

# Forced-Unionism States Still Await Recovery

## *Latest Jobs Data Underscore Need For National Right to Work Law*

Although 2004 marked the third straight year of recovery for the national economy after the recession of 2001, recently released federal data show that many states still had fewer private-sector jobs last year than when the downturn began.

And the federal labor-law provisions that authorize the firing of employees for refusal to pay dues or fees to an unwanted union appear to be a major part of the problem.

In 22 states, the individual employee's Right to Work regardless of union affiliation or nonaffiliation is already protected by state law.

As a group, the Right to Work states have already fully recovered from the recession and are poised for additional growth.

According to the U.S. Labor Department's Bureau of Labor Statistics (BLS), between 2001 and 2004 the number of private-sector, non-farm jobs in Right to Work states increased by over 167,000.

Meanwhile, in the 28 states that do not protect employees from federally-imposed forced unionism, private-sector jobs decreased by more than a million.

Not one of the five states suffering the worst absolute decline in private-sector jobs (Illinois, Michigan, New York, Ohio and Massachusetts) has a Right to Work law.

And four of the five states with the most job losses (Illinois, Michigan, New York and Ohio) are also among the five states with the highest share of their private-sector employees compelled to accept a union bargaining agent as a job condition.

### **Right to Work Edge Also Clear Over the Long Term**

While Right to Work states' advantage in net job growth is greatest during rocky economic periods, it is notable in all kinds of economies.

Between 1994 and 2004, for example, BLS data show that private-sector job growth in Right to Work states was nearly double job growth in non-Right to Work states.

Furthermore, average household incomes are significantly higher in Right to Work states than in non-Right to Work states, once differences in living costs are

accounted for.

In a recent study -- available at [www.nilrr.org](http://www.nilrr.org) -- University of Colorado economist Barry Poulson, a past president of the North American Economics and Finance Association, investigated the real household-incomes issue.

### **Economic Evidence Will Be Presented at a U.S. House Hearing September 8**

Dr. Poulson found that the average cost-of-living adjusted household income in Right to Work state metropolitan areas in 2002 was \$50,571, nearly \$4300 higher than the average in forced-union-dues state metro areas.

Dr. James Bennett of George Mason University's Nobel Prize-winning Economics Department reached a similar

conclusion in a 2000 study: "Families in Right to Work states are economically better off than [families] in forced-unionism states."

At a U.S. House panel hearing September 8, National Right to Work Committee President Mark Mix will summarize the wide array of evidence of Right to Work's economic benefits as well as the moral case for prohibiting forced union dues.

During the hearing, pro-Right to Work and pro-forced unionism House members will debate the merits of H.R.500, the National Right to Work Act.

H.R.500 would strip all provisions authorizing forced union dues from federal law and make support for private-sector employees' Right to Work federal labor policy.

This bill and its Senate companion, S.370, are now cosponsored by a total of 106 House members and senators.


The September 8 hearing on H.R.500 will be held by the Small Business Committee's Subcommittee on Workforce, Empowerment and Government Programs. Subcommittee Chairwoman Marilyn Musgrave (R-Colo.), a Right to Work stalwart, announced she would hold the hearing last month.

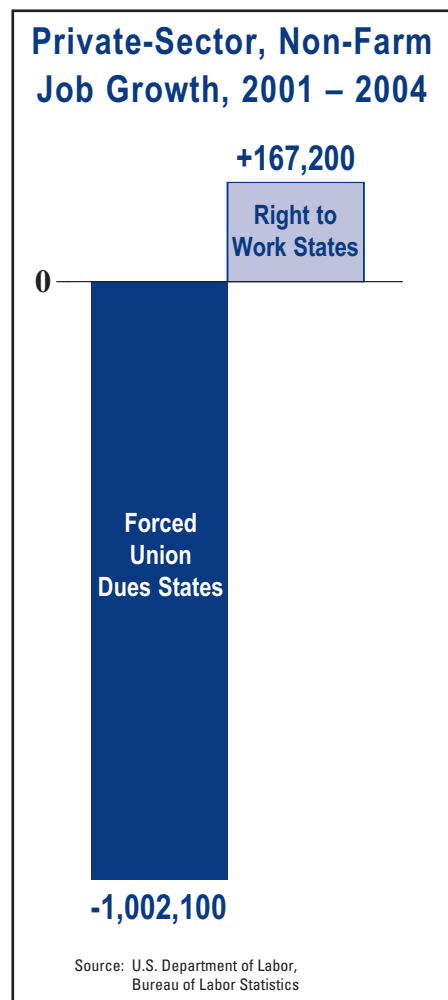
(For additional details on the H.R.500 hearing, see this month's Newsletter cover story.)

### **'The Record Indicates H.R.500 Would Foster Job Creation and Raise Incomes'**

"The record indicates H.R.500 would foster job creation and raise incomes as well as protect individual freedom," said Mr. Mix.

"In fact, no other action Congress is likely to take this year would have such a positive impact on the national economy. That's one reason why the Committee is mobilizing members across America to push for recorded votes on Right to Work."

Mr. Mix thanked Chairwoman Musgrave for scheduling the H.R.500 hearing after being asked to do so by countless Right to Work members across the country. "This is a significant step toward securing much-needed roll-call votes on national Right to Work legislation," he concluded. 



**The 28 non-Right to Work states have yet to recover the private-sector jobs they lost in the 2001 recession.**