

Right to Work

What is Right to Work?: The National Labor Relations Act (NLRA) has been in place since 1935. A key portion of the NLRA allows public employees to unionize and bargain collectively for their rights in a workplace. Specifically, it authorizes unions to act as workers' "exclusive bargaining representatives." This means all employees who are part of a unionized workplace must accept the contract of the union that has chosen to represent them. Shortly after the NLRA was enacted, unions began to include as part of these bargained contracts provisions that stated that members owed mandatory dues, and if an employee refused to pay them they could be let go from their job, or never be hired in the first place. In response to this unfair practice many states began to enact laws that stated paying such dues could not be made a condition of employment for workers. These laws are best known today as right to work (RTW) laws.

Currently in the United States there are 25 states that have RTW legislation enacted, Iowa being one of them. There are many benefits that follow states which have granted their employees workplace freedom under RTW legislation.

Right to Work Protects Workers' Freedom: A main piece of all RTW legislation is that employees are not forced to pay their hard-earned money to a union that they do not feel represents their views or best interests. This point was most recently highlighted in the Supreme Court case *Friedrichs vs. California Teachers Association*. This case originated in California, where veteran teacher Rebecca Friedrichs spoke out against the dues she was being forced to pay in to the California Teacher's Association (CTA). California, unlike Iowa, forces public employees to pay union dues, even if that employee chooses to opt out of union representation. The rationale for this is that those dues go toward expenses the union incurs during collective bargaining, which presumably will benefit all teachers, regardless of whether or not they are union members.

However, research shows that 80% of the dues paid to the CTA are not spent on collective bargaining, but instead on campaign endorsements for candidates of CTA's choice. Friedrichs raised the awareness that her hard

earned money, almost \$1,000 a year, is being used to fund campaigns for candidates she may not share values with or choose to vote for. This, she argued, is an infringement on her First Amendment freedom of speech rights. Although this specific case originated in California, it is happening in states all throughout the country; public employees' forced union dues are being spent on political endorsements without consent of the employee. Unions, in effect, are super PACs.

The Supreme Court decided in favor of the union CTA and against public employees' free speech rights by allowing the forced payment of union dues to continue and letting the lower court decision stand in a gridlock 4-4 ruling on this case this past March. Further the Supreme Court said the case would not be rescheduled for debate in their next term. This was a huge defeat for RTW advocates all across the country, but the awareness it brought is one that cannot be overlooked. Without a ruling from the Court, 25 states (non-RTW) are still allowing their employees' freedom of speech to be repressed by the forced payment of union dues.

The practice of forced union dues will continue, perhaps indefinitely, because of the decision issued Tuesday. This is a great loss to public employees all across the nation, as they will continue to be forced to pay into a union who they may not opt out of choosing representation from.

However, even though the United States Supreme Court did not uphold the rights of citizens with regards to union membership this week, a state can still pass its own laws to control and stop the practice of forced union dues. As was mentioned 25 states have stepped up, and now hold the title of Right-to-Work states upon enactment of legislation that makes union membership optional for employees. Iowa continues to lead by example in this practice, and we will work hard to keep Iowa on the national Right-to-Work list.

Right to Work Ensures Unions Do Their Job: In non-RTW states, a union could be representing hundreds or thousands of employees by default because employees are forced to pay dues and be members. With so many employees to represent, there are times when unions dilute the concerns and needs of employees into a generic focus, requiring them to bargain for less than what their employees are demanding –and paying– for.

Instead, RTW laws allow for employees to opt out of union membership if they feel like their interests are not being represented. This allows for unions to focus on only their contracted members, lessening the amount of demands that need to be met.

By allowing for dues to be optional, RTW laws are also limiting the amount of money available to unions, lessening the chance of them spending the money on purposes not related to contract bargaining. As was mentioned in the *Friedrichs v. CTA* case above, unions will often times make generous political donations using the money they gain from mandatory fees. With the fees no longer mandatory, and the cash flow not as generous, unions are forced to spend their member's money in a more conscious way, making sure those who have voluntarily made a choice to pay their dues get exactly what they expect their money to go toward. If they don't, unions could lose valuable dues and memberships.

Right to Work Creates a Thriving Economic Environment: Unions have great impact on the economic environment, both at the federal and state level. Because their main purpose is to negotiate wage agreements for workers, they have a direct hand in the competition of labor markets.

One example of this cartel-like operation is the United Auto Workers and the American automobile market. The UAW once represented all of the automakers in Detroit – General Motors, Ford, and Chrysler. The contracts that were being negotiated by the UAW increased the autoworker's hourly wage and benefits so that UAW members received more than the average autoworker in American by more than \$70 an hour. Then the financial crisis of 2008 occurred, and in order for the automakers to keep up with the demands of UAW employees the cost was transferred to every American driver in the country. The demands of the UAW added approximately \$800 to every vehicle made in Detroit. With cars becoming more expensive Americans everywhere had to tighten their budgets in areas like groceries, child care, and other important goods and services in order to afford this important tool in their everyday lives.

Cost increases like the one mentioned above are happening every day because of union negotiations. When companies have to make up the cost of increasing benefit demands of unions, it is the consumers who end up paying the price.

Right to Work Results in a Lower Cost of Living: The National Institute for Labor Relations Research reported that RTW states tend to see a lower cost of living compared to non-RTW states. A study conducted by the Missouri Economic Research and Information Center (MERIC), found that there may be a correlation between the cost of living in a state, and whether or not a state has Right-to-Work laws in place. The MERIC study shows a correlation of non-RTW states having a higher cost of living, while RTW states rank among some of the lowest cost of living in the country. It reveals that forced union states are about 25% more expensive to live in than RTW states.

But why is it that non-RTW laws may cause a higher cost of living? Many economists argue that strict government regulation creates an economic climate fraught with high housing, energy, and utility costs. This can be seen firsthand in states such as California, New York, Connecticut, and Massachusetts; all of which are forced union states. To understand this argument further, it's important to look at how policies of government control and high taxes become law; from state politicians who advocate for them. It is argued that money forcibly taken by hard working employees from unions is in turn spent directly on campaign funding for politicians who support the policies stated above. This combination of policy preference, paired with endless campaign finance opportunities, is a perfect recipe for causing a state to have a high cost of living.

A common argument made by unions is that RTW laws create lower wages for employees in their states. It is true that RTW states typically have an average salary that is lower than the national average, but this is because the cost of living for that state is also lower than the national average. The correlation between lower average wages and RTW states is simply because it costs less to live in that state (in large part because of the RTW laws that are in place), and that's why wages are lower.

Conclusion: RTW states give their working citizens freedom to decide how their hard-earned money is spent, strong economic environments, and a lower cost of living while still allowing for a strong, and arguably more efficient, union presence for those who would like to voluntarily become a member. Economists have declared that the costs of mandatory union dues and membership outweighs the small benefits so few workers see from union negotiations. Iowa has been advocating for worker rights as a RTW

state since 1947. We are committed to putting Iowans first, and allowing them the freedom to choose how their hard earned money is spent, not forcing them into a union membership they do not feel is representing their best interests.

Feel free to contact me with ideas, thoughts, and concerns. My phone is 319-987-3021 or you can email me at sandy.salmon@legis.iowa.gov . I want to hear what you are thinking and will listen to your input. Together we will work to make a difference for the future of Iowa. Thank you very much for the honor of representing you!

Sincerely,

Sandy