

Facts About AFL-CIO Anti-Right to Work Propaganda

Delaware Citizens For Right to Work Response

What is a Right to Work law?

A state Right to Work law bars the firing of employees merely for refusal to pay dues or "fees" to a union that wields monopoly power to negotiate their contract terms. Many workers have sound reasons for believing they do not benefit from union monopoly bargaining and should not be forced to pay for it. As even an associate of the AFL-CIO-funded Economic Policy Institute admitted several years ago, one typical result of union monopoly bargaining is "reducing pay of the most productive workers."

Real Earnings and Benefits

Is the average cost of living significantly lower in Right to Work states than it is in non-Right to Work states?

Yes. Studies conducted by a wide array of economists, from the faculty of the Taubman Center for State and Local Government at Harvard University to American Federation of Teachers (AFT/AFL-CIO) union researcher F. Howard Nelson, have furnished data showing that, on average, the cost of living is significantly lower in states with Right to Work laws.

Dr. Nelson's data indicate that in 2000 the average cost of living in non-Right to Work states was 4.4% higher than the national average, while the average cost of living in Right to Work states was 7.1% lower than the national average. Delaware's overall cost of living was 4.4% higher than the average of Right to Work states.

How does employees' average pay in Delaware compare to the average pay in Right to Work states when differences in living costs and taxes are factored in?

Applying Dr. Nelson's Interstate Cost-of-Living Index and tax data supplied by Washington, D.C.'s Tax Foundation and the State Policy Institute of New York State, the real average weekly earnings of employees in Right to Work states in 2000 were \$484. By comparison, the average after-tax weekly earnings that year were \$471 in Delaware and \$468 in non-Right to Work states as a group.

What about non-cash compensation?

In recent years, Right to Work states have been far more successful than non-Right to Work states in generating good jobs that provide employees with non-cash benefits. For example, between 1988 and 1999, the number of private-sector employees in Right to Work states with employer-provided pension coverage grew by 58%, compared to just 36% in Delaware and 32% in non-Right to Work states as a group.

Who benefits from a Right to Work law?

Numerous economic analyses show there is a strong positive correlation between Right to Work laws and faster growth in personal income. For example, U.S. Bureau of Economic Analysis data show that, between 1992 and 2002, real personal income in Right to Work states grew by 37.3%. That's nearly half again as fast as the 25.8% growth in non-Right to Work states. Delaware's increase was 29.5%. On an individual basis, the beneficiaries are employees who hold a well-founded belief that they are harmed as a consequence of being forced under federal or state law to accept a union as their monopoly-bargaining agent. Across the country, such employees surely number in the millions. For example, according to the Bureau of National Affairs, in 2002 unionized manufacturing workers nationwide earned an average hourly wage of \$17.45, while union-free manufacturing workers earned an average of \$18.26. What is fair about a system forcing millions of unionized factory workers to pay dues for the "benefit" of union monopoly bargaining?

Right to Work and Individual Freedom

Does federal law "force" union officials to bargain contracts covering employees who don't wish to pay dues to a union they have chosen not to join?

No. As Roberts' Dictionary of Industrial Relations, a basic reference book for any student of U.S. labor law, shows clearly, nothing in federal law prevents union officials and employers from negotiating contracts in which "the employer recognizes the union for its members only." Members-only contracts are also permissible under state public-sector monopoly-bargaining laws that follow the federal private-sector model. Under the entry: "Bargaining Agent, for Members Only," Roberts' Dictionary even offers a sample members-only contract clause: "The employer recognizes the union as the collective bargaining agency for all of its members who are members of the union on all matters affecting those employees who are members."

If current law permits members-only contracts, why don't union officials ever negotiate them?

Under federal and state law, employers can be forced to accept a union as the "exclusive" bargaining agent of all employees in a bureaucratically-determined bargaining unit. Employees can be forced to accept union monopoly bargaining if they want to keep their jobs. Only the union official is free to choose under the law to refuse monopoly privileges and seek instead to bargain on a members-only basis. Clearly, monopoly bargaining is designed for the benefit of union officials, not employers or individual employees. If anyone should be forced to pay for the "benefits" of monopoly bargaining, it should be union officials.

Big Labor Propaganda Ignores Key Facts

Desperate to stop enactment of a Delaware Right to Work law, AFL-CIO union officials have launched a propaganda war. This week, union lobbyists are inundating state legislative offices with AFL-CIO-produced materials in which economic statistics are misused in an effort to demonstrate that forced unionism is somehow a formula for prosperity.

But these Big Labor propaganda pieces are all flawed in two ways: They ignore the fact that, on average, living costs are substantially lower in Right to Work states, and they ignore growth data showing that Right to Work states are far more successful at creating good jobs that offer good benefits.

Union officials know full well that a dollar earned in New York City doesn't go nearly as far as a dollar earned in rural Kansas. Union bosses' statistical propaganda that overlooks key issues that are inconvenient to their thesis shouldn't be the basis for legislative decisions in Delaware. Here are the real facts:

	Delaware	Average in Non-Right to Work States	Average in Right to Work States
Average After-Tax Weekly Pay <i>Bureau of National Affairs; AFT/AFL-CIO; Tax Foundation; State Policy Institute of NY State</i>	\$471	\$468	\$484
1999 Black Infant Mortality <i>U. S. Census Bureau, Statistical Abstract of the U.S., 2001 and 2002 Editions</i>	18.0 per 1000 live births	14.8 per 1000 live births	14.2 per 1000 live births
% Decline in Share of Population on Welfare, Jan. 1993 - Dec. 2001 <i>U. S. Dept. of HHS</i>	55%	64%	70%
% Growth in Private Employees With Employer-Provided Pension Benefits, 1988 - 1999 <i>Economic Policy Inst.; BLS</i>	36%	32%	58%
Real Personal Income Growth 1992-2002 <i>Bureau of Economic Analysis; BLS</i>	29.5%	25.8%	37.3%

Average weekly earnings are adjusted for cost-of-living and tax differences between the states, using the sources cited.