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Right to Work Revving up Candidate Survey

Pro-Compulsory Unionism Candidates Will Have No Way to Hide

CREDIT: REUTERS/LARRY DOWNING INSET CREDIT TO: WIKIMEDIA COMMONS

Pro-forced unionism collaborators in the U.S. Senate are enabling Chairman Mark Pearce (inset) and his fellow ex-union lawyers on the NLRB, Nancy Schiffer and Kent Hirozawa, to wage war on the Right to Work.

At the outset of President Obama's first term in early 2009, top union bosses were counting on the President to make good in short order on a deal he had cut with them.

In exchange for the billion dollars or more, consisting mostly of forced union dues, that Big Labor had poured into direct and "in-kind" support for the Obama-Biden ticket as well as pro-forced unionism U.S. Senate and House candidates in 2008, the union brass expected a lot from the White House.

They wanted nothing less than a rewrite of federal labor law making it even easier for them to seize monopoly-bargaining power over millions of employees in the American private sector.

But over the past five years, public opposition mobilized by the National Right to Work Committee and other grass-roots groups has hindered President Barack Obama, his congressional allies, and his handpicked bureaucrats from giving Big Labor what it demanded.

Unfortunately for freedom-loving citizens, in 2014 a National Labor Relations Board (NLRB) made up entirely of members selected by Mr. Obama and rubber-stamped by the Senate is finally poised to impose sweeping changes to decades-old procedures under which Big Labor may obtain monopoly control over workers.

Among the proposals the NLRB is likely to ram through soon are new rules mandating that employers hand over employee phone numbers and e-mail addresses to union organizers at the outset of each certification campaign.

'Ambush' Elections Would Deny Workers a Meaningful Vote

Shockingly, less than two years ago, a 54-45 majority of senators voted to give the NLRB a mandate to impose by bureaucratic fiat new federal policies to help Organized Labor increase the share of workers under union monopoly-bargaining control.

In November 2011, Chairman Mark Pearce and Craig Becker, two rabidly anti-Right to Work ex-union lawyers installed on the NLRB by the President, advanced a rule to reduce sharply the current median time frame of 38 days between the filing of a union "representation petition" and the holding of a union election.

As former NLRB member Peter Kirsanow noted at the time, the effect of such a change would be dramatic. It would "utterly and completely deprive employers of the ability to communicate vital information to their employees regarding their rights and the effects of unionization," charged Mr. Kirsanow.

Of course, once employers are denied enough time to make their case, employees will ipso facto be denied the opportunity to hear both sides of the story before voting on unionization.

"Apologists for the Obama NLRB brazenly claimed that the 'ambush' election scheme it launched in late 2011 represented only a few modest changes

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Senate 'Thumbs up' For Obama NLRB

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from practices that had been in place for decades," recalled Right to Work President Mark Mix.

"In reality, this is nothing other than an underhanded means of gutting what Craig Becker, now the AFL-CIO's co-general counsel, has called workers 'choice to remain unrepresented' -- a choice he has indicated time and again he doesn't think should be legally protected at all."

Union-Label Senators Helping Big Labor Get Access to Workers' Personal Information

In April 2012, Right to Work supporters successfully pushed for a Senate roll-call vote on a joint resolution (S.J.Res.36) that would have overturned the NLRB "ambush" election rule adopted in November 2011.

However, Big Labor prevailed upon 54 senators, including several, such as Kay Hagan (D-N.C.), Mary Landrieu (D-La.), and Mark Pryor (D-Ark.), who represent Right to Work states and are seeking reelection this year to oppose the rule.

Fortunately, a federal court later found that the NLRB had illicitly adopted the "ambush" election rule without a proper quorum, and, consequently, the rule is invalid.

Now, sadly, this important check on NLRB power grabs no longer matters, because all five positions on the board are filled. Three of the five -- Chairman Pearce, former AFL-CIO Associate General Counsel Nancy Schiffer, and ex-union lawyer Kent Hirozawa, are radical proponents of expanded Big Labor privileges.

This winter the union hierarchy is back in the driver's seat, because last fall Senate majorities, once again including Ms. Hagan, Ms. Landrieu, and Mr. Pryor, voted repeatedly to shut down a Right to Work-backed extended debate and rubber-stamp all five Obama NLRB nominations.

Because Kay Hagan, Mary Landrieu, and Mark Pryor, along with several other senators who in 2014 face potentially tough re-election bids, like Mark Begich (D-Alaska), Mark Warner (D-Va.), and Mark Udall (D-Colo.), have opposed S.J.Res.36 and backed the 2013 Obama NLRB slate, Big Labor is poised to hit the jackpot.

Mr. Mix grimly predicted:

"The looming bureaucratic overhaul of procedures for union organizing campaigns will surely include giving union organizers automatic access to employee phone numbers and e-mail addresses as well as giving employees virtually no opportunity to check the accuracy and completeness of union organizers' claims."

Candidate Survey Is 'One of the Committee's Most Effective Tools'

Mr. Mix vowed that the Committee would work this year with congressional allies to see how the federal purse strings can be used, despite the seemingly long odds, to stop NLRB bureaucrats in their tracks.

"At the same time," Mr. Mix added, "Right to Work supporters must fight to ensure that the Big Labor senators who have cheered the Obama NLRB on as it sought to strip employees of the ability to resist unionization and helped the President pack the Board with ex-union lawyers are held accountable."

The federal candidate Survey 2014 is a critical component of the counterattack.

As longtime Committee members know, the federal candidate survey asks candidates to commit themselves to oppose forced unionism and support national Right to Work legislation if elected.

The survey is "one of the Committee's most effective tools," observed Mr. Mix.

"Senate and House candidates are given several chances to return their surveys and answer 100% in favor of Right to Work. And millions of grass-roots Right to Work supporters are mobilized to lobby candidates to respond to their Right to Work surveys."

Union-Label Politicians Can Pledge to Change, or Face Potential Political Fallout

The already-launched federal Survey 2014 will give union-label politicians like Kay Hagan, Mary Landrieu, and Mark Pryor a choice: pledge to change course and always support Right to Work in the future, or face the potential political fallout.

"Regardless of their party affiliation, union-label politicians and Big Labor appeasers will have no way to hide this year," concluded Mr. Mix.

CREDIT KAY HAGAN PHOTO TO: AP

In 2012, Kay Hagan (D-N.C., left), Mary Landrieu (D-La.), and Mark Pryor (D-Ark.) banded with other Big

CREDIT MARY LANDRIEU PHOTO TO: KRIS CONNOR/GETTY IMAGES

Labor senators to kill a measure that would have blocked the Obama NLRB from implementing its "ambush"

CREDIT MARK PRYOR PHOTO TO: ABC NEWS

union election rule. Ms. Hagan, Ms. Landrieu, and Mr. Pryor are all seeking reelection this year.

Auto Workers Union Bosses Profit, Taxpayers Lose

White House Favoritism Towards UAW Brass Has Failed to Save Jobs

After years of obfuscation, Democrat President Barack Obama now admits that American taxpayers lost a total of $15 billion as a result of the 2008-2009 bailouts of union boss-controlled General Motors (GM) and Chrysler implemented by his administration and that of his GOP predecessor, George W. Bush.

But Mr. Obama has yet to acknowledge two other important facts about the extraordinary federal interventions in the affairs of two struggling companies over the past five years: (1) Both companies clearly could have survived at no net cost to taxpayers. (2) The costly interventions saved no net jobs.

Many Unionized Workers' Jobs Disappeared -- But Union Bosses Fared Remarkably Well

More than four years ago, the Obama Administration orchestrated bankruptcy processes for GM and Chrysler that flagrantly violated the standard legal principle that all unsecured creditors of insolvent companies should recover their debts at the same rate.

Given that the wasteful work rules that United Auto Workers (UAW) union bosses, wielding government-granted monopoly-bargaining power over employees, insisted on for decades are largely what drove the companies into bankruptcy, they certainly didn't deserve kid-gloves treatment. Yet that's what they got.

As Heritage Foundation analyst James Sherk pointed out in a December 12 commentary for Bloomberg, while GM's bondholders "recovered less than 30 cents on the dollar," the UAW union hierarchy "recovered most of the money owed its retiree health trusts."

At Chrysler, UAW bigwigs "recovered a greater proportion" of their unsecured debt "than even secured creditors did."

According to a 2012 analysis coauthored by Mr. Sherk and George Mason University law professor Todd Zywicki, had the Obama Administration required the UAW elite to accept standard bankruptcy concessions, taxpayers would have lost no money at all.

Union-represented hourly employees have reaped little benefit from the White House's taxpayer-funded largesse.

CREDIT: AP

President Obama's $30 billion handout to UAW union bosses "provided virtually no public good."

For example, as of last month GM's total U.S. employment was still lower by 6500 jobs than it had been in late 2008, just before the bankruptcy.

In early 2009, GM had 47 plants in the U.S. Today it has just 34.

Forced-Dues Privileges Make UAW Union Officers Political Heavyweights

National Right to Work Committee Vice President Greg Mourad commented:

"Many Americans who are unfamiliar with the ways of Washington, D.C., might wonder why the White House rewarded UAW union bosses for helping bankrupt two once-giant auto firms.

"The ugly truth is that, because of their federally-granted privilege to force workers to pay union dues as a job condition, UAW officials have been and remain a political juggernaut.

"That's why President Obama and other politicians were eager to fork over to the UAW union and its subsidiaries roughly $30 billion more than the amount to which they would have been entitled in a standard bankruptcy.

"And this huge handout provided, as James Sherk correctly observed, 'virtually no public good.'"

Americans Aren't So Easily Bamboozled

"The fact is," Mr. Mourad continued, "you don't need tens of billions of dollars in subsidies from taxpayers to produce in America cars and trucks that can be sold profitably. Hundreds of thousands of Americans working together in nonunion factories, located mostly in Right to Work states, prove it every day.

"They are able to do it largely because they aren't hamstrung by productivity-quashing union work rules. And they would still be able to do it today even if the bailouts of UAW-dominated companies had never happened.

"Fortunately, Americans are not as easily fooled as President Obama and his cohorts in the UAW hierarchy think they are. The President's fork-tongued reassurances that the UAW bailout was a dazzling success are unlikely to persuade most Americans they were wrong to oppose it in the first place.

"Instead, if Mr. Obama keeps it up, ordinary citizens are likely to get angrier

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Membership Ballot Protects Your Free Speech

Your Signature May Stop the FEC From Trampling on Your Rights

This month the National Right to Work Committee is providing supporters across the country with a much-needed opportunity to protect themselves, one by one, from Big Labor-friendly bureaucrats at the Federal Election Commission (FEC).

Given FEC bureaucrats' long track record of bullying pro-Right to Work Americans who try to exercise their First Amendment rights, this is an opportunity you can't afford to pass up.

Over the years, FEC lawyers have repeatedly buried Right to Work officers under mountains of harassing subpoenas about the Committee's survey program, which informs members which U.S. senators and congressmen support Right to Work -- and which ones don't.

FEC's Biased Definitions Of 'Member' Have Been Rejected by Courts

Starting three decades ago, the FEC has tried to concoct rules that disqualify some or even all Right to Work members from "true" membership status.

Many members would thus be denied a voice in the legislative process.

Fortunately, Right to Work attorneys and attorneys representing other citizens' groups have succeeded time and time again in getting the FEC's artificial and biased definitions of "member" and "membership organization" struck down in court.

But as a safeguard, the Committee has long encouraged members to certify each year that they still consider themselves to be members and wish to retain the freedom to participate fully in the Committee's federal lobbying activities.

Of course, Committee supporters' signed membership ballots cannot prevent every kind of FEC harassment -- such as the sweeping demand for Committee documents made by FEC lawyers a few years ago in connection with the Committee's successful efforts to overturn the so-called "Bipartisan Campaign Finance Reform Act of 2002."

(Until the U.S. Supreme Court eliminated this law's tight restrictions on the ability of the Committee and other grass-roots groups to expose anti-Right to Work politicians' records through TV and radio ads, it steepened the electoral playing field's tilt in favor of Big Labor bosses.)

Mark Mix Urges Members To Return Ballots Promptly

However, your signed and returned ballot will make it almost impossible for the FEC to declare that you have no associational free-speech rights.

To make it easy for Right to Work supporters to certify their Committee membership, Committee President Mark Mix, working with independent attorney Michael Avakian, recently sent out letters including membership ballots and pre-posted reply envelopes all around the country.

"The Committee is fighting for our freedom to ask all members -- including new members who have not yet had an opportunity to fill out a membership ballot -- to participate in our efforts to get federal candidates to pledge to support Right to Work," said Mr. Mix.

"But signing and returning a membership ballot is the quickest and easiest way for each individual National Right to Work member to protect his or her rights.

"If you don't want the FEC ever to tell you that you have no right to be informed where your presidential and U.S. Senate and House candidates stand on Right to Work or to lobby them to change their position when appropriate, then the smartest thing you can do this month is sign and return your ballot to the Committee.

"Please verify that you got your letter and ballot in the mail.

"And then try to return your ballot immediately, so you can't possibly forget."

Letters Also Seek Members' Input Regarding Committee Legislative Objectives

Mr. Mix's letters also include surveys allowing members to offer their opinions on how much of the Committee's resources should be devoted to federal and state lobbying programs over the coming year.

"Many members care most of all about our efforts to secure U.S. House and Senate votes on a national Right to Work law in 2014," said Mr. Mix.

"But other members want us to focus on passing new state Right to Work laws and protecting existing ones. These are also very important battles.

"We need a wide variety of members' input and their ever-more generous financial support in order to combat effectively the Big Labor political machine, which is expected to spend close to two billion dollars in forced-dues money on politics and lobbying over the course of the 2013-2014 election cycle."

CREDIT: WWW.ANH-USA.ORG

The Committee's basic purpose is to mobilize millions of Americans who support the Right to Work to contact their politicians in Washington, D.C., and in state capitals. The First Amendment protects such activity.

Obama IRS Brazenly Targeting Citizens' Groups

Proposed Rule Would Exempt Massive Union Political Machine

Nearly 12 years ago, a coalition of voluntary organizations, including the National Right to Work Committee, launched a bid to get key anti-free speech provisions in the so-called Bipartisan Campaign Reform Act of 2002 (or BCRA) overturned in court.

In late 2003, the efforts of this free-speech coalition seemed to fail, when a bitterly divided U.S. Supreme Court upheld the BCRA's onerous restrictions on election-year lobbying of Congress in its 5-4 *McConnell v. Federal Election Commission* decision.

However, free-speech advocates, including the Committee, didn't give up.

They kept fighting, and ultimately they persuaded the High Court to hear *Citizens United v. Federal Election Commission*, another sweeping challenge of the BCRA. The Committee itself submitted a brief in support of this suit.

And four years ago this month, the High Court voted 5-4 in *Citizens United* to reverse *McConnell* on key points, finally holding that Congress cannot constitutionally pick and choose who may speak about political candidates and issues, and who must be silent.

The majority opinion also dealt a stern rebuke to federal bureaucrats who for decades have contended that single-issue lobbies like the Committee are prohibited from spending their voluntary contributions on an array of public communications.

New IRS Regulation Applies Only to Single-Issue Lobbying Groups Like the Committee

Of course, top union bosses and their puppet politicians have never accepted the Supreme Court's determination that Right to Work and other independent groups that disagree with Big Labor have a First Amendment right to mobilize supporters and lobby elected officials to advance their deeply-held principles.

Instead, since 2010 union-label politicians, acting at Big Labor's behest, have tried again and again to circumvent *Citizens United*.

The latest, and the most dangerous yet, attempt to relaunch and expand upon the BCRA's assault on First Amendment protections for nonprofit lobbying groups incorporated under the guidelines of Sec. 501(c)(4) of the federal tax code was announced by President Obama's Treasury Department just before Thanksgiving.

CREDIT TO: NATE BEELER/COLUMBUS (OHIO) DISPATCH

National Right to Work and other grass-roots 501(c)(4) nonprofits opposed to the Big Labor agenda could see their contributions taxed like the profits of a business if the Obama IRS gets its way.

Because the primary function of such groups is to lobby elected officials and candidates on matters of public policy, supporters cannot deduct from their income taxes contributions to 501(c)(4)'s like the Committee. At the same time, because 501(c)(4)'s never make a profit and don't contribute any money to political candidates or advocate the election or defeat of any candidates, they are exempt from federal income taxes.

The Obama Treasury Department and IRS would change all that by redefining mobilization of likeminded citizens to contact their elected officials on public-policy issues, that is, the core function of groups like the Committee, as taxable "political activity."

"If it is allowed to stand, the effect of the proposed IRS 501(c)(4) rule on the Committee would be to divert a huge share of members' donated funds, money on which they've already paid income taxes, into federal tax coffers," charged National Right to Work Committee Vice President Matthew Leen.

"This would of course seriously impair the Committee's efforts to protect the Right to Work. Many smaller groups would very likely be put out of business altogether."

Obama Bureaucrats: When Big Labor Gets Out the Vote, It Isn't 'Political'

Mr. Leen continued: "The 501(c)(4) proposal would represent an outrageous violation of the First Amendment even if it were applied evenhandedly. But, not surprisingly given the source, the proposal is anything but evenhanded.

"As the LM-2 disclosure forms unions themselves file with the U.S. Labor Department show, union bosses are the biggest spenders of all in politics.

"Yet Big Labor's political machine, estimated to spend nearly a billion dollars a year on politics and lobbying, will remain almost entirely tax-exempt.

"According to the Obama IRS, get-out-the-vote drives financed by workers' forced dues and fees and conducted by unions, which are established under Sec. 501(c)(5) of the tax code, aren't 'political.' But get-out-the-vote efforts sponsored by 501(c)(4)'s are political!

"The IRS's outrageous scheme must be stopped, and the Committee will stop it -- in Congress, or in the courts."

Unionization Elections Unlike Public Elections

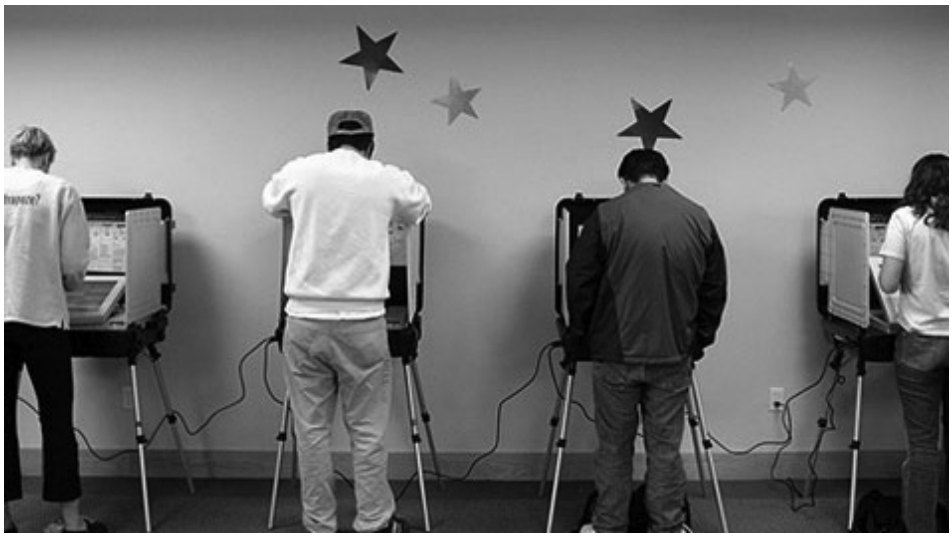
Big Labor Victories Curtail Dissenting Employees' Free Speech

In November 2012, roughly 63 million Americans nationwide voted against the winning candidate for U.S. President, Barack Obama.

People who cast their ballots for Mitt Romney, Gary Johnson, Jill Stein, and the numerous other candidates who didn't win were undoubtedly disappointed.

But many have been able to take consolation in the fact that, as citizens, they continue to have the First Amendment freedom to speak out against the Obama Administration initiatives they oppose, and do everything they can to ensure those initiatives are never implemented.

They also retain the freedom to hire, individually or collectively, spokesmen to represent in Washington, D.C., views they hold that are contrary to the President's.



CREDIT: JEFF KEARNS

In a public election, citizens who cast votes for the losing candidate can continue to speak out against the winning candidate's stands to whomever they wish. Sadly, unionization elections aren't like that.

Workers Must Allow Officers Of a Union They Didn't Vote For to Speak on Their Behalf

Unfortunately for American employees, under federal labor statutes and dozens of state laws, workplace elections concerning unionization are in this regard little like public elections.

If the majority of voting employees cast ballots in favor of being unionized, federal law and many state laws dictate that the minority who oppose unionization may no longer share with their employer their own opinions on compensation and work-rule issues.

Employees who disagree with the stands taken by their union monopoly-bargaining agent are also prohibited from spending their own money to hire a representative to present their views, rather than the union's, directly to the employer.

Clearly, then, the freedom of speech of the minority voting against unionization in an election a union wins is far less protected than the free speech of citizens who vote for candidate B, C or D is protected in the public square after candidate A wins.

Therefore, contrary to a key unstated assumption of many union officials and forced-unionism apologists who are now caterwauling about the impact of Wisconsin's Act 10, it makes perfect sense that the bar for winning a unionization election should be higher than the bar for winning a public election.

National Right to Work Committee members and, polls over the years indicate, the vast majority of other Americans agree that, no matter which side wins a unionization vote, the minority should remain free to present their own views on workplace issues to the employer, even if those views don't jibe with the union's.

'The Problem With Act 10 Is That It Didn't Go Far Enough'

But as long as federal labor law and parallel laws in many states authorize union bosses to acquire monopoly-bargaining power, it is hardly radical for public officials to withhold that privilege from unions unless they secure the votes of a majority of affected employees, and not just of those who cast ballots.

This is exactly what Wisconsin Gov. Scott Walker (R) and his legislative allies did nearly three years ago in the wide-ranging labor-policy and budget reform known as Act 10. Mr. Walker and the Legislature also instituted a requirement that most government unions have to submit to regular "recertification" votes to retain their monopoly-bargaining privileges.

"The problem with Act 10 is that it didn't go far enough," explained Committee Vice President Mary King.

"Instead of merely requiring government union bosses to clear a somewhat higher hurdle before they can obtain monopoly control over public workers, and requiring union officials to periodically show they still have majority support, Wisconsin politicians should have barred so-called 'exclusive' unionism.

"Still, Act 10 as a whole, especially the provisions protecting most civil servants' Right to Work and sharply narrowing the scope of most government union bosses' monopoly-bargaining privileges, is a significant step in the right direction."

National Committee Members In the Badger State Helped Make Act 10 Possible

Ms. King added that a significant part of the credit for Act 10 is due to thousands of National Committee members in Wisconsin, who helped mobilize the grass-roots support to propel this measure through the state Senate and Assembly in 2011.

"Despite its limitations, Act 10 has restored the Right to Work of the vast majority of Wisconsin's 150,000 unionized public employees," observed Ms. King.

"I am hopeful that the success of this law will over the next few years inspire other pro-Right to Work labor-policy reforms in state after state."

City Leaders' Hands Were Tied

Continued from page 8

well as pension benefits, city officials instead cut back again and again on basic public services."

Unionized City Pensioners as Well as Creditors Are Victims Of Big Labor Malfeasance

The results, as Detroit *News* writer Daniel Howes explained last summer, have been devastating:

"Cops take an average of 58 minutes to respond to calls. Just 8.7 percent of violent crimes are solved, compared to 30.5% statewide. . . . [T]he city's long-term liabilities exceed $18 billion." That's equivalent to over $25,000 per resident!

Can Detroit dig its way out of this hole? It certainly won't be easy, and many people are going to get hurt as the city attempts to do so.

Along with investors in Detroit's general obligation bonds, public-sector retirees are expected to get hit especially hard as a consequence of the bankruptcy that government union chiefs who purport to "represent" such retirees foisted on the city.

Detroit's roughly 20,000 city retirees stand to lose most of their health benefits and a significant portion of their pensions. It's estimated that $9 billion or more of Detroit's debt comes from unfunded retiree benefits.

Had they truly had union members' best interests at heart and shown a modicum of foresight, union bosses would have taken the opportunity many years ago to negotiate defined contribution plans, which are the property of employees and not susceptible to municipal bankruptcies.

Instead, Detroit union bigwigs pretended the retiree health plans and defined-benefit pensions they favored for unionized government workers were risky only for taxpayers.

"It turns out union bosses' promises to Detroit union members were hollow, and the risk of underfunded benefits was largely on public servants," observed Mr. Mix.

Big Labor Dominated Windy City Headed Toward Fiscal Cliff

As a December 4 front-page New York *Times* story acknowledged, the Detroit bankruptcy ruling is "likely to resonate in . . . [many] American cities where the rising cost of pensions has been crowding out public spending for public schools, police departments and other services."

CREDIT: JAMES GRIFFIOEN

Bankrupt Detroit has shuttered over 100 schools, some secured only with plywood. Sadly, a number of other major cities located in forced-unionism states now seem headed toward a similarly grim fate.

The *Times* article selected Chicago, Philadelphia and Los Angeles as examples of cities where the skyrocketing costs of Big Labor-negotiated government benefits are leaving less and less money for the provision of basic public services.

All three of these major cities, as well as other fiscally imperiled metropolises like San Francisco, Boston and New York City, have one thing in common: They are located in one of the 26 states lacking Right to Work protections for employees.

Chicago, the largest city in forced-unionism Illinois, is generally regarded as the most likely candidate to become "the next Detroit."

Under state law, Chicago must increase its annual contributions to overwhelmingly unionized workers' pension funds from roughly $810 million to $1.4 billion in 2015. That's a 73% increase.

As Democratic Mayor Rahm Emmanuel admitted late last year, "Should Chicago fail to get pension relief soon, we will be faced with a 2015 budget that will either double city property taxes or eliminate vital services that people rely on."

Monopoly-Bargaining Rollbacks Are Urgently Needed

Mr. Mix said jurisdictions in Right to Work states are less apt to go broke in large part because laws prohibiting forced union dues attract employees and firms. And without forced dues fueling their war chest, Big Labor and its lobbyists have significantly less ability to deter elected officials from curtailing unnecessary spending when public opinion demands frugality.

He added that another way in which states like Illinois and Pennsylvania can rescue their major cities is to roll-back government union bosses' monopoly-bargaining privileges, as Wisconsin did in 2011 in key provisions of Act 10.

"As a wide range of nonpartisan observers now recognize, Act 10 has empowered municipalities across the Badger State to save billions of taxpayer dollars while only rarely resorting to blunt instruments like layoffs," said Mr. Mix.

"For Chicago and Philadelphia to avoid the fate of Detroit, Illinois and Pennsylvania need their own 'Act 10's,' in addition to their own Right to Work laws."

Pro-Union Monopoly Statutes Menace U.S. Cities

More 'Detroits' Loom Unless Union Special Privileges Are Curtailed

On December 3, Detroit, at one time a magnet for ambitious job seekers from around the country, became the largest municipality in U.S. history to enter Chapter 9 bankruptcy.

In a 140-page written opinion accepting the city's bankruptcy request, Judge Steven Rhodes rejected union lawyers' claims that Detroit, despite its enormous and manifestly unsustainable debt burden, isn't really broke.

Concluding a 90-minute oral summary of his ruling that Detroit had met, as the Detroit *Free Press* account put it, the "specific legal criteria required to receive protection from its creditors," the U.S. bankruptcy judge concluded:

"It is indeed a momentous day. We have here a judicial finding that this once-proud city cannot pay its debts. At the same time, it has the opportunity for a fresh start. I hope that everybody associated with the city will recognize that opportunity."

CREDIT: AP PHOTO/DETROIT LEGAL NEWS, JOHN MEIU

"It is indeed a momentous day," said U.S. Bankruptcy Judge Steven Rhodes after declaring Detroit to be insolvent last month. "We have here a judicial finding that this once-proud city cannot pay its debts."

Key Factor Behind Detroit's Downfall Could Soon Engulf Other Large Municipalities

In addition to affirming the Motor City's insolvency, Judge Rhodes made it clear that Detroit has the legal authority to reduce public employee pension benefits negotiated by government union chiefs who have for decades wielded monopoly-bargaining power under Michigan law.

"It has long been understood that bankruptcy law entails the impairment of contracts," he said, while pledging that he would not "lightly or casually exercise power . . . to impair pensions."

Reflecting on last month's historic decision regarding the fate of Detroit, National Right to Work Committee President Mark Mix expressed his hope that, in addition to the parties directly affected by this case, elected officials across the country would "recognize the opportunity" for a fresh start.

Mr. Mix explained:

"Detroit's bloated and grossly inefficient municipal workforce is a direct result of government-granted monopoly-bargaining power.

"Government union bosses wielding monopoly-bargaining power over teachers, police, firefighters and other public employees are largely responsible for blocking for decades reforms that could have furnished residents far superior services at a much more reasonable cost.

"Of course, government-sector union monopoly bargaining is not a problem that is confined to Detroit or to the state of Michigan.

"It is a problem that is present, to varying degrees, in the overwhelming majority of the 50 states. And unless state lawmakers around the country soon get serious about addressing this problem, we can expect to see several more 'Detroits' over the next few years."

Elected Officials in Lansing Foisted Monopolistic Unionism on Motor City

Mr. Mix continued:

"The self-dealing Big Labor politicians who ran Detroit for decades have with plenty of justification been blamed for putting the city on an unsustainable fiscal path from which it never swerved.

"But it is state elected officials in Lansing who actually granted municipal union bosses in Detroit statutory monopoly-bargaining and forced-dues privileges in the first place."

(Since private and public-sector forced dues and fees authorized by existing union contracts enjoy "grandfather" protections under the Michigan Right to Work law that took effect this spring, they remain widespread even today.

And a loophole in Michigan's new Right to Work law will leave public-safety union bosses' forced-dues privileges in Detroit and elsewhere intact even once current contracts expire.)

"For decades," explained Mr. Mix, "Michigan's pro-union monopoly state laws made it virtually impossible for any elected official in Detroit to reform government employee compensation and work rules that were increasingly unaffordable for a city whose population was shrinking and getting poorer.

"Today Detroit's median household income is barely more than half the national average, but up to now many extraordinarily expensive government union perks first doled out decades ago, when the city was far more prosperous, have remained in place.

"Unable to negotiate changes in wasteful union contracts encouraging healthy teachers, policemen and other public employees to retire in their early fifties with taxpayer-funded insurance as

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