



NATIONAL RIGHT TO WORK NEWSLETTER

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More 'Raspberries' For Compulsory Union Dues *Employees Have Multiple Reasons to Run to Right to Work States*

The evidence is overwhelming that both employees and employers benefit from state Right to Work laws that make it illegal to force employees to pay money to an unwanted union as a condition of getting or keeping a job.

Journalists often focus on the benefits to business. A very recent example is the cover story for the May/June 2012 issue of *Chief Executive* magazine.

Early this year, *Chief Executive* asked hundreds of CEOs from around the country to grade the states in which they do business according to a variety of measures, including "tax and regulation, quality of the workforce and living environment."

Overwhelmingly this year, as in the past, the states given the highest overall ratings by business leaders are Right to Work states.

In fact, all of the states ranked in the top 10 in 2012 are Right to Work states. Seventeen of the top 20 are Right to Work states.

On the other hand, not one of the 20 states with the lowest overall ratings has a Right to Work law on the books.

Right to Work Law Obviously Sought After When a Business Seeks a Location

Chief Executive Editor-in-Chief J.P. Donlon authored the cover story analyzing the results of its 2012 survey of CEOs.

In his analysis, Mr. Donlon called attention to the strong positive correlation between Right to Work status and attractiveness to job creators:

"It may be no accident that most of the states in the top 20 are also right-to-work states, as labor force flexibility is highly sought after when a business seeks a location.

"Several economists, most notably [Ohio University's] Richard Vedder and Harvard's Robert Barro, have found that economies in R-to-W areas grow faster than [in] other states, have higher employment and attract more inward migration."

Employees benefit from what Mr. Donlon calls "labor force flexibility" in a host of ways.

The 10 Right to Work states rated as the best in the nation by *Chief Executive* this year (Arizona, Florida, Georgia, Indiana, North Carolina, South Carolina, Tennessee, Texas, Utah and Virginia) enjoyed an overall increase in private-sector employment of 10.6% from 2000 to 2010, according

Forced Unionism Linked to High Living Costs, Lousy Job Climates

Most Expensive States

- | | |
|-------------------|-------------------|
| 1. Hawaii | 11. New Hampshire |
| 2. Alaska | 12. Maine |
| 3. California | 13. Oregon |
| 4. Connecticut | 14. Arizona* |
| 5. New Jersey | 15. Washington |
| 6. New York | 16. Delaware |
| 7. Maryland | 17. Colorado |
| 8. Rhode Island | 18. Minnesota |
| 9. Vermont | 19. Nevada* |
| 10. Massachusetts | 20. Pennsylvania |

Worst States For Jobs

- | | |
|-------------------|-------------------|
| 50. California | 40. Maryland |
| 49. New York | 39. Rhode Island |
| 48. Illinois | 38. Vermont |
| 47. Massachusetts | 37. Washington |
| 46. Michigan | 36. Minnesota |
| 45. New Jersey | 35. Ohio |
| 44. Connecticut | 34. West Virginia |
| 43. Pennsylvania | 33. New Mexico |
| 42. Oregon | 32. Maine |
| 41. Hawaii | 31. Alaska |

Right to Work states are asterisked.

Sources: Missouri Economic Research and Information Center, *Chief Executive*

Eighteen of the 20 most expensive states to live in lack Right to Work protections for employees. And not one

of the 20 states with the worst job-and-business climates has a Right to Work law.

See Right to Work page 2

Right to Work Laws Bolster States

Continued from page 1

to U.S. Bureau of Economic Analysis (BEA) data.

Over that same period, BEA-measured private-sector employment growth for the 10 compulsory-unionism states rated as the worst in 2012 by *Chief Executive* (California, Connecticut, Hawaii, Illinois, Massachusetts, Michigan, New Jersey, New York, Oregon and Pennsylvania) was just 1.9% -- or less than a fifth as much.

'Labor Force Flexibility' Linked To Lower Living Costs, Higher Real Compensation

Employees in high "labor force flexibility" states also benefit from generally lower living costs. Only one of the 10 top-ranked Right to Work states (Arizona) had a 2010 cost of living even slightly above the national average, according to data supplied by the nonpartisan Missouri Economic Research and Information Center (MERIC).

Arizona was approximately 4% more expensive than the average state. Meanwhile, half of the 10 bottom-ranking compulsory-unionism states had a 2010 cost of living more than 25% higher than the national average.

National Right to Work Committee President Mark Mix noted:

"Once you take such interstate differences in cost of living into account, you see as well that real compensation (including wages, salaries, benefits and bonuses) is typically higher in the states *Chief Executive* calls 'the best for business.'

"In 2010, the average compensation per private-sector employee in the 10 top-ranking Right to Work states, as reported by the BEA and adjusted for regional cost of living with the help of MERIC's indices, was \$41,865. That's nearly \$900 more than the average for the 10 bottom-ranking compulsory-unionism states."

Forced Union Dues Bankroll Business-Bashing Politicians

Mr. Mix added: "The fact is, forced-unionism states as a group, and not just the 10 found by *Chief Executive* to be the worst of all, are lagging behind

Right to Work states by all the most significant economic-growth measures.

"Big Labor's counterproductive work rules and fomentation of the 'hate-the-boss' mentality lead to slower revenue growth in the unionized businesses themselves.

"That translates into smaller compensation increases for employees and less employment growth or, very frequently, employment losses.

"On top of that, union bosses funnel a huge chunk of the forced dues and fees they collect with biased labor laws' abetment into efforts to elect and reelect union-label politicians who support higher taxes and more red-tape regulation of business.

"The actions of such forced dues-funded politicians result in less job and income growth, period."

The national scourge of government-authorized compulsory union dues goes all the way back to 1935, when Congress included provisions empowering union bosses to corral employees into unions in the National Labor Relations Act (NLRA).

Congress extended the harm in 1951, when it tacked on a pro-forced unionism amendment to the Railway Labor Act (RLA) of 1926.

State Right to Work laws, which Congress explicitly sanctioned in 1947, mitigate the damaged wrought by

federally-imposed forced unionism, but constitute only a partial solution.

For example, states are preempted from protecting the Right to Work of employees in the railroad and airline industries.

Grass-Roots Citizens Seek Senate Roll-Call Vote on Federal Forced-Dues Repeal

This summer, Right to Work members and other grass-roots activists are seeking a Senate roll-call vote on a more comprehensive reform known as the National Right to Work Act (S.2173 and H.R.2040).

The Right to Work Bill would simply repeal the provisions in federal labor law that authorize compulsory union dues and fee payments as a condition of employment.

"S.2173 and H.R.2040 would restore the freedom of private-sector employees in all 50 states to choose as individuals whether or not to join or pay dues to a union, without facing job loss as a consequence of their decision," explained Mr. Mix.

"Protecting the personal freedom of millions of American employees is the direct and primary purpose of this legislation.

"At the same time, of all the economic reforms Congress may consider this year, S.2173 and H.R.2040 would surely have the strongest positive impact for incomes and jobs." 



Pro-Right to Work Sens. Jim DeMint (R-S.C., left) and Rand Paul (R-Ky.) are the lead sponsors of S.2173, a

measure that would repeal all federal labor-law provisions authorizing forced union dues.

CREDIT: THEFEDERALIST-GARYBLOGSPOT.COM

Feds Investigate Boilermakers Union Officials

'Waste and Mismanagement' of Pension Funds Alleged in Complaint

According to a May 14 Kansas City *Star* account, federal authorities are currently investigating allegations of nepotism and other misconduct by union-label trustees of the International Brotherhood of Boilermakers (IBB/AFL-CIO) pension and benefit plans.

The anonymous complaints that prompted the criminal investigation include "allegations that family members of some trustees received bonuses from companies that managed investments for the three funds, which total \$8.5 billion," reported the *Star's* Judy Thomas.

She added that a grand jury is now looking into the allegations of "waste and mismanagement" of the pension and benefit funds by the trustees.

A related and recently settled lawsuit by a former official with the IBB funds specifically claims that former union Vice President George Rogers, then a trustee on all three plans, "appeared to steer between \$500 million and \$1 billion worth of contracts to his daughter's company."

Union General Counsel Michael Stapp Insists Everything's on the Up-and-Up

Shortly after Claude Barnhill, former executive administrator of one of the IBB funds, told trustees that he planned to cooperate fully with federal investigators, he was fired. Mr. Barnhill subsequently sued, alleging that the motive for the termination was obstruction of justice.



CREDIT: WWW.BOILERMAKERS.ORG

Altogether, union czar Newton Jones and his relations took in \$1.2 million in IBB money, mostly forced dues, in 2011.

Michael Stapp, the IBB general counsel and also a private attorney whose firm represents the IBB union funds, told the *Star* that, contrary to all appearances, everything is on the up-and-up, and the funds are being administered "in accordance with the trust documents and federal laws."

But IBB—"represented" workers who are worried about their retirements have ample reason to be skeptical.

As Ms. Thomas documented in a separate May 14 story for the *Star*, there is good evidence already on the public record indicating that the IBB hierarchy values its own personal and financial interests above the rank and file's.

In 2011, IBB President Newton Jones collected a total of roughly \$607,000 in disbursements from the union, which has fewer than 60,000 members. Additionally, in the recent past Mr. Jones has collected as much as \$340,000 annually from a bank controlled by the union.

Moreover, Mr. Jones' brother Charles took in an IBB salary of \$150,000 last year as director of the union's "history preservation department." His sister Donna made nearly \$100,000 as an IBB executive secretary. And his 23-year-old son Cullen took in \$173,000 in IBB disbursements for his contributions as a "video communications technician." At least one more member of the Jones clan is also on the union payroll.

Union Members Who Complained About Union Bigwigs' Outsize Compensation Got No Response

A follow-up article by Ms. Thomas published May 16 noted that a number of rank-and-file boilermakers who had contacted the *Star* said they have questioned union bigwigs' pay and benefits for a long time, but never got any answers.

"The fact is, federal policies granting union bosses monopoly-bargaining and forced-dues power over the workers they purportedly represent make Big Labor generally unaccountable to those workers," charged Mary King, vice president of the National Right to Work Committee.

"Compulsory unionism is why a man like Newton Jones feels free to exploit a relatively small union to enrich not just himself, but also multiple relations.

"Every now and then a crooked union boss gets caught in the act, but there can be no fundamental change in Big Labor's culture of corruption until the federal and state laws authorizing monopolistic unions are changed.

"Pro-Right to Work U.S. Sen. John McClellan [D-Ark.] held dozens of Capitol Hill hearings on Big Labor abuses back in the late 1950's.

"What he concluded still holds true today: 'Compulsory unionism and corruption go hand in hand.'"

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Big Labor Appeasers Lose in Indiana

So-Called 'Lunch Pail Republicans' Go 0-7 in State Primary Races

A few weeks ago in Indiana, veteran U.S. Sen. Richard Lugar and seven candidates for the state House of Representatives became the latest politicians to confirm that appeasement of the union hierarchy is no formula for electoral success.

As a senator for more than three-and-a-half decades and a consummate political insider on Capitol Hill, Mr. Lugar was in retrospect bound to have a difficult race to secure the GOP nomination for a seventh term this year, a time when anti-establishment sentiment among voters is extraordinarily high.

But the senator only made matters worse for himself by choosing to pick a fight with the overwhelming majority of Indiana voters who support the Right to Work principle.

First, Mr. Lugar did not answer his National Right to Work Committee candidate survey, which asked straightforward questions about the issue of forced unionism.

Second, Mr. Lugar refused to cosponsor S.2173, legislation prohibiting Big Labor from taking money from employees' paychecks as a condition of their getting or keeping a job.

Finally, Mr. Lugar made the blunder of accepting a public endorsement from a Big Labor front group known as the "Lunch Pail Republicans," which was targeting for defeat in the Hoosier State's May 8 primaries GOP House members who had voted in favor of Indiana's new Right to Work law earlier this year.

The senator even went so far as to join up on the campaign trail with "Lunch Pail Republican" Chairman David Fagan, who also happens to be a high-ranking official with the corruption-ridden and suburban Chicago-based Local 150 of the International Union of Operating Engineers (IUOE/AFL-CIO).

'As It Turns Out, The Threat Was Empty'

"David Fagan and other union operatives set up the 'Lunch Pail Republicans' for one basic purpose," explained Greg Mourad, vice president of the National Right to Work Committee.



CREDIT: JON HENDRICKS/THE TIMES (MUNSTER, IND.)

Dismaying his political base of citizens who support Right to Work, Sen. Richard Lugar (left) cozied up to pro-

coercion union boss David Fagan on the campaign trail. This didn't help Mr. Lugar at all.

"Their undisguised goal was to intimidate GOP members of the state House and Senate who had gotten elected in significant part because of their campaign pledges to support passage of a state Right to Work law banning forced union dues and fees into breaking those pledges.

"State representatives and senators who disregarded the threats of Mr. Fagan and his cohorts and kept their promises to support Right to Work would suffer politically, warned this nominally 'Republican' outfit.

"As it turns out, the threat was empty.

"On January 25, the Hoosier House voted 54-44 to adopt H.B.1001, legislation making Indiana America's 23rd Right to Work state. Less than a week later, the Senate okayed this measure, and GOP Gov. Mitch Daniels signed it into law.

"And last month, the 'Lunch Pail' Republicans' efforts to retaliate against forced-unionism foes fell completely flat. Five House members Mr. Fagan and company had targeted for defeat were all reelected. And two anti-Right to Work candidates seeking GOP nominations for 'open' House seats were thrashed at the polls."

Altogether, as Indianapolis attorney and political commentator Abdul

Hakim-Shabazz pointed out, the "Lunch Pails" only managed "to get a combined 27% of the vote" in the seven state House districts they targeted.

Efforts to Destroy New Right to Work Law Are Bound to Continue

The support of the "Lunch Pail Republicans" proved to me no more helpful to Richard Lugar than it was to the seven pro-forced unionism GOP House candidates who all went down to defeat.

Mr. Lugar lost the GOP U.S. Senate nomination to his unabashedly pro-Right to Work challenger, state Treasury Secretary Richard Mourdock.

"Relentless Big Labor claims of a 'backlash' within the Republican Party against Right to Work in Indiana proved to be completely hollow last month," said Mr. Mourad.

"And as long as freedom-loving Hoosiers continue mobilizing, I am very optimistic that pro-Right to Work candidates will fare well in Indiana's fall elections as well.

"Nevertheless, union-boss efforts to destroy Indiana's new Right to Work law are bound to continue." 

House Narrowly Opposes Union-Only PLAs

How Far Will President Obama Go to Protect Big Labor Privileges?

Back in February 2009, one of the first actions President Barack Obama took after settling in at the White House was to issue Executive Order 13502, which promotes union-only "project labor agreements" (PLAs) on federally funded public works. In April 2010, the Obama Administration issued a "final rule" implementing the order.

"E.O.13502 now pressures federal agencies to acquiesce to PLAs on all large public works," noted Matthew Leen, vice president of the National Right to Work Committee.

"In practice, it is designed to force nonunion companies wishing to participate in public works using \$25 million or more in federal funds to impose union monopoly bargaining on their employees and hire new workers through discriminatory union hiring halls.

"Under union-only PLAs, independent workers who already have their own retirement funds are nevertheless forced to contribute to Big Labor-manipulated pension funds.

"Rather than compromise the freedom of their employees and the efficiency of their operations, most independent construction firms simply refuse to submit bids on PLA projects."

Handful of GOP House Members Continue Trying to Appease Union Hierarchy

Efforts to roll back E.O.13502 began almost as soon as this edict was issued. And the shellacking voters in state after state gave to Big Labor politicians in the 2010 elections spurred hope among Right to Work members and other PLA opponents that they were gaining momentum.

However, in 2011 Right to Work attempts to pass appropriations amendments in the now GOP-controlled U.S. House prohibiting the use of taxpayer funds to enforce E.O.13502 were repeatedly thwarted by a handful of Big Labor-appeasing GOP congressmen.

Last month, there was finally a breakthrough for independent hardhats and construction workers. It occurred as the House considered H.R.4310, the National Defense Authorization Act (NDAA) for the upcoming fiscal year.

On May 17, a razor-thin 211-209 House majority voted to attach to H.R.4310 an amendment sponsored by pro-Right to Work Congressman Roscoe Bartlett (R-Md.). The Bartlett Amendment prohibits federal agencies from mandating discriminatory PLAs or using PLA preferences on taxpayer-funded construction authorized by the NDAA.

Unfortunately, 181 of the 182 House Democrats who cast ballots voted to kill the Bartlett Amendment. And 28 of the 238 Republicans present and voting also sided with Big Labor. That was nearly enough to hand union lobbyists a victory.

Public Opposition to PLAs Is Intensifying

Several of the pro-PLA Republicans are protégés of the House GOP leadership, observed Mr. Leen. One extraordinary example is Illinois freshman Adam Kinzinger.

"Early this spring, after the Democrat politicians who were in control of the Prairie State's reapportionment eliminated Rep. Kinzinger's district, he faced off against a fellow Republican in a newly drawn district," Mr. Leen recalled.

"Thanks in part to strong public support from House Majority Leader Eric Cantor [Va.] and his super-PAC,

Mr. Kinzinger won the primary. One has to wonder why, then, the majority leader wasn't able to stop him from voting with the union bosses on the Bartlett Amendment.

"If Republican elected officials in Congress can finally get their act together on union-only PLAs, they have a chance to prevail on this issue.

"Public opposition to PLAs is already intense, and growing more so. Ultimately, President Obama and [U.S. Senate Democratic] Majority Leader Harry Reid [Nev.] may decide they don't want to expend any more of their political capital defending these special-interest schemes.

"But Mr. Obama and Mr. Reid will feel relatively little pressure to end their love affair with PLAs as long as more than two dozen GOP House members continue providing them with cover.

"I strongly advise Speaker [John] Boehner [Ohio] and Majority Leader Cantor to notify members of their House caucus that there will be significant intra-party repercussions for them if they continue colluding with Barack Obama, Harry Reid, and other union-label Democrats on the PLA issue."

Right to Work members who wish to reinforce Mr. Leen's message may do so by contacting Speaker Boehner at 202-225-6205 and Majority Leader Cantor at 202-225-4000. 



CREDIT: AFP/GETTY IMAGES

CREDIT: AP

Adam Kinzinger was one of the few House Republicans to support union-only PLAs last month. His political mentor,

pro-Right to Work Majority Leader Eric Cantor (inset), was unable or unwilling to change Mr. Kinzinger's mind.



FRIDAY-SATURDAY, MAY 11-12, 2012

Mark Mix

Union boss bargaining hurts our most productive workers

'When businesses are unable to offer their front-line employees incentives for good performance, they often find fewer employees bother to perform well.'

Last week, while addressing an AFL-CIO crowd, President Obama extolled the virtues of empowering union bosses as employees' exclusive representatives. But here is something he failed to mention while praising union monopoly bargaining: It often hurts America's most productive workers.

Union bosses almost always resist pay plans that take into account individual effort or ability. Consequently, union contracts routinely lower the earnings of the most productive front-line workers. And employees who work especially hard or are especially talented are not the only victims.

When businesses are unable to offer their front-line employees incentives for good performance, they often find fewer employees bother to perform well. Such firms become less competitive, and all employees suffer the consequences.

Under current federal labor law, unionized job providers can offer merit-based individual pay increases or bonuses only if union officials give their permission, or if federal authorities find bargaining between the employer and union officials has come to an "impasse."

With the exception of star-driven industries like Hollywood movies and professional sports, union bosses have rejected virtually all requests by unionized employers to offer merit pay or bonuses. And employers risk costly strikes and legal trouble if they try to bargain to an impasse.

Consequently, unionized employers rarely try to reward employees on the basis of their individual performance, because they can expect only to suffer nasty repercussions.

One unionized enterprise that did try to reward its best employees without first obtaining union bosses' permission is the nonprofit



THINKSTOCKPHOTOS.COM

Under current rules, employers may not provide rewards for exceptional employees without going through the union.

Brooklyn Hospital Center in New York City. In 2009, a National Labor Relations Board bureaucrat ruled the BHC had violated federal law by asking supervisors to identify the top 10 percent of employees in their departments, and then providing those employees with \$100 gift cards.

Even such modest incentives for good performance were not permissible, according to the NLRB bureaucrat, because the gift cards were furnished to employees "without prior notice to the union, and without affording the union an opportunity to bargain with respect to this conduct."

The bureaucrat ordered the BHC to "cease and desist" from "[u]nilaterally granting its employees a gift card or any other benefit without providing notice to the union and an opportunity to bargain."

This "wage ceiling" is one particularly outrageous way in which federal labor law harms workers by

Mark Mix is president of the National Right to Work Committee.

authorizing and promoting union monopoly bargaining power over pay, benefits and other working conditions. The best remedy is simply to revoke union officials' legal privilege to act as "exclusive" spokesmen for all of an enterprise's employees, including those who do not belong to the union.

Such legislation is unlikely right now, given the makeup of the Senate and the current occupant in the White House. But Congress could, as a first step, allow unionized employers to pay more than a union contract calls for without having to get union bosses' permission first. This would at least lessen the harmful impact of federally authorized monopoly bargaining.

The Rewarding Achievement and Incentivizing Successful Employees Act (H.R.4385, S.2371) would do exactly that.

If the RAISE Act became law, unionized employers would only have to establish that employees are receiving extra pay or bonuses based on their demonstrable accomplishments, and that all front-line employees have an opportunity to secure such rewards by meeting the same standards. Any fair-minded person would have to acknowledge the RAISE Act is significantly preferable to the status quo.



"The best remedy is simply to revoke union officials' privilege to act as "exclusive" spokesmen for all of an enterprise's employees . . ."

Federal Law Abets Union Thuggery

Continued from page 8

Matthew and Michael Pestronk and their employees have found asbestos planted in the walls and bottles filled with urine strewn everywhere.

Big Labor zealots have even put up posters of Matthew Pestronk's deceased dog and a pornographic depiction of his wife.

It's 'Extraordinarily Difficult' to Prosecute Union Lawbreakers

National Right to Work Committee President Mark Mix commented: "When ordinary, decent American people who don't personally have to deal with union thugs hear reports like those coming out of Philadelphia and Germantown, they often have trouble at first believing what they hear.

"Why would well-heeled union officials who have a lot to lose risk arrest and imprisonment by flagrantly violating the law, they may ask themselves.

"What every American needs to know is that, across our country, prosecutions of Big Labor vandalism, threats, assaults, and other serious crimes are extraordinarily difficult.

"Such prosecutions are frequently hindered because of a loophole in federal law that exempts extortionate violence from prosecution when it is committed pursuant to so-called 'legitimate union objectives.'

"And one objective that federal law clearly regards as 'legitimate' is to expand the number of workers who are forced to accept union representation and pay union dues as a condition of employment.

"Time and again, federal prosecutors have amassed extensive evidence that Big Labor bosses have orchestrated, authorized, and/or ratified violence, vandalism and threats for union organizing purposes.

"Nevertheless, because of the pro-union violence loophole in the federal Hobbs Act, extortion prosecutions of the implicated union officials ultimately fail -- or never even get off the ground."

In its controversial 1973 *Enmons* decision, Mr. Mix explained, a divided U.S. Supreme Court exempted threats, vandalism and violence perpetrated to secure "legitimate" union goals.

What this means in practice is that union officials who plan, commit, or foment extortionate violence against a

firm's employees or owners are not held to the same legal standard as business rivals, gangsters, or anyone else who does the same.

Fortunately, *Enmons* creatively reinterpreted federal statutory law, rather than the U.S. Constitution. Consequently, Congress retains the power to overturn this misguided ruling and hold union scofflaws accountable under the Hobbs Act.

Pending legislation known as the Freedom from Union Violence Act would do precisely that.

Last month, Sen. Mike Lee (R-Utah) introduced the Freedom from Union Violence Act in his chamber of Congress as S.3178. Back in February, Rep. Paul Broun (R-Ga.) sponsored a House version of the reform, H.R.4074.

Legislation Would Bar Use Of Violence as a Union 'Organizing' Tool

Mr. Lee and Mr. Broun are two of the most outspoken opponents of compulsory unionism on Capitol Hill today.

If S.3178 or H.R.4074 is enacted, power-hungry, win-at-any-cost Big Labor barons will no longer be able, without fear of federal prosecution, to resort to violence as a union "organizing" or "bargaining" tool.

Mr. Mix vowed that over the course of this year National Right to Work would mobilize hundreds of thousands of members and other citizens to contact their federal elected officials and express their strong support for this legislation.

Closing the "lethal loophole" punched into the Hobbs Act by *Enmons* won't be easy, Mr. Mix acknowledged.

President Obama, Harry Reid Expected to Oppose Reform

"Union-label politicians, led by President Barack Obama and Senate Majority Leader Harry Reid [D-Nev.], are almost certainly prepared to use every means at their disposal to kill the Lee-Broun legislation," he explained.

"But Right to Work supporters can't afford to pass up this fight and let union militants continue getting away with threats, sabotage and assaults.

"That's why the Committee, despite the uphill battle we face, has launched a full-scale campaign to pass S.3178 or H.R.4074.

"By the end of this year, the Committee plans to have contacted millions of Americans by e-mail, phone and mail and asked them to sign petitions in support of Lee-Broun to their senators and congressmen.

"Poll after poll has shown citizens nationwide overwhelmingly favor closing the *Enmons* loophole. That's why I believe this battle can be won. But to prevail, Right to Work members will have to wage an extended and furious fight." 



CREDIT: PETER WOODALL/HIDDEN CITY PHILADELPHIA

Construction union goons have allegedly destroyed cranes, cut elevator cables, and shot out windows to punish

developers Michael (left) and Matthew Pestronk and their employees for refusing to operate 100% union.

Big Labor Fights For Philadelphia 'Hegemony'

Two Brothers and Their Employees Face Harassment, Intimidation

Philadelphia construction union bosses have a long history of inciting and orchestrating violence against employees and employers who refuse to kowtow to their forced-unionism demands.

A lawsuit recently filed in Pennsylvania state court alleges that thuggish officers of the AFL-CIO Building and Construction Trades Department (BCTD) subsidiary in the City of Brotherly Love are at it again.

Developers Matthew and Michael Pestronk charge that carpenters and other union bosses angered by their announced plans to hire union-free as well as unionized workers for a \$38 million apartment construction project have resorted to intimidation, vandalism and violence to derail the project.

Union goons have reportedly made threats of physical assault to rank-and-file employees of the Pestronk brothers' Germantown, Pa.-based company. Supervisors and the Pestronks themselves have also allegedly been threatened by union agents.

The lawsuit also charges that Matthew Pestronk's pregnant wife has been routinely stalked by picketers while taking their toddler to pre-school.

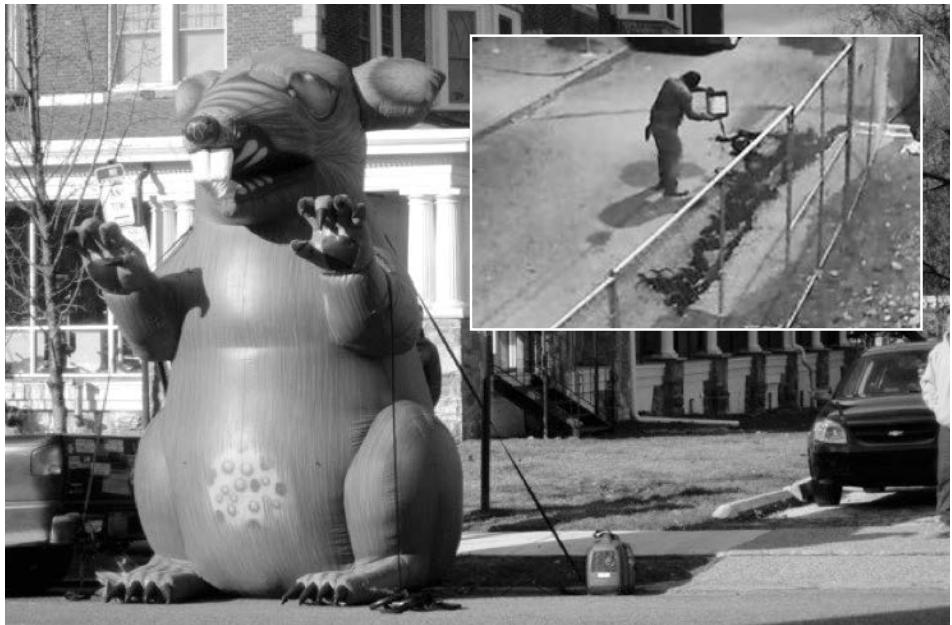
And union goons have allegedly destroyed cranes, cut elevator cables, shot out windows, and committed other "major financially damaging and life threatening vandalism."

'We Were Never Looking For a Fight, and We Weren't Looking For This'

In recent years, Matthew and Michael Pestronk and their firm, Post Brothers, have brought more than \$125 million in construction investments to Philadelphia. These investments created more than 500 construction jobs, and nearly 100 permanent jobs.

And unlike other contractors that operate in the chronically depressed Philadelphia downtown area, Post Brothers does not rely on any taxpayer-funded subsidies to make its projects financially viable.

But Post Brothers became the focus of Philadelphia construction union chiefs' wrath after it secured funding to create a 163-unit apartment building out of the shell of a former textile factory just north of the city's Vine Street Expressway.



CREDIT: WWW.PHILLYBULLY.COM

Union zealots have evidently deployed an inflatable rat, dumped oil in driveways, vandalized equipment, and resorted to an

array of other ugly tactics to maintain Big Labor control over Philadelphia's major construction projects.

In 2010, after closing the factory deal, Post Brothers acted as its own general contractor, bidding out work on the site. The Pestronks awarded roughly 40% of the contracts to unionized firms.

The brothers are thus obviously not averse to accepting bids from unionized subcontractors. But they do not believe it is in their interest, future apartment dwellers' interest, or the public interest to freeze out the nearly 70% of the city construction workforce who aren't union members.

Michael Pestronk recently explained the brothers' stance to Philadelphia *Inquirer* reporter Jane Von Bergen:

"We were never looking for a fight, and we weren't looking for this [confrontation with the union brass]. We are hiring Philadelphia residents who are skilled at what they do at very competitive rates, and we don't want to be deterred from that."

In 2011, Philadelphia Construction Unions Funneled \$140 Million Into Salaries, Political Donations

But top Philadelphia union bosses continue to be more interested in denying jobs on major construction projects inside the city to union-free

workers than they are in securing jobs for rank-and-file union members.

As Ms. Von Bergen explained in a May 3 *Inquirer* article about what is called the "Goldtex project" (after the name of the company that formerly owned the factory building), Big Labor ferociously opposes any challenge to "union hegemony in Center City construction."

This "hegemony" furnishes little benefit to Philadelphia construction trade union members, who have on average been out of the work nearly 50% of the time over the past two years.

But it certainly keeps the kingpins of the AFL-CIO BCTD's Philadelphia locals wealthy and politically powerful.

Thanks primarily to forced union dues and fees exacted from hardhats, the combined salaries and political donations of the city's construction union bosses in 2011 were \$140 million!

Union officials and their militant henchmen are evidently willing to resort to just about anything to maintain total control over the labor component of major construction projects within the Philadelphia city limits.

At their Goldtex site and at a site for another multi-million-dollar Post Brothers project in Germantown,

See Federal Law page 7