NATIONAL RIGHT TO WORK NEWSLETTER

VOLUME 59, NUMBER 10 www.nrtwc.org October 2013

Right to Work States: Superior Job Growth

Employees' Purchasing Power Lower in Compulsory-Unionism States

On September 30, the U.S. Commerce Department's Bureau of Economic Analysis issued its initial estimates for total 2012 private-sector, nonfarm employment in the 50 states. The BEA simultaneously published revised estimates for overall state personal income and an array of specific kinds of income, including employee compensation in the form of wages, salaries, benefits and bonuses.

Nationwide, private-sector, nonfarm employment as reported by the BEA grew by 10.2% from 2002 to 2012. (Unlike the establishment jobs data published by the U.S. Labor Department, BEA data track self-employment and contractual employment as well as payroll jobs.) Historically, this was a weak gain.

However, states that protect employees from being fired for refusal to pay dues or fees to an unwanted union typically fared far better than the rest.

Twenty-two states had Right to Work laws prohibiting forced union dues on the books throughout the last decade. Early last year, Indiana became the 23rd Right to Work state. And late last year, Michigan adopted a Right to Work statute that took effect this spring.

Right to Work States' 2002-2012 Job Increase More Than Double The Forced-Unionism Average

A review of how employment grew (or failed to grow) in each state suggests the U.S. Congress could dramatically improve America's economic prospects for the next decade by repealing forced union dues and fees nationwide.

Current federal law authorizes and promotes the payment of compulsory union dues and fees as a condition of getting or keeping a job.

Under pro-forced unionism provisions in the 1935 National Labor Relations Act (NLRA) and the 1951 amendments to the Railway Labor Act (RLA), millions and millions of private-sector employees must pay dues or fees to their monopoly-bargaining agent, or face termination from their jobs.

At the same time, thanks to many years of vigilant efforts by freedom-loving Americans, federal labor law continues explicitly to recognize states' option to protect employees from forced union dues and fees by adopting Right to Work laws.

All of the top six, and nine of the top 10, states for 2002-2012 private-sector employment growth are Right to Work states.

Meanwhile, the 11 bottom-ranking states for employment growth all lacked Right to Work laws at the time. (Since Indiana switched over to Right to Work in 2012, it is excluded from this analysis.)

Overall, BEA-reported, private-sector, nonfarm employment in Right to Work states grew by 15.3% over the past decade.

See **Benefit** *page 2*

Growth in Private-Sector, Nonfarm Employment, 2002-2012

Fastest-Growing States		Slowest-Growing States	
North Dakota*	+34.8%	West Virginia	+5.7%
Texas*	+25.8%	New Hampshire	+5.6%
Utah*	+24.9%	Illinois	+4.9%
Wyoming*	+19.9%	Vermont	+4.6%
Nevada*	+18.3%	Wisconsin	+4.4%
Arizona*	+18.2%	Missouri	+4.3%
Alaska	+15.7%	Rhode Island	+2.8%
Florida*	+15.4%	Maine	+2.2%
South Dakota*	+15.3%	Ohio	+0.8%
Idaho*	+15.2%	Michigan	-2.6%

*Right to Work states are asterisked. Indiana, which became Right to Work in 2012, is excluded. Michigan, which became Right to Work in 2013, is regarded as forced-unionism.

Source: U.S. Department of Congress, Bureau of Economic Analysis

Nine of the 10 top-ranking states for 2002-2012 job creation protect employees' Right to Work. Overall, Right to Work states' job growth was eight percentage points greater than that of forced-unionism states.

Measure Would Benefit All States

Continued from page 1

That's more than double the 7.3% average for forced-unionism states, and nearly half again as much as the national average.

And workers in forced-unionism states suffer from lower compensation as well as fewer employment opportunities, once interstate differences in cost of living are taken into account.

Kentucky Senator and Iowa Congressman Sponsoring Federal Forced-Dues Repeal

Adjusting for regional differences in living costs with the help of indices created by the nonpartisan Missouri Economic Research and Information Center, in 2012 the average compensation per private-sector employee in Right to Work states was $42,777. That's nearly $170 more than the average for forced-unionism states.

"The hard, objective data from the U.S. Commerce Department help show why S.204 and H.R.946 are extraordinarily important pieces of legislation," commented Mark Mix, president of the National Right to Work Committee. S.204 and H.R.946 are sponsored, respectively, by Sen. Rand Paul (R-Ky.) and by Congressman Steve King (R-Iowa).

"S.204 and H.R.946, also known as the National Right to Work Act, would simply repeal the NLRA and RLA provisions that authorize compulsory union dues and fee payments as a condition of employment," Mr. Mix explained.

"When forced-dues repeal becomes law, private-sector employees in all 50 states will have the freedom 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."

Right to Work Measure Would Help Reinvigorate Economic Growth Across America

Mr. Mix continued: "Restoring the personal freedom of millions of American employees is the direct and primary purpose of S.204 and H.R.946. This legislation wouldn't add one word to federal law.

"At the same time, of all the economic reforms Congress may consider this year or next, Paul-King would probably have the strongest positive impact for incomes and jobs.

"As eminent statistician and Yale professor emeritus Edward Tufte has observed, 'Correlation is not causation but it sure is a hint.'

"I submit that the very strong correlation between Right to Work status and faster job growth over the past decade 'sure is a hint' that banning forced union dues is economically beneficial.

"An analysis published by *Forbes* magazine last month predicts the correlation will continue to be close for the next five years: Eight of the nine top-ranking states for projected job growth have Right to Work laws.

"Why is compulsory unionism so consistently associated with sluggish or negative job growth?

"The fact is, union bosses funnel a huge chunk of the forced dues and fees they collect with federal labor law's abetment into politics.

"And the union-label politicians who routinely get elected and reelected because of their forced dues-funded support overwhelmingly favor higher taxes and more red-tape regulation of businesses both large and small.

"The actions of forced dues-funded politicians thus result in less job growth, period. Big Labor does the most damage in states where union bosses rake in the most forced-dues money.

"But if Congress repealed all the forced-dues provisions in the NLRA and the RLA, this massive impediment to economic growth nationwide would be lifted.

"Forced-dues repeal would spur job growth in all 50 states. Businesses based in current Right to Work states would share the benefits as their major out-of-state customers and suppliers were freed from the burden of compulsory unionism."

CREDIT: GAGE SKIDMORE/FLICKR

Restoring the personal freedom of millions of American employees is the direct and primary purpose of the National Right to Work Act, introduced in Congress by Sen. Rand Paul (left) and Rep. Steve King.

Committee Members Lobbying Hard to Build Capitol Hill Support For S.204/H.R.946

The 2.8 million Committee members are now lobbying hard to build Capitol Hill support for the pending Right to Work measures, which have a total of 117 congressional sponsors as this Newsletter edition goes to press.

Mr. Mix urged all Newsletter readers to contact their senators and congressmen through the Congressional Switchboard, 202-224-3121 or 202-225-3121, regarding the need for recorded floor votes on this important reform.

Big Labor's 'Entitlement Mentality' Persists

Union Bosses Claim Indiana Employees' Money Is Theirs by Right

It's been more than 20 months since Indiana legislators approved, and then-Gov. Mitch Daniels signed into law, a measure prohibiting the termination of private-sector employees for refusal to pay dues or fees to an unwanted union.

And it's been nearly a year since an amply funded Big Labor campaign to punish Hoosier elected officials who had backed the Right to Work law ended with a whimper.

On Election Night 2012, pro-Right to Work Republican Mike Pence defeated pro-forced unionism Democrat John Gregg by roughly 75,000 votes. The overwhelmingly pro-Right to Work GOP majority caucuses in the state Senate and House both expanded, and by a full nine seats in the case of the House.

Early this year, a federal court curtly dismissed a lawsuit filed by bosses of Local 150 of the International Union of Operating Engineers (IUOE), headquartered in the Chicago suburbs, claiming that they were entitled by the U.S. Constitution to extract forced fees from union nonmembers.

Union Bosses Have Option To Represent Only Their Members in the Workplace

Despite all that, union officials' "entitlement mentality" is persisting in the Hoosier State, with the assistance of a jurist from Big Labor-dominated Lake County.

Last month, Judge John Sedia basically agreed with IUOE lawyers that the Indiana Right to Work statute violates Article 1, Section 21 of the state constitution, which provides that: "No person's particular services shall be demanded, without just compensation."

Unfortunately for IUOE and other union kingpins, this opinion is unlikely to be affirmed by the state Supreme Court, where an appeal has already been filed. Indianapolis attorney and commentator Abdul Hakim Shabazz ably explained why in a column appearing in Evansville's *Courier & Press* October 3.

U.S. Supreme Court precedents such as 1938's *Consolidated Edison* decision clearly establish that union officials backed by a minority or a majority of employees in a workplace have the option of seeking recognition as the bargaining agent for members only. Mr. Shabazz noted:

CREDIT: ONE INDIANA (INDIANA CIVIL RIGHTS COMMISSION)

Indiana attorney and commentator Abdul Hakim Shabazz: "If you have to compel someone to pay for you to represent them, then maybe the problem isn't them, maybe it's you or the services you're providing."

"Under the 'members-only' categorization, the union would represent members who pay dues. However, many unions won't go that route because they lose a lot of the [powers] granted to them by federal law, one of which is to collect fees from non-union members in states that don't have a Right to Work law."

It's union officials' legal prerogative to pass up their members-only option and instead seek recognition by the employer as employees' monopoly-bargaining agent. But that obviously doesn't give them any moral or constitutional entitlement to force workers who never asked to be unionized to pay union dues.

Evidence Indicates Right To Work Law Is Bringing Thousands of Jobs to Indiana

Mr. Shabazz's early October column also pointed to data from the Indiana Economic Development Corporation (IEDC) that strongly suggest his state's recently-adopted Right to Work law is already helping attract job-creating investments.

As of this summer, more than 53 employers who told IEDC officials that Right to Work would "factor into their decision-making process" have committed themselves to investing a total of more than $2.2 billion, which will support more than 6600 projected new jobs in Indiana.

And companies such as Reflex & Allen, Whayne Supply, Professional Transportation, Inc., SealCorp USA and Android Industries evidently regard the Right to Work as so important that they have been willing to risk Big Labor reprisals by publicly saying the statute made Indiana more attractive to them.

Greg Mourad, vice president of the National Right to Work Committee, added that official federal data bolster the economic case made by Mr. Shabazz:

"In 2012, according to the U.S. Labor Department, private-sector payroll employment in Indiana grew by 2.46%, well above the national average and more than in 42 of the 49 other states. Indiana's private job growth in 2012 was greater than in any of the then-six remaining forced-unionism states in the Midwest.

"Of course, Right to Work isn't primarily about economics. It's really common sense. As Abdul Hakim Shabazz observed, 'If you have to compel someone to pay for you to represent them, then maybe the problem isn't them, maybe it's you or the services you're providing.'"

Mr. Mourad added that National Right to Work Legal Defense Foundation attorneys would soon submit a brief to the Indiana Supreme Court on behalf of several independent-minded Hoosier employees explaining why the justices should overturn Judge Sedia's poorly reasoned decision.

Big Labor Thugs 'Must Be Held Accountable'

Right to Work Pushes For Judiciary Committee Hearing on H.R.2021

Richard Trumka, the swaggering bully who now heads the AFL-CIO empire, gained the admiration and support of his fellow union officials largely by leading a series of violent strikes during his tenure as president of the United Mineworkers of America (UMW) union.

Possibly the most notorious of all of Mr. Trumka's battles against workers, businesses and customers who got in the UMW hierarchy's way, occurred in western Virginia. This is where the Pittston strike of 1989-90 unfolded.

As one scholarly account points out, the Pittston strike began with a flourish of violence:

"Within two weeks of the start there had already been examples of mass sit-ins; conveyor belts slashed; windshields and windows broken; bomb threats telephoned; suppliers' workmen attacked; transformers damaged by gunfire; rocks and jack rocks thrown; tires shot, slashed, or flattened; truckers assaulted; and individual replacement workers tailed, intimidated, and threatened."

Virginia Circuit Judge Donald McGlothlin Jr. ultimately assessed $64 million in fines against the UMW hierarchy, declaring that "the evidence shows beyond any shadow of a doubt that violent activities are being organized, orchestrated and encouraged by the leadership of this union . . ."

Court-Created Loophole in Federal Hobbs Act a Boon For Outlaw Union Bosses

Alas, these fines were never paid, because Big Labor-intimidated prosecutors from then-Attorney General Mary Sue Terry (D) on down never brought charges against UMW bigwigs for their campaign of violence, and the U.S. Supreme Court found that once a strike concluded fines could not be collected without a trial.

The reluctance of state and local law enforcement even in Right to Work Virginia to hold rogue union officials and their militant followers accountable for extortion, vandalism and violence is one reason why it's critical that Congress at last close a 40-year-old loophole in the federal Hobbs Act.

In the controversial 1973 *Enmons* decision, the Supreme Court ruled 5-4 that union boss-orchestrated strike violence violates the Hobbs Anti-Extortion Act only when the perpetrator has no "legitimate claim" to the benefit he is seeking to obtain.

INSET CREDIT: BETA.CONGRESS.GOV

So far, Rep. Bob Goodlatte (R, inset) seems strangely reluctant to stand with Committee President Mark Mix (right) and other Right to Work leaders seeking to hold thuggish union bosses accountable for their misdeeds.

And one objective that prosecutors often seem to regard as "legitimate," and thus not punishable under the Hobbs Act, is expanding the number of workers who are forced to submit to union monopoly control as a condition of employment.

Fortunately, Congress retains the power to overturn *Enmons* and hold union scofflaws accountable under the Hobbs Act.

Pending legislation popularly referred to as the Freedom from Union Violence Act would do precisely that.

Chairman Bob Goodlatte Urged To Allow a Hearing on Bill To Close *Enmons* Loophole

Congressman Paul Broun (R-Ga.) introduced the Freedom from Union Violence Act in his chamber as H.R.2021 in May.

Since then, National Right to Work Committee leaders have been eager to secure a hearing on H.R.2021 in the House Judiciary Committee, chaired by Congressman Bob Goodlatte (R-Va.).

Mr. Goodlatte's home district is located in western Virginia, not far from where the bombings, vandalism, assaults and threats perpetrated by UMW agents to advance Big Labor objectives in the Pittston strike were perpetrated.

"I know Congressman Goodlatte is well aware of the harm done to independent-minded employees and taxpayers in his state by lawless union bosses," said Committee President Mark Mix.

"Unfortunately, so far Mr. Goodlatte, despite his generally pro-Right to Work record, has been strangely reluctant to allow a hearing on H.R.2021.

"That's why the Committee recently began mobilizing members and supporters in Mr. Goodlatte's home district and nationwide to sign petitions asking him to give victims of union violence and Right to Work proponents a chance to persuade Congress to close, at last, the *Enmons* loophole.

"Union thugs must be held accountable. I remain hopeful that, perhaps after a little prodding from concerned citizens, Bob Goodlatte will agree and hold a hearing on H.R.2021."

Government Union Bosses 'Actually Own' Scranton?!

Struggling Pennsylvania City Undergoes a Made-in-Harrisburg Crisis

For years, National Right to Work Committee members and supporters have lobbied their elected officials to revoke or, at a minimum, roll back government union bosses' privileges to act as public servants' monopoly-bargaining agents on matters concerning pay, benefits, and work rules.

These patient efforts have borne fruit in a number of states over the past few years. In early 2011, for example, mobilized (in part by the Committee) Wisconsin citizens played an important role in helping the labor-policy and budget-reform package known as Act 10 overcome Big Labor opposition and pass into law.

Today Act 10 protects the vast majority of Badger State public employees from forced union dues. It has also sharply curtailed most government union bosses' monopoly power to dictate terms of employment.

The immense need for grass-roots opposition to government union monopoly bargaining is now being illustrated in Scranton, Pa.

CREDIT: JOHN COLE/TIMES-TRIBUNE (SCRANTON, PA.)

Scranton's *Times-Tribune* editorialized last month: Municipal elections "are on the ballot this year, but there is little need to proceed, since the city's elected officials don't actually have any power."

City Is Ordered to Fork Over Money For Pay Hikes, Bonuses To Which It Never Agreed

With a population that has shrunk by nearly 50% since 1940 and by more than 25% since 1970, and a median household income of under $36,000, Scranton desperately needs to get control over its sky-high municipal-employee costs.

Unfortunately, state labor statutes mandating government union monopoly bargaining and binding arbitration whenever such bargaining is at an "impasse" have for decades made it effectively impossible for Scranton's elected officials to do their jobs.

Consequently, unionized public-safety salaries are twice or three times as high as the local average and health care and retirement benefits are even more unaffordable.

A quarter-century ago, state elected officials tried to undo some of the damage they'd done to municipalities by approving Act 47, designed in part to allow financially distressed Pennsylvania cities like Scranton to refuse to obey the dictates of Big Labor-dominated arbitration panels.

However, a questionable 2011 state Supreme Court decision found on technical grounds that Act 47 did not apply to a series of rulings by unelected arbitrators mandating bonuses, pay increases, and reduced deductibles for unionized government employees in Scranton.

In September, Lackawanna County Judge Michael Barrasse put the icing on the cake when he signed orders entitling union bosses to seize city assets to cover $21 million owed to unions not as a result of any deal ever negotiated with public officials or their agents, but solely as a result of arbitrators' rulings.

City Officials' 'Sole Function Is to Funnel Tax Money to Unions'

Union lawyer Thomas Jennings insists he really does have the moxie to go through with such seizures. As he told a local reporter, "Do I want to take fire trucks and City Hall? Of course not. But would I do it if I have to? In a New York minute."

In a September 23 editorial, the Scranton *Times-Tribune* all but cried out in despair over the plight into which their city has been thrown by union-label legislators in Harrisburg and pro-forced unionism activist judges:

"It finally has happened. Scranton's public safety unions no longer just run the city government, they actually own it.

"Municipal elections for mayor and three council seats are on the ballot this year, but there is little need to proceed, since the city's elected officials don't actually have any power. Their sole function is to funnel tax money to the unions."

National Right to Work Committee Vice President Mary King expressed her hope that the outrageous goings-on in the largest city in northeastern Pennsylvania would at last prompt legislators in Harrisburg to revoke government union bosses' monopoly privileges.

"Representative government simply cannot work if elected officials can't make routine budget decisions for their jurisdictions," she said.

"And state-mandated monopoly bargaining and binding arbitration deny elected officials that fundamental authority."

Terry McAuliffe Snubs Pro-Right to Work Virginians

Will Big Labor-Funded Gubernatorial Candidate Finally Come Clean?

Does Terry McAuliffe, the Democratic nominee in the Virginia Gubernatorial election taking place on November 5, plan to bring monopolistic unionism and all of its attendant ills to the Old Dominion's public sector?

As this Newsletter edition goes to press in early October, Mr. McAuliffe still isn't saying -- but taxpayers and other freedom-loving citizens of Right to Work Virginia have ample reason to be concerned.

Campaign finance information easily accessible at www.vpap.org -- the web site of the nonpartisan Virginia Public Accountability Project -- shows that Mr. McAuliffe is raking in millions of dollars from top union officials as Election Day 2013 approaches.

States With Monopolistic Unionism Have Heavier Tax Burdens, More Debt

And the money Service Employees International Union (SEIU) and other Big Labor bosses are pouring into the McAuliffe campaign consists largely of union dues and fees out-of-state employees are forced to fork over as a job condition.

"It's highly unlikely SEIU czarina Mary Kay Henry and her cohorts would be digging so deeply into their forced-dues and PAC treasuries to make Terry McAuliffe Virginia's next governor if they didn't expect to get a substantial payback," commented National Right to Work Committee Vice President Matthew Leen.

CREDIT: WATCHDOG.ORG

Terry McAuliffe's campaign for governor is raking in millions of dollars from Big Labor bosses.

"Unfortunately, a McAuliffe payback to Big Labor would surely come at the expense of independent-minded civil servants, taxpayers, and Virginians who depend on public schools and other critical government services."

For example, SEIU and other union bosses may well be expecting Mr. McAuliffe, if elected, to move to gut or even revoke Virginia's 20-year-old statutory ban on union monopoly bargaining in the government sector.

Under monopoly bargaining, union members and nonmembers alike must allow the agents of a single union to speak for them on matters concerning their pay, benefits, and working conditions.

Workers who choose not to join the union and believe they could get a better deal negotiating individually or through another representative are legally barred from even trying.

And state statutes authorizing union monopoly bargaining over state and local public servants are strongly correlated with heavier tax burdens and more debt.

In this context, the contrast between Virginia, which protects the Right to Work and bars public-sector monopoly bargaining, and nearby Maryland, which allows forced union dues and authorizes government union monopolies, is telling.

The most recent available analyses from two nonpartisan watchdog groups, the Tax Foundation and State Budget Solutions, show that Maryland's total state-and-local tax burden as a share of personal income is 10% higher than Virginia's, while the Free State's total debt as a share of personal income is 61% higher.

Ken Cuccinelli Vows to Back Right to Work As Governor 100%

In light of the overwhelming public support for Virginia's pro-Right to Work policies, and the importance of these policies both for personal freedom and for the state's economy, it's outrageous that Mr. McAuliffe is stonewalling thousands of Virginians who have asked him this year where he stands.

Mr. Leen pointed out that, unlike Mr. McAuliffe, GOP Gubernatorial nominee Ken Cuccinelli "did not hesitate to complete his National Right to Work Gubernatorial survey, and pledged to continue opposing forced unionism 100% if he prevails this fall."

He added:

"In the short time that remains before Election Day, I strongly urge Right to Work members and supporters throughout the Old Dominion to keep contacting Terry McAuliffe and urging him at last to take clear, public stance on the state Right to Work law, government monopoly bargaining, and other key issues.

"It would be preferable, of course, for Mr. McAuliffe to announce personally that, despite all the direct and indirect contributions from Big Labor, he will back Right to Work all the way. But at a minimum, he should be honest, regardless of where he stands."

NATIONAL RIGHT TO WORK NEWSLETTER

www.nrtwc.org October 2013

Written and Distributed by:

National Right to Work Committee®
8001 Braddock Road
Springfield, Va. 22160
E-mail: Members@NRTW.org

Stanley Greer Newsletter Editor
Greg Mourad Vice President
Mary King Vice President
Matthew Leen Vice President
Stephen Goodrick Vice President
Mark Mix President
Editorial comments only: stg@nrtw.org

Contact the Membership Department by phoning 1-800-325-RTWC (7892) or (703) 321-9820, or faxing (703) 321-7143, if you wish to:

- **Report address changes or corrections**
- **Receive the NEWSLETTER or request, renew, or cancel Committee membership**
- **Obtain more information**

Because of NRTWC's tax-exempt status under IRC Sec. 501 (C)(4) and its state and federal legislative activities, contributions are not tax deductible as charitable contributions (IRC § 170) or as business deductions (IRC § 162(e)(1)).

Empty Big Labor Claims Exposed

Continued from page 8

enterprise's employees, including those who do not belong to the union.

"However, even without such a fundamental reform, it is possible for the U.S. Congress to mitigate the harm."

Measure Would Enable Firms To Raise Workers' Pay Without Big Labor Permission

Mr. Mix continued: "For example, legislation recently introduced on Capitol Hill by Congressman Todd Rokita (R-Ind.) and Sen. Marco Rubio (R-Fla.) would allow unionized employers to pay more than a union contract calls for without having to get union bosses' permission first."

Rokita-Rubio was introduced in the House on September 19 as H.R.3154, and in the Senate September 24 as S.1542.

It is also known as the Rewarding Achievement and Incentivizing Successful Employees (RAISE) Act. As this month's Newsletter goes to press, it already has a total of 81 congressional sponsors.

If the RAISE Act became law, unionized employers would have only 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.

Union-Label Politicians Can Be Expected to Fight the RAISE Act, Tooth and Nail

"The RAISE Act is clearly a step in the right direction, and the Committee and its members are now lobbying to build congressional support for this legislation," said Mr. Mix.

"But the RAISE Act is not a panacea. Denying merit pay increases for the especially talented and assiduous is only one of several ways in which union bosses wield monopoly bargaining power to the detriment of many employees.

"For example, union contracts often force employers to discriminate against low-seniority employees if layoffs are financially necessary, while the employer left on his or her own would prefer not to discriminate on that basis.

"Many workers will continue to be hurt economically by monopolistic unionism, even if the RAISE Act is passed into law. Preserving and expanding Right to Work protections for employees who don't want a union will, of course, continue to be imperative."

Modest as the reform implemented by the RAISE Act is, union officials and their army of forced union dues-funded lobbyists can all the same be expected to fight it, tooth and nail.

Just last year, when Sen. Rubio brought up the RAISE Act as an amendment to the "Agriculture Reform, Food and Jobs" Act of 2012, he met with vociferous opposition from top union bosses.

Teamster czar Jim Hoffa's explanation for why he was determined to kill the Rubio amendment was typical.

The RAISE Act, Mr. Hoffa bitterly complained, would "allow employers to grant wage increases unilaterally to employees of their own choosing."

'A Battle Worth Fighting'

"In June 2012," recalled Mr. Mix, "union lobbyists twisted arms until every Senate Democrat, as well as Big Labor Independents Joe Lieberman [Conn.] and Bernie Sanders [Vermont] and pro-forced unionism Republican Lisa Murkowski [Alaska], voted to kill the RAISE Act.

"This year, undoubtedly, top union officials remain determined to prevent unionized employers from having the discretion to reward employees in a way that maximizes the business's profits, productivity and value.

"It will be an uphill battle even to get the RAISE Act to President Obama's desk, and securing his signature would be an even more daunting task.

"But this is a battle worth fighting. Any fair-minded person would have to acknowledge that the RAISE Act is significantly preferable to the status quo.

"And by stubbornly resisting this legislation, union bosses like Jim Hoffa effectively concede they are standing in the way of higher compensation for many unionized employees.

"What rationalization, then, do union officials have left for retaining laws that authorize Big Labor to force all unionized employees to pay union dues, or be fired?

"This fall, the Committee will continue to turn up the heat on U.S. senators and representatives to support the RAISE Act. One not insignificant point in its favor is that it exposes the hollowness of Big Labor pretensions of benefiting 'all workers.'

"The debate over the RAISE Act makes it plain to all observers that many unionized workers are Big Labor's captive passengers. Forcing such workers to pay union dues or fees as a job condition adds insult to injury."

CREDIT: STILL FROM MUTINY ON THE BOUNTY, METRO-GOLDWYN-MAYER, 1935

Under current law, employees who are subject to union monopoly bargaining, even though they personally don't want a union, become Big Labor's "captive passengers." The best solution is monopoly-bargaining repeal.

Measure Targets Big Labor 'Wage Ceilings'

Union Monopoly Bargaining Hurts America's Most Productive Workers

At a press conference early in his first term in office, President Barack Obama articulated what he insisted was a key part of his philosophy with regard to economic policy:

"We believe in the free market, we believe in capitalism. . . .

"[W]e believe in people getting rich based on performance and what they add in terms of value and the products and services they create."

Overwhelmingly, Americans would agree. Unfortunately, Mr. Obama's theoretical support for businesses' rewarding employees "based on performance" has from the beginning been at odds with his relentless advocacy for empowering union bosses to act as employees' "exclusive" bargaining representatives.

The fact is, union officials routinely wield the monopoly-bargaining privileges handed them by federal and state labor laws to prevent employers from compensating employees "based on performance and what they add in terms of value . . . "

CREDIT: GETTY IMAGES

Union dons like Teamster czar Jim Hoffa are determined to prevent unionized employers from having the discretion to reward employees in a way that maximizes the business's profits, productivity and value.

Big Labor Resists Use of 'Performance Judgments' To Determine Workers' Pay

Harvard economist Richard Freeman, perhaps the most eminent academic apologist for monopolistic unionism in the U.S., once even commended Organized Labor for being "very successful in removing performance judgments as a factor in determining individual workers pay."

Of course, what Professor Freeman and union officials regard as "success" means lower earnings for 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."

Except in star-driven industries like Hollywood movies and professional sports, union bosses typically veto 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 typically don't even try to reward employees on the basis of their individual performance, because they can expect only to suffer nasty repercussions.

'Cease and Desist' From Rewarding Good Employees Without Union Bosses' Leave

One unionized enterprise that did try to reward its best employees without first obtaining union bosses' permission is the nonprofit Brooklyn Hospital Center (BHC) in New York City.

In 2009, a National Labor Relations Board (NLRB) bureaucrat ruled the BHC had violated federal law by asking supervisors to identify the top 10% of employees in their departments, and then providing those employees with $100 gift certificates.

Even such modest incentives for good performance were not permissible, according to the NLRB bureaucrat, because the gift cards were furnished "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."

National Right to Work Committee President Mark Mix commented:

"'Wage ceilings' are a particularly outrageous consequence of the National Labor Relations Act, which authorizes and promotes union monopoly-bargaining power over pay, benefits, and other working conditions.

"The best remedy for Big Labor 'wage ceilings' is simply to revoke union officials' legal privilege to act as the 'exclusive' spokesmen for all of an

See **Empty** *page 7*