santa Fe, NM	\$	73,900	1.27	\$	58,189
Providence-Fall River--Warwick, RI-MA	\$	69,500	1.20	\$	57,917
Santa Barbara-Santa Maria-Lompoc, CA	\$	86,200	1.50	\$	57,467
Vineland-Millville-Bridgeton, NJ	\$	68,200	1.19	\$	57,311
St. Cloud, MN	\$	62,400	1.10	\$	56,727
Barnstable-Yarmouth, MA	\$	76,300	1.35	\$	56,519
Missoula, MT	\$	59,900	1.06	\$	56,509
Altoona, PA	\$	58,200	1.03	\$	56,505
Williamsport, PA	\$	58,200	1.03	\$	56,505
Redding, CA	\$	61,000	1.08	\$	56,481
Riverside-San Bernardino, CA	\$	65,500	1.16	\$	56,466
Eau Claire, WI	\$	61,300	1.09	\$	56,239
Pueblo, CO	\$	55,600	0.99	\$	56,162
Greely, CO	\$	58,400	1.04	\$	56,154
Eugene-Springfield, OR	\$	61,600	1.10	\$	56,000
Medford-Ashford, OR	\$	61,500	1.10	\$	55,909

Stockton-Lodi, CA	\$ 64,600	1.16	\$ 55,690
Modesto, CA	\$ 63,400	1.14	\$ 55,614
Sharon, PA	\$ 57,800	1.04	\$ 55,577
Newburgh, NY-PA	\$ 74,300	1.34	\$ 55,448
Binghamton, NY	\$ 62,900	1.14	\$ 55,175
Tere Haute, IN	\$ 54,600	0.99	\$ 55,152
Salem, OR	\$ 61,600	1.12	\$ 55,000
Bellingham, WA	\$ 63,100	1.15	\$ 54,870
Duluth-Superior, MN-WI	\$ 59,200	1.08	\$ 54,815
Yolo, CA	\$ 69,500	1.27	\$ 54,724
Honolulu, HI	\$ 92,300	1.70	\$ 54,294
Dover, DE	\$ 61,100	1.13	\$ 54,071
Elmira, NY	\$ 61,100	1.13	\$ 54,071
Wheeling, WV-OH	\$ 54,500	1.01	\$ 53,960
Visalia-Tulare-Porterville, CA	\$ 59,800	1.11	\$ 53,874
San Diego, CA	\$ 76,900	1.43	\$ 53,776
Johnstown, PA	\$ 55,900	1.04	\$ 53,750
Merced, CA	\$ 60,700	1.13	\$ 53,717
Jersey City, NJ	\$ 72,900	1.36	\$ 53,603
State College, PA	\$ 60,300	1.13	\$ 53,363
New York, NY	\$ 94,800	1.78	\$ 53,258
Steubenville-Weirton, OH	\$ 53,700	1.01	\$ 53,168
Bakersfield, CA	\$ 61,600	1.16	\$ 53,103
Bloomington, IN	\$ 54,000	1.02	\$ 52,941
Huntington-Ashland, WV-KY-OH	\$ 52,700	1.00	\$ 52,700
Glens Falls, NY	\$ 60,600	1.17	\$ 51,795
Grand Junction, CO	\$ 56,700	1.10	\$ 51,545
Yuba City, CA	\$ 57,700	1.13	\$ 51,062
Lewiston-Auburn, ME	\$ 58,700	1.15	\$ 51,043
Cumberland, MD-WV	\$ 52,300	1.03	\$ 50,777
Bangor, ME	\$ 56,200	1.12	\$ 50,179
Utica-Rome, NY	\$ 60,500	1.21	\$ 50,000
Jamestown, NY	\$ 55,300	1.11	\$ 49,820
Chico-Paradise, CA	\$ 55,000	1.12	\$ 49,107
San Luis Obispo, Atascadero-Paso Robles, CA	\$ 63,400	1.32	\$ 48,030
Las Cruces, NM	\$ 48,100	1.01	\$ 47,624
<b>Forced-Unionism Median</b>	<b>\$ 69,750</b>	<b>1.12</b>	<b>\$ 62,275</b>

Areas ranked in order of adjusted family income

RTW States	Manuf. Jobs 88-98	% Change
AL	0	0.0%
AZ	27.1	14.3%
AR	25.6	11.2%
FL	-44.4	-8.2%
GA	19.1	3.3%
ID	18.1	31.2%
IA	34.4	15.1%
KS	32	17.6%
LA	21.6	12.7%
MS	6	2.5%
NE	24.1	25.4%
NV	16.9	67.3%
NC	-41.6	-4.8%
ND	7.9	48.8%
SC	-19.9	-5.2%
SD	18.7	60.7%
TN	6.5	1.3%
TX	147.8	15.4%
UT	34.9	35.3%
VA	-22.4	-5.2%
WY	1.9	21.1%
RTW Avg.	314.3	17.1%

RTW States	Non-Ag. Jobs 88-98	% Change
AL	356.3	23.0%
AZ	667.5	47.3%
AR	263.6	30.7%
FL	1597.1	31.4%
GA	861.3	29.9%
ID	173.4	49.7%
IA	290.5	20.1%
KS	279	27.0%
LA	395.3	26.3%
MS	236.7	26.5%
NE	187.1	27.2%
NV	386.8	71.9%
NC	804.7	27.1%
ND	61.8	24.2%
SC	339.3	23.4%
SD	97.3	36.9%
TN	570.8	27.6%
TX	2292.1	34.5%
UT	353.5	55.0%
VA	529.1	19.0%
WY	45	24.6%
RTW Avg.	10798.2	32.5%

Non-RTW States	Manuf. Jobs 88-98	% Change
AK	-0.2	-1.4%
CA	-187.6	-8.7%
CO	18.2	9.6%
CT	-94.8	-25.4%
DE	-10.2	-14.6%
HI	-6	-26.9%
IL	5.9	0.6%
IN	50.6	8.0%
KY	46.7	17.0%
ME	-21.1	-19.5%
MD	-31.7	-15.1%
MA	-137.6	-23.5%
MI	18.5	2.0%
MN	50.5	12.8%
MO	-8.8	-2.0%
MT	3.7	17.8%
NH	-10.4	-8.8%
NJ	-188.1	-28.2%
NM	5.2	13.0%
NY	-291.3	-24.1%
OH	-8.5	-0.8%
OK	23	14.1%
OR	30.4	14.2%
PA	-111.3	-10.5%
RI	-35.2	-30.9%
VT	-1.5	-3.0%
WA	40.9	12.1%
WV	-4.6	-5.3%
WI	66.1	12.0%
Non-RTW	-789.2	-4.0%

Non-RTW States	Non-Ag. Jobs 88-98	% Change
AK	63.1	29.7%
CA	1509	12.5%
CO	625.5	43.9%
CT	-28.9	-1.7%
DE	69.3	21.0%
HI	52.8	11.1%
IL	815.9	16.1%
IN	519.4	21.7%
KY	382.8	27.9%
ME	49.1	9.4%
MD	232.2	11.1%
MA	57.6	1.8%
MI	716.7	18.9%
MN	538.2	26.6%
MO	450	20.1%
MT	94	33.7%
NH	59.1	11.2%
NJ	152.5	4.2%
NM	180.6	33.4%
NY	44.3	0.5%
OH	791.7	16.9%
OK	308.7	27.3%
OR	404.3	35.1%
PA	462.1	9.2%
RI	2	0.4%
VT	32.7	12.9%
WA	660.8	34.1%
WV	107.6	17.6%
WI	562.9	26.2%
Non-RTW	9916	18.4%

RTW States	High-Tech Employment 1990	High-Tech Employment 1997	Job Change	Pct. Change
AL	41451	48359	6908	16.7%
AZ	80336	89174	8838	11.0%
AR	16763	18601	1838	11.0%
FL	169626	193559	23933	14.1%
GA	86119	132524	46405	53.9%
ID	13259	21984	8725	65.8%
IA	29382	33671	4289	14.6%
KS	23900	30037	6137	25.7%
LA	19827	22119	2292	11.6%
MS	12662	14182	1520	12.0%
NE	25139	29864	4725	18.8%
NV	9340	13372	4032	43.2%
NC	90385	119831	29446	32.6%
ND	2774	5298	2524	91.0%
SC	28116	28632	516	1.8%
SD	5343	14538	9195	172.1%
TN	39596	42016	2420	6.1%
TX	274196	375933	101737	37.1%
UT	27585	41075	13490	48.9%
VA	12170	154712	33004	27.1%
WY	1813	1710	-103	-5.7%
Sums/Avg.	1119320	1431191	311871	27.9%

Source: American Electronics Assn.

RTW States	High-Tech Exports 1990	High-Tech Exports 1998	\$ Change	% Change
AL	\$ 787	\$ 1,499	\$ 712	90.5%
AZ	\$ 2,723	\$ 7,821	\$ 5,098	187.2%
AR	\$ 252	\$ 533	\$ 281	111.5%
FL	\$ 4,890	\$ 13,025	\$ 8,135	166.4%
GA	\$ 1,732	\$ 4,017	\$ 2,285	131.9%
ID	\$ 539	\$ 902	\$ 363	67.3%
IA	\$ 1,204	\$ 2,382	\$ 1,178	97.3%
KS	\$ 528	\$ 860	\$ 332	62.9%
LA	\$ 552	\$ 836	\$ 284	51.4%
MS	\$ 231	\$ 461	\$ 230	99.6%
NE	\$ 251	\$ 515	\$ 264	105.2%
NV	\$ 97	\$ 287	\$ 190	195.9%
NC	\$ 2,633	\$ 5,268	\$ 2,635	100.1%
ND	\$ 145	\$ 416	\$ 271	186.9%
SC	\$ 1,145	\$ 2,318	\$ 1,173	102.4%
SD	\$ 123	\$ 254	\$ 131	106.5%
TN	\$ 1,058	\$ 3,135	\$ 2,077	196.3%
TX	\$ 15,105	\$ 40,786	\$ 25,681	170.0%
UT	\$ 778	\$ 916	\$ 138	17.7%
VA	\$ 2,127	\$ 4,046	\$ 1,919	90.2%
WY	\$ 16	\$ 24	\$ 8	50.0%
Sums/Avg.	\$ 36,916	\$ 90,301	\$ 53,385	144.6%

in millions of current U.S. dollars

Source: American Electronic Assn.

Non-RTW States	High-Tech Employment 1990	High-Tech Employment 1997	Job Change	Pct. Change
AK	2463	3517	1054	42.8%
CA	718030	784151	66121	9.2%
CO	92259	131854	39595	42.9%
CT	68859	71507	2648	3.8%
DE	4532	7533	3001	66.2%
HI	7151	6996	-155	-2.2%
IL	181415	207201	25786	14.2%
IN	72744	65528	-7216	-9.9%
KY	28344	31008	2664	9.4%
ME	11023	10511	-512	-4.6%
MD	94582	97484	2902	3.1%
MA	221641	205091	-16550	-7.5%
MI	87094	96013	8919	10.2%
MN	105156	123866	18710	17.8%
MO	63428	72332	8904	14.0%
MT	3093	4068	975	31.5%
NH	39002	39660	658	1.7%
NJ	171696	179528	7832	4.6%
NM	15290	21324	6034	39.5%
NY	350579	320410	-30169	-8.6%
OH	116672	132076	15404	13.2%
OK	30624	33797	3173	10.4%
OR	47540	70488	22948	48.3%
PA	142043	159952	17909	12.6%
RI	16292	13999	-2293	-14.1%
VT	13242	14347	1105	8.3%
WA	61142	97025	35883	58.7%
WV	7890	9912	2022	25.6%
WI	52095	54586	2491	4.8%
Non-RTW Avg.	2825921	3065764	239843	8.5%

Source: American Electronics Assn.

Non-RTW States	High-Tech Exports 1990	High-Tech Exports 1998	\$ Change	% Change
AK	\$ 46	\$ 35	\$ (11)	-23.9%
CA	\$ 29,722	\$ 64,434	\$ 34,712	116.8%
CO	\$ 2,014	\$ 4,073	\$ 2,059	102.2%
CT	\$ 1,772	\$ 2,510	\$ 738	41.6%
DE	\$ 156	\$ 376	\$ 220	141.0%
HI	\$ 26	\$ 49	\$ 23	88.5%
IL	\$ 8,288	\$ 15,927	\$ 7,639	92.2%
IN	\$ 1,883	\$ 4,118	\$ 2,235	118.7%
KY	\$ 1,004	\$ 2,006	\$ 1,002	99.8%
ME	\$ 262	\$ 824	\$ 562	214.5%
MD	\$ 1,145	\$ 1,791	\$ 646	56.4%
MA	\$ 8,186	\$ 11,485	\$ 3,299	40.3%
MI	\$ 4,522	\$ 6,690	\$ 2,168	47.9%
MN	\$ 3,708	\$ 5,617	\$ 1,909	51.5%
MO	\$ 826	\$ 1,599	\$ 773	93.6%
MT	\$ 30	\$ 89	\$ 59	196.7%
NH	\$ 724	\$ 1,131	\$ 407	56.2%
NJ	\$ 3,225	\$ 4,718	\$ 1,493	46.3%
NM	\$ 147	\$ 1,731	\$ 1,584	1077.6%
NY	\$ 10,938	\$ 15,093	\$ 4,155	38.0%
OH	\$ 4,460	\$ 8,507	\$ 4,047	90.7%
OK	\$ 844	\$ 1,457	\$ 613	72.6%
OR	\$ 1,548	\$ 5,397	\$ 3,849	248.6%
PA	\$ 4,141	\$ 6,783	\$ 2,642	63.8%
RI	\$ 258	\$ 518	\$ 260	100.8%
VT	\$ 1,730	\$ 3,395	\$ 1,665	96.2%
WA	\$ 1,438	\$ 3,258	\$ 1,820	126.6%
WV	\$ 105	\$ 126	\$ 21	20.0%
WI	\$ 3,260	\$ 5,622	\$ 2,362	72.5%
Non-RTW Avg.	\$ 96,408	\$ 179,359	\$ 82,951	86.0%

Source: American Electronics Assn.



# NEWS

NATIONAL INSTITUTE FOR LABOR RELATIONS RESEARCH

5211 Port Royal Road • Suite 510 • Springfield, Virginia 22151 • (703) 321-9606

Date: October 7, 1998

Contact: David Kendrick

## RIGHT TO WORK STATES LEAD IN '98 JOB GROWTH

SPRINGFIELD, Va.—Six of the top seven states in job growth for the first eight months of 1998 were Right to Work states, according to the U.S. Department of Labor's latest state-by-state employment statistics. The Right to Work states of Nevada, Wyoming, Florida, Arizona, South Carolina and Texas all exceeded the 1.2% annual growth rate for the United States from January to August of this year. These six states were on a pace to create over 400,000 new non-farm jobs by the end of the year.

Overall, those states with Right to Work laws banning the forced payment of union dues increased their total non-farm employment by an annual average of 2.1 percent between January and August of this year. That was a 40 percent faster rate of growth than the non-Right to Work states' growth rate of only 1.5 percent.

Leading the way was *Nevada*, where non-farm employment rose at an annual rate of 4.5 percent in the past eight months, followed by non-Right to Work Washington at 4.2 percent, *Wyoming* at 4.0 percent, *Florida* at 3.3 percent, *Arizona* at 3.2 percent, *South Carolina* at 2.9 percent, and *Texas* in 7<sup>th</sup> place at 2.7 percent. Overall, from January to August, the 21 Right to Work states were on a pace to create almost 4,800 more jobs this year per state, on average, than the 29 non-Right to Work states, including Washington, D.C.

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The National Institute for Labor Relations Research is a non-profit organization conducting the research and analysis necessary to expose the inequities of compulsory unionism.