



National Right to Work Committee

Fact Sheet

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A COALITION OF EMPLOYEES AND EMPLOYERS

110th Congress – First Session

National Right to Work Act and the 110th Congress

The National Right to Work Act would not add a single word to federal law. It would simply repeal five provisions in the National Labor Relations Act (NLRA) and one in the Railway Labor Act (RLA) that authorize the firing of workers for refusal to pay union dues or fees to union officials.

NATIONAL RIGHT TO WORK ACT

U. S. Code Title 29, Chapter 7, Subchapter II
 SEC. 7 Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or mutual aid or protection, and shall also have the right to refrain from any or all of such activities except to the extent that such right may be affected by an agreement requiring membership in a labor organization as a condition of employment as authorized in section 8(a)(3).
 SEC. 8(a) It shall be an unfair labor practice for an employer
 (1) to interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in section 7;
 (2) to dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it: Provided, That subject to rules and regulations made and published by the Board pursuant to section 6, an employer shall not be prohibited from permitting employees to confer with him during working hours without loss of time or pay;
 (3) by discrimination in regard to hire or tenure of employment or any term or condition to encourage or discourage membership in any labor organization: Provided, That nothing in this Act, or in any statute of the United States, shall preclude an employer from making an agreement with a labor organization (not established, maintained or assisted by any action defined in section 8(a) of this act as an unfair labor practice) to require as a condition of employment membership therein on or after the thirtieth day following the beginning of such employment or the effective date of such agreement, whichever is the later, (i) if such labor organization is the representative of the employees as provided in section 9 (a) in the appropriate collective bargaining unit covered by such agreement when made; and (ii) unless following an election held as provided in section 9 (c) one year preceding the effective date of such agreement.

the Board shall have certified that at least a majority of the employees eligible to vote in such election have voted to rescind the authority of such labor organization to make such an agreement: Provided further, That no employer shall justify any discrimination against an employee for non-membership in a labor organization (A) if he has reasonable grounds for believing that such membership was not available to the employee on the same terms and conditions generally applicable to other members, or (B) if he has reasonable grounds for believing that membership was denied or terminated for reasons other than the failure of the employee to tender the periodic dues and the initiation fees formerly required as a condition of acquiring or retaining membership;
 (4) to discharge or otherwise discriminate against an employee because he has filed charges or given testimony under this Act;
 (5) to refuse to bargain collectively with the representatives of his employees, subject to the provisions of section 9 (a).
 (b) It shall be an unfair labor practice for a labor organization or its agents - (1) to restrain or coerce (A) employees in the exercise of the rights guaranteed in section 7: Provided, That this paragraph shall not impair the right of a labor organization to prescribe its own rules with respect to the acquisition or retention of membership therein; or (B) an employer in the selection of his representatives for the purposes of collective bargaining of the adjustment of grievances; (2) to cause or attempt to cause an employer to discriminate against an employee in violation of subsection (a) (3) or to discriminate against an employee with respect to whom membership in such organization has been denied or terminated on some ground other than his failure to tender the periodic dues and the initiation fees uniformly required as a condition of acquiring or retaining membership;
 (3) to refuse to bargain collectively with an employer, provided it is the representative of his employees subject to the provisions of section 9 (a);

Repeals Federal Laws That Empower Union Officials to Force Workers to Pay Union Dues

The National Right to Work Act would return to workers the freedom to decide as individuals whether or not a labor union, like any other private group, deserves their financial support.

When the gavel came down to close the 109th Congress, National Right to Work Act legislation (H.R. 500/S. 370) was left hanging with 147 official sponsors, but without any floor votes in either the House or the Senate.

That can not be allowed to remain the status quo.

As the Democrat controlled 110th Congress began its first 100 days, lead Right to Work House sponsor, Representative Joe Wilson (R-S.C.), along with 52 original cosponsors, reintroduced the National Right to Work Act (H.R. 697), with renewed vigor, and a deeper understanding of the need to hold floor votes on this vital issue. A companion Right to Work bill (S. 1301) was introduced in the Senate on May 3, 2007, by Sen. Jim DeMint (R-S.C.).

The debate over whether federal labor policy should favor compulsory financial support for unions will be an uphill battle in this new Congress. But to restore to workers their basic right of self-determination, it is a battle that must be fought.

Forced Dues Compound Injustice of Forced Union Representation

Compulsory union dues are actually only half of a double-pronged attack on employee freedom by federal labor law.

Under the NLRA and RLA, individual employees subject to forced-dues payment are also barred from bargaining with their employer on their own behalf as well as from being represented by any organization other than their federally-sanctioned “exclusive” bargaining agent.

The fact is, as thousands of complaints filed with the National Labor Relations Board (NLRB) every year by abused workers attest, many union officials systematically abuse their monopoly bargaining power.

For example, in one NLRB complaint recently reprinted in the newsletter Labor Relations Ink, a metal worker in Golden, Colo., charged that he had been fined \$50,000 by his union monopoly bargaining agent for exercising his legal right to resign from the union and return to his job during a strike. His hourly pay at the time was \$17.29!

Under current law, employees who are subject to such abusive tactics by union officials cannot withhold dues in protest -- that is, stop paying for forced-union representation that is obviously contrary to their best interest -- unless they are prepared to be fired from their jobs.

In addition to workers who are singled out for punishment by union officials, countless others are harmed simply because their talents don't serve Big Labor's agenda.

And pro-forced unionism intellectual Richard Rothstein, a fellow at the AFL-CIO-funded Economic Policy Institute in Washington, D.C., has even conceded that Big Labor-negotiated contracts usually have the effect of “reducing pay of the most productive workers.”

Workers' Forced Dues Tapped To Fund Big Labor's Political Agenda

Noted journalist Victor Riesel, a personal friend of long-time AFL-CIO chief George Meany, argued persuasively in a series of syndicated columns that unreported union campaign expenditures are worth up to 10 times as much as the reported cash contributions.

“[N]oncash contributions consist of staff time -- meaning union officials who are assigned to campaigns for months on end -- printing costs, postage, telephone and various other support services financed entirely with compulsory union dues and fees,” explained Mr. Riesel.

The Riesel formula put the total value of Big Labor's hidden 2003-2004 federal slush fund at \$1.4 billion, overwhelmingly derived from forced dues and fees!

For years, when confronted directly with Mr. Riesel's formula, union officials have acted deeply offended, and refused to provide even an estimate of the value of their total “in-kind” campaign spending. At the same time, union officials' own offhand statements and published reports suggest that, as applied today, the Riesel formula remains pertinent in current politics.

Consider the following:

The total value of paid staff time for federally-reporting unions alone (which excludes most public-employee unions) is \$3 billion a year, or nearly \$12 million per working day.

And a host of public statements by union officials themselves confirm that a large share of paid union staff time is devoted to partisan politics and lobbying.

For example, several AFL-CIO officers told *The New York Times*, in effect, that thousands of union organizers ceased their organizing activities for several months in 2000 to focus solely on electing and reelecting their favored politicians.

As reporter Stephen Greenhouse summarized their admission, “[U]nions organized fewer members last year because they threw so much money, energy and manpower into electoral politics.”

All by themselves, the forced-dues-funded salaries and benefits of union staff while they are on political assignments would come to hundreds of millions of dollars each election year.

In February 2000, an AFL-CIO spokesman confirmed for *Washington Post* reporter Frank Swoboda that the \$40 million that the national AFL-CIO umbrella organization had announced it planned to spend on “in-kind” support for that year's federal campaigns did “not include any money spent by the federation's 68 member unions.”

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*- Victor Riesel
Noted Journalist, Union Insider*

The total revenue of the AFL-CIO itself has under 5% of the revenue of the AFL-CIO's international affiliated unions (not to mention the revenue of thousands and thousands of state and local union subsidiaries).

And the officers of most of the larger international affiliates, such as the Teamsters, the American Federation of Teachers, the American Federation of State, County and Municipal Employees, and the Service Employees International Union, are at least as politically active as AFL-CIO officers themselves. (In 2005, bosses of the Teamsters, the Service Employees, and several of other unions left the AFL-CIO to form the so-called "Change to Win" union conglomerate.)

Therefore, Mr. Swoboda's report logically puts the total value of the AFL-CIO conglomerate's 1999-2000 federal slush fund in, at the least, the billion-dollar range for that presidential election timeframe.

And the injustice continues.

Millions of Workers Disenfranchised Through Big Labor's Use of Forced Dues for Politics

Roughly five million members of union households voted for GOP or Independent U.S. House candidates in the November 2006 elections, but were at the same time forced to bankroll Big Labor's campaign to hand control of the House to Democrat politicians with union dues money extracted out of their own or a family member's paycheck.

The official 50-state House exit poll conducted by Edison/Mitofsky Research (EMR) for all major national news organizations shows that 34% of union household members voted for Republicans and 2% for Independents. In absolute terms, that comes to an estimated 6.1 million union households members voting for Republicans or Independents.

Of these, roughly 82% -- or 5 million -- are either personally forced to pay union dues if they wish to keep their jobs, or have someone who is so coerced in their household.

Yet, once again, the union political machine shredded the free speech rights of millions of employees.

Federal law grants union officials extraordinary power over individual workers. Except in the 22 Right to Work states, federal law authorizes Big Labor to get workers fired for refusal to fork over forced union dues or fees.

It is outrageous that union bosses are able to get away with using workers' forced-dues money to cancel out workers' votes.

Even under several Supreme Court precedents won by the National Right to Work Legal Defense Foundation, forced dues-paying workers who resign from the union or never join can still be forced to pay fees up to or equal to full union dues as a condition of employment.

Objecting workers' forced fees are not supposed to be spent on politics or electioneering, but when the defense of these rights pit an independent-minded worker vs. a gaggle of union lawyers, it's easy to understand why this limited relief is not enough.

As countless Foundation cases show, union bosses routinely lie to workers. Workers are falsely told they have to join the union or that they can't automatically resign.

Time and again, workers are misled by such falsehoods and pay full dues to save their jobs. Meanwhile, the union political empire grows bigger and bigger.

Tasini: "We're Talking \$8 Billion to as Much as \$12 Billion on Federal Elections Alone"!

Big Labor's officially acknowledged campaign expenditures represent just the tip of the iceberg of union electioneering, as pro-forced unionism commentator John Tasini, a union consultant and former union official, acknowledged in a February 20, 2005 op-ed for the *Los Angeles Times*.

Mr. Tasini reported that several "union political experts" had admitted to him that "unions spend seven to 10 times what they give candidates and parties on internal political mobilization."

So, wrote Mr. Tasini, "we're talking \$8 billion to as much as \$12 billion on federal elections alone" between 1979 and 2004.

Still-incomplete federal reports show that, in 2005 and 2006, Big Labor contributed \$44 million in cash to federal candidates and another \$60 million to Big Labor-affiliated Section 527 groups (which replace contributions to national party committees banned by the 2002 McCain-Feingold Act).

Roughly 94% of the reported donations benefited Democrat candidates. Following Jon Tasini's formula, \$104 million in reported contributions means that in the just-completed election cycle, Organized Labor spent up to a billion dollars, mostly forced-dues money, "on internal Political mobilization" in 2005 and 2006.

Forced-dues money pays for political phone banks, propaganda mailings, and the salaries and benefits of tens of thousands of campaign "volunteers." This is by far the worst form of political corruption in America today.

No citizen, whether a worker, a small businessman, a student, a housewife, or a retiree -- should be forced to bankroll efforts to elect the very candidate he or she is voting against.

To stop such abuses the forced union dues requirement must be abolished. This can be done through congressional approval of a national Right to Work law and through enactment of state Right to Work laws in all 50 states.

Regulatory Approach Benefits Lawyers, Bureaucrats, Union Officials

The issue is not that union officials play politics -- it is that they play politics with other people's money. Millions of Americans are forced, because they are compelled to pay union dues, to subsidize someone else's political agenda on pain of being fired for refusing.

This injustice can only be addressed by eliminating the forced-dues provisions in federal law, thus making dues payments voluntary and giving individual employees effective influence over how their money is spent.

Proposals to address the problem by giving union-represented workers merely the option to seek partial refunds of dues used for politics are doomed to failure. They ultimately reaffirm the system of compulsory unionism that is the root of the problem and force workers to enlist the help of lawyers and bureaucrats to retrieve money that should never have been taken from them in the first place.

Compulsory Unionism Damages Competitiveness, Destroys Good Jobs

Moreover, remedies that focus solely on the political abuse of forced-union dues convey the false message that it is somehow less unjust to force workers to pay for hate-the-boss propaganda with which they disagree than for "in-kind" contributions to candidates they don't support.

Compulsory unionism itself violates the dignity of the individual worker, regardless of how the forced-union tribute is spent.

As the late Nobel Prize-winning economist Friedrich A. von Hayek wrote, "[T]he coercion which unions have been permitted to exercise . . . is primarily the coercion of fellow workers."

Walter Williams, a respected economist and syndicated columnist, has been more blunt.

"The union struggle is not against employers," Mr. Williams wrote. "It's against workers. One way you see this is to ask: Who gets beat up or killed during a strike? It's not the owners or management; it's workers who've disagreed with the union and wish to work."

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*- Walter Williams
Syndicated Columnist*

The coercive powers union officials wield courtesy of federal labor law not only rob individual employees of fundamental freedoms, but exert a damaging and corrupting influence on work places, the economy, and other aspects of everyday American life.

Union officials routinely wield their monopoly bargaining power to secure contracts full of wasteful and inefficient work rules that lead to payroll padding and job featherbedding.

Such practices, even as they enhance the union bosses' power by bringing more dues-payers under their control, drive business costs sky-high, and push some employers into bankruptcy, destroying jobs with the firms that created them.

Right to Work Creates Jobs, Higher Real Income

State Right to Work laws (now 22 in number) greatly mitigate the harm caused by federally-sanctioned union monopoly.

These laws protect private-sector employees from being fired under the forced-dues provisions in federal labor law. They also bar forced-union tribute in state and local government employment.

When employees' productivity and earning power are hamstrung by counterproductive union work rules, Right to Work laws empower them to fight back by withholding financial support for the union.

Therefore, it's not surprising that Right to Work states as a group consistently enjoy faster growth in jobs and personal income than non-Right to Work states.

Consider:

Right to Work states enjoyed a net 20% increase in non-farm, private-sector jobs between 1995 and 2005 (the last year for which figures are available), according to the U.S. Labor Department. Forced-unionism states registered only an 11% gain during the same period. Meanwhile, real personal income grew by 37% in Right to Work states, compared to 26% in forced-dues states, according to inflation adjusted U.S. Commerce Department data.

“The weighted average adjusted household income in [metropolitan areas] in Right to Work states is \$50,571; the weighted average adjusted household income in [metropolitan areas] in forced-unionism states is \$46,313”

*- Barry W. Poulson, Ph.D.
Professor of Economics
University of Colorado
Boulder, Colorado*

Oklahoma is excluded from the above analysis because it passed the nation's 22nd state Right to Work law in September 2001. Between 2000-2001 and 2004-2005, Oklahoma's constant-dollar median-household income increased by roughly \$750, while the national median fell by nearly \$670 as a result of the 2001 recession and subsequent slow recovery, according to the U.S. Census Bureau. During the same period, the Sooner poverty rate dropped by 1.8 percentage points, while poverty increased by 1.2 percentage points nationwide.

Census data also demonstrate that America's economic base continues to shift to Right to Work in recent years. **Voting with their feet, a net total of nearly 3.4 million Americans moved from non-Right to Work states to Right to Work states just since April 1, 2000.**

A study published in 2000 by Dr. James T. Bennett, a professor for George Mason University's Nobel Prize-winning Economics Department, demonstrated that real disposable

income in metropolitan areas in Right to Work states is higher than in forced-unionism states' metro areas, where the cost of living, including state and local taxes, was at that time on average 15% higher.

Dr. Bennett's study determined that, in 2000, the mean two-income household in a Right to Work state had nearly \$2000 more in after-tax purchasing power than its counterpart in a non-Right to Work state.

Reinforcing Dr. Bennett's findings, a study published in January 2005 by Dr. Barry Poulson, a professor at the University of Colorado and former president of the North American Economics and Finance Association, demonstrates that real disposable income in metropolitan areas in Right to Work states is still higher than in forced-unionism states' metropolitan areas, where the cost of living, including state and local taxes, is currently on average 18% higher.

If cost-of-living differences are taken into account, the average metropolitan-area household in a Right to Work state has nearly \$4300 more in after-tax purchasing power than its counterpart in a non-Right to Work state, concluded the study.

Dr. Poulson also concluded that Americans seeking to improve their living standards have a far easier time finding jobs in higher-income areas in Right to Work states than they do in higher-income areas in forced-unionism states.

Ironically, a cost-of-living index, created by one of the American Federation of Teachers' (AFT) veteran researchers, Dr. F. Howard Nelson, is helping confirm Dr. Poulson's independent findings. The more than 1.3 million member AFL-CIO affiliate's numbers cruncher calculated his "Interstate Cost-of-Living" Index (which can be downloaded at <http://www.aft.org/salary//2002/download/SalarySurvey02.pdf> -- see page 13) because it is sometimes in the AFT's interest to make accurate comparisons of teachers' earnings in different states.

Of course, neither Dr. Nelson nor the AFT hierarchy intended for the index to be used to calculate relative living costs in Right to Work states, where employees may not be fired for refusal to join or pay dues to a union, and non-Right to Work states. Nonetheless, the latest version of Dr. Nelson's index shows that the typical family in non-Right to Work New York must take in 34% more in nominal income to secure the same standard of living as a family in Right to Work Texas.

Meanwhile, it costs a family in non-Right to Work California 25% more dollars to live equally as well as a family in Right to Work Florida.

Non-Right to Work New Jersey is 27% more expensive to live in than Right to Work Virginia.

A 2004 study by the National Institute for Labor Relations Research (NILRR), "Real Earnings Remain Higher in Right to Work States: Fresh Evidence From the AFL-CIO," employs the cost-of-living differences documented by the AFT, differences in tax burdens calculated by the nonpartisan Tax Foundation, and raw weekly earnings reported by the Business News Association and the Public Service Research Foundation to compare real, spendable earnings in Right to Work and non-Right to Work states.

The NLRB study (available at www.nlrb.org) finds that, after adjusting for cost of living and total taxes, the mean weekly earnings of full-time employees in Right to Work states in 2001 was \$469, compared to just \$444 in non-Right to Work states.

Public Opinion Strongly Supports End to Forced Unionism

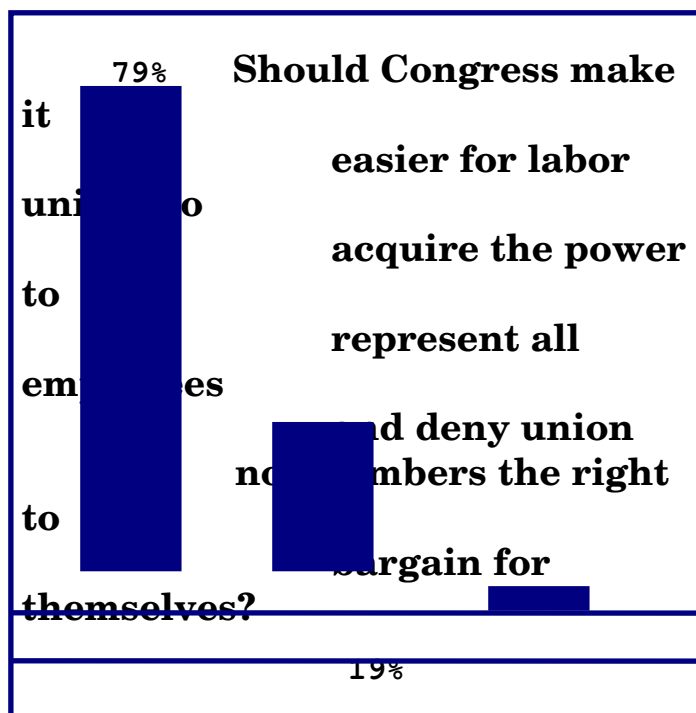
At a recent reception at AFL-CIO headquarters, House Speaker Nancy Pelosi (D-Calif.) presented a startling contrast to the outgoing GOP leaders who had spent the 2005-2006 Congress dodging the forced-unionism issue.

While being feted along with other Big Labor Democrat leaders and newly elected Democrat congressmen and senators, Ms. Pelosi gushed that AFL-CIO troops had “owned the ground” in many key campaigns and vowed to repay the union brass promptly.

“We’re going to move on ‘card check,’ because now we set the agenda and that will be part of it,” Ms. Pelosi declared.

By “card check,” she was colloquially referring to bills that would greatly expand Big Labor’s power to force employees to accept a union as their “exclusive” (monopoly) bargaining agent and in turn force even more workers to pay union dues and fees.

Ms. Pelosi’s rush to accommodate the demands of the union political operatives who are largely, if not primarily, responsible for making her speaker, flies in the face of the public she has sworn to represent.



A December 2006 Research 2000 nationwide poll, specifically asked whether Congress should make it easier for labor unions to acquire the power to represent all employees and deny union nonmembers the right to bargain for themselves, 79% of likely voters said “Not Easier.” And in the same poll, a whopping 81% responded that employees who do not want to be represented by a labor union should have the right to bargain for themselves.

For decades, national opinion polls have shown that the American people believe it is wrong to force an employee to pay union dues in order to work and feed his or her family.

A 2004 national opinion survey by Research 2000 showed that 79% of Americans who regularly vote in federal elections support employees' Right to Work whether or not they choose to affiliate with a union.

Opinion surveys taken in 2001, 2000, 1997, 1995, 1993, 1984 and 1980 showed virtually identical results.

And every time Congress has voted on a forced-unionism issue, going back nearly 40 years, the result has been a gain in support for Right to Work after the next election cycle.

For example, in 1996, the Senate voted for the first time on the National Right to Work Act. Although the measure was defeated and Big Labor went on to spend an estimated half-a-billion dollars or more trying to buy the 1996 elections, the end result was a net gain of five Right to Work supporters in the Senate by early 1997.

Even without a recorded vote, in stark contrast to Republicans who kowtowed to the union brass, the 114 GOP House candidates who sponsored national Right to Work legislation in 2005-2006 and sought reelection won 94% of their November 7 contests.

But recorded votes on the Right to Work Bill in 2007 or 2008 would likely prove even more effective at mobilizing freedom-loving citizens to "convert" or oust forced-unionism proponents in Congress.

The record shows that the American people want an end to federally-authorized compulsory union dues, and only Congress can do that. It's the congressional opponents of Right to Work who will have to explain their actions if they prevent the Right to Work Bill from reaching the President's desk. (President George W. Bush is publicly committed to signing Right to Work legislation, if Congress can get it to him.)