

# Forced Unionism Linked to Health-Care Ills

## *Ranks of Privately Insured Grow Rapidly in Right to Work States*

On average, residents of Right to Work states have higher real household incomes than their counterparts in non-Right to Work states. And a significantly higher percentage of the jobs created in Right to Work states come with health benefits.

The evidence confirming these two claims comes from a 2005 study by University of Colorado economist Barry Poulson, past president of the North American Economics and Finance Association, and the U.S. Census Bureau.

In his study (available at [www.nilrr.org](http://www.nilrr.org) — the website of the National Institute for Labor Relations Research), Dr. Poulson calculated that metropolitan-area living costs average nearly 18% higher in non-Right to Work states than in Right to Work states.

When the number of households in each metro area is factored into the equation, the average cost of living-adjusted household income in Right to Work state metro areas in 2002 was roughly \$4250 higher than in non-Right to Work state metro areas.

And new Census Bureau data show that Right to Work states, home to just 36% of the U.S. population in 1995, enjoyed 62% of the nationwide increase in workers and family members with employment-based health insurance between 1995 and 2005.

(Oklahoma, which became a Right to Work state in 2001, is excluded from this calculation.)

### **Growth in Ranks of Insured More Than Thrice as Fast In Right to Work States**

Big Labor's allies sometimes concede that states with Right to Work laws, which bar the firing of employees for refusal to pay union dues or fees to their "exclusive" (monopoly) union bargaining agent, enjoy accelerated job creation. Whenever they do, they insist the jobs created are "the wrong kind."

But the fact is, it is in the non-Right to Work states as a group where new jobs are more typically not productive enough to come with important benefits like health insurance.

Runaway costs associated with Medicare and Medicaid, the two largest taxpayer-funded health-insurance programs, are helping to bust the federal



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**Between 1995 and 2005, the number of people with job-based health insurance grew by 15.2% in Right to**

**Work states — compared to just 4.7% in non-Right to Work states. Big Labor can't explain why.**

budget and put many state governments deeply in the red.

And the accelerated creation of good jobs that are sufficiently productive to absorb the high cost of family health-care benefits is a key component for resolving the Medicare and Medicaid crises.

Between 1995 and 2005, in forced-unionism states the number of people with employment-based private health insurance grew by just 4.7%, barely more than one-third as fast as the 12.8% U.S. population growth during this period.

Meanwhile, the number of people with employment-based insurance grew by 15.2% in Right to Work states.

Had the availability of job-based insurance in non-Right to Work states increased as rapidly as in Right to Work states since 1995, an additional 11 million Americans would be privately insured today.

### **Congress Created Problem Of Compulsory Unionism**

"Where forced dues are legal, union bosses use their power to dislocate labor markets, jack up costs, and bankroll Tax & Spend, regulation-happy politicians," charged Doug Stafford, vice president of the National Right to Work Committee.

"The evidence indicates fewer jobs

that pay well and offer good benefits are created as a consequence."

Mr. Stafford added that, in the private sector, Congress is clearly responsible for the forced-dues problem:

"Among the roughly seven-and-a-half million non-farm, private-sector workers who are forced to pay union dues to keep their jobs, not one is forced to do so by state law. Congress created this mess; Congress should clean it up."

Though time is running very short, it is still possible before the current Congress formally concludes for the Senate and House to vote on two national Right to Work measures (S.370 and H.R.500) that would repeal all federally-imposed forced union dues and fees.

"Congress should pass the National Right to Work Act, first and foremost because compulsory unionism is wrong," said Mr. Stafford.

"But the sluggish growth in good jobs and the benefits they bring that is associated with compulsory unionism makes the case for this legislation even stronger."

Mr. Stafford encouraged Right to Work members across the country to contact their senators and congressmen through the Capitol Switchboard, 202-224-3121 or 202-225-3121, to urge them to seek roll-call votes on Right to Work legislation. 📞