NATIONAL RIGHT TO WORK NEWSLETTER

VOLUME 60, NUMBER 8 www.nrtwc.org August 2014

Constitutionality of Forced Dues 'Questionable'

But Millions of Public Servants Must Continue to Bankroll Unions

From 1977 until this year, the U.S. Supreme Court repeatedly invoked a strained and constricted reading of the First Amendment in order to uphold the imposition of compulsory financial support for government unions' bargaining activities.

But on June 30, Justice Samuel Alito's 5-4 majority opinion in *Harris v. Quinn* marked a clear break from the pro-forced unionism-in-government stance the High Court had adopted 37 years earlier in *Abood v. Detroit Board of Education*.

At a minimum, Mr. Alito's opinion made it plain that putative "labor peace" is not an all-purpose excuse for sanctioning the extraction of forced dues and fees from Americans for government union-boss representation they don't want, and never asked for.

CREDIT: CHUCK BERMAN/CHICAGO TRIBUNE

For years, government union chiefs have, as *Harris* plaintiff Susan Watts (left) once correctly charged: "profit[ed] from the disabled, . . . taking money [to which] my daughter is entitled and repurposing it."

Hundreds of Thousands of Home Caregivers Stand to Regain Their Right to Work

The eight plaintiffs in *Harris*, a landmark case that left *Abood* standing, but manifestly shaken, are a group of independent-minded home care providers who were redefined by Illinois elected officials as public employees solely for purposes of unionization.

As a consequence of this redefinition, some of the Medicaid subsidies intended for the patients of several plaintiffs have for years been diverted, against their will, into union coffers. And other plaintiffs and their patients have faced an imminent threat of forced union dues payments.

Since the Harris case began back in 2010, all the plaintiffs have been represented by National Right to Work Legal Defense Foundation attorneys.

In briefs presented to district and appellate courts and, finally, the Supreme Court, Foundation attorneys contended that, because the state of Illinois was not the plaintiffs' common-law employer or their sole employer, the *Abood* excuse for compelling employee financial support for unions did not apply to them.

Since the plaintiffs were not employed in any government workplace, their exercise of their right not to bankroll an unwanted union could not even theoretically pose a threat to "labor peace" in the workplace, as the *Abood* opinion had envisioned.

Fortunately, Mr. Alito and four other justices on the High Court publicly agreed that disgraced ex-Gov. Rod Blagojevich and other Illinois politicians had gone further than is constitutionally permitted by corralling home health caregivers into a union.

And thanks to the Foundation-won *Harris* decision, hundreds of thousands of other home caregivers in Illinois and 13 other states whose politicians have rubber-stamped Big Labor handouts similar to the Blagojevich scheme also stand to regain their Right to Work.

Union Lawyers Found It Difficult to Demonize *Harris* Plaintiffs

Once the home caregiver forced-unionism schemes concocted by Mr. Blagojevich and his successor, incumbent Illinois Gov. Pat Quinn, came under legal fire, the Service Employees International Union (SEIU) bosses who were the

See **Incremental** *page 2*

'Important Incremental Victory'

Continued from page 1

principal beneficiaries found the schemes to be unexpectedly difficult to defend in court.

Certainly, SEIU lawyer Paul Smith, who served as Mr. Quinn's counsel of record in the case, found it difficult to demonize the *Harris* plaintiffs as "union busters."

In regard to this persistent problem for Big Labor, Mark Mix, president of the National Right to Work Foundation and the National Right to Work Committee, observed:

"Overwhelmingly, the Foundation's clients in *Harris* are people who tend to their own disabled family members. Mr. Smith could have tried to impugn their motives, as union lawyers typically do when any citizen challenges union officials in court, but it's unlikely that would have gotten him anywhere.

"Mr. Smith and company also had a hard time getting around the fact that the higher 'pay rates' for home caregivers for which union bosses purport to fight may, if achieved, leave patients with less money to cover the other expenses they incur while being treated at home."

Even For 'Full-Fledged' Public Workers, Forced Dues Are Constitutionally Dubious

Mr. Mix added:

"The fact is, there is no plausible justification for laws and executive orders compelling even 'full-fledged' public employees, as Sam Alito called them in his majority opinion, to fork over union dues.

"Under the American system of limited government, bankrolling a union you may or may not want simply isn't something you should have to do in order to teach at an elementary school, help library patrons locate the books they want, or check a home fire-alarm system.

"Paul Smith himself effectively admitted before the nine justices at the *Harris* oral arguments that his SEIU clients and other union officials claim the constitutional prerogative to force, with the government's help, employees to pay union dues for detrimental union 'representation.'"

Public-Sector 'Bargaining,' 'Political Advocacy' Both 'Directed at the Government'

"There is no way to reconcile this judicially uncontested fact with the pro-forced dues reasoning and conclusion of the *Abood* opinion," Mr. Mix continued.

"This unfortunate precedent tacitly and incorrectly assumed that all government employees, including union nonmembers as well as members, who are subject to union monopoly bargaining benefit thereby."

Agreeing on key points with the *Harris* plaintiffs' counsel of record, William Messenger, and other Right to Work attorneys, Mr. Alito and the four justices who joined with him identified several other profound flaws in *Abood's* reasoning.

For example, Justice Potter Stewart's *Abood* opinion supposed it would be relatively easy to distinguish government union bosses' political activities, which nonmembers could not be constitutionally forced to bankroll, from their bargaining activities, for which forced nonmember fees could be exacted.

But unlike in the private sector, Mr. Alito noted, where bargaining is directed at the employer and political advocacy is directed at the government, "in the public sector, both collective-bargaining and political advocacy and lobbying are directed at the government."

In Many States, Public Servants Will Continue Being Forced to Pay Dues, or Lose Their Jobs

Unfortunately, even though the *Harris* oral argument and long passages of the opinion itself left *Abood*'s "labor peace" rationale for circumscribing government employees' free speech in tatters, Mr. Alito and the rest of the *Harris* majority declined to take the opportunity to overturn *Abood*.

Having found in favor of the plaintiffs without reaching *Abood*, other than to explain in some detail why it was and remains a "questionable" decision, the High Court called it a day.

"*Harris* is an important incremental victory for Right to Work supporters," said Mr. Mix.

"Thanks to this ruling, home health caregivers, and also daycare providers, group home leaders and other Americans who perform services for individuals, but receive indirect funding from the government, in more than a dozen states should promptly be liberated from forced union dues and fees.

"But because of the limited nature of the decision, the vast majority of the roughly 5.8 million unionized public employees living in non-Right to Work states will continue to face the threat of termination for refusal to bankroll an unwanted union.

"The decision did cast into grave doubt whether state laws and other policies authorizing the forced extraction of union dues from public servants are permissible under the First Amendment.

"However, at least for the near future, the task of actually eliminating these constitutionally dubious statutes and policies has been left to state legislative and executive officials."

CREDIT TO: FOX NEWS

Mark Mix: Thanks to *Harris*, home health caregivers, home daycare providers, group home leaders and many other Americans in more than a dozen states "should promptly be liberated from forced union dues and fees."

Right to Work = More Jobs For Teachers

Rank and File Lose When NEA/AFT Union Dons Shield Forced Unionism

A major concern for American teachers and prospective teachers is the glacial growth in K-12 school-aged population, that is, 5-17 year-olds, our country has experienced in recent years.

A key factor for sustaining a healthy employment market for education professionals is growth in K-12 population.

But last year, nationwide, there were just 398,000 more children aged five to 17 than there had been in 2003. In percentage terms, the U.S. population as a whole grew *12 times as fast* from 2003-2013 as the "K-12 contingent."

In light of the fact that current U.S. birth rates are lower than they have been in more than two decades, the K-12 contingent of our total population is actually likely to begin shrinking within a few years. And since the turn of the millennium a number of states have already been enduring European-style declines in their school-aged populations.

From 2003 to 2013, 17 states suffered declines of greater than 3% in the K-12 contingents of their populations.

Fifteen of these states (Alaska, California, Connecticut, Illinois, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, West Virginia, and Wisconsin) have one thing in common: They lacked Right to Work protections for the entire decade.

One other state with a school-aged population loss exceeding 3%, Michigan, became a Right to Work state only in 2013. The only state with a Right to Work law on the books for the whole period to suffer such a loss is Hurricane Katrina-ravaged Louisiana!

Forced-Unionism States' Total School-Aged Population Fell by 1.18 Million

Over the same period, 14 states experienced *increases* of 4% or more in their school-aged population.

With the sole exception of Colorado, all of the states with the greatest increases in the number of 5-17 year-olds from 2003 to 2013 (Arizona, Arkansas, Georgia, Idaho, Nebraska, Nevada, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Utah, and Wyoming) have comprehensive Right to Work laws.

In the aggregate, Right to Work states' K-12 contingent has increased by 1.80 million, or 8.7%, since 2003, while forced-unionism states' school-aged population has fallen by 1.18 million, or 4.0%. (Michigan and Indiana, which enacted Right to Work laws only recently, are excluded.)

Why does the number of school-children keep rising in states that prohibit Big Labor from forcing workers to join or pay dues or fees to an unwanted union as a condition of employment, even as it falls in states that do not protect employees from compulsory unionism? The reason is not immigration from abroad, which affects Right to Work states and non-Right to Work states more or less equally.

In fact, forced-unionism California and New York have together endured a net population loss of 460,000 school-aged children since 2003, despite the fact that they rank #1 and #2 for share of population that is foreign-born, respectively.

The real reason for the disparity is that parents and prospective parents are moving in droves to Right to Work states. They find these states, with their generally higher real incomes and lower living costs, to be more attractive places in which to live and, particularly, to raise children.

Teacher Union Dons Obviously Value Forced Unionism More Highly Than Teachers' Jobs

"Based on the long-standing trend, it is reasonable to expect that Right to Work states will continue to have far greater growth in their school-aged population than forced-unionism states in the future," said National Right to Work Committee Vice President Mary King.

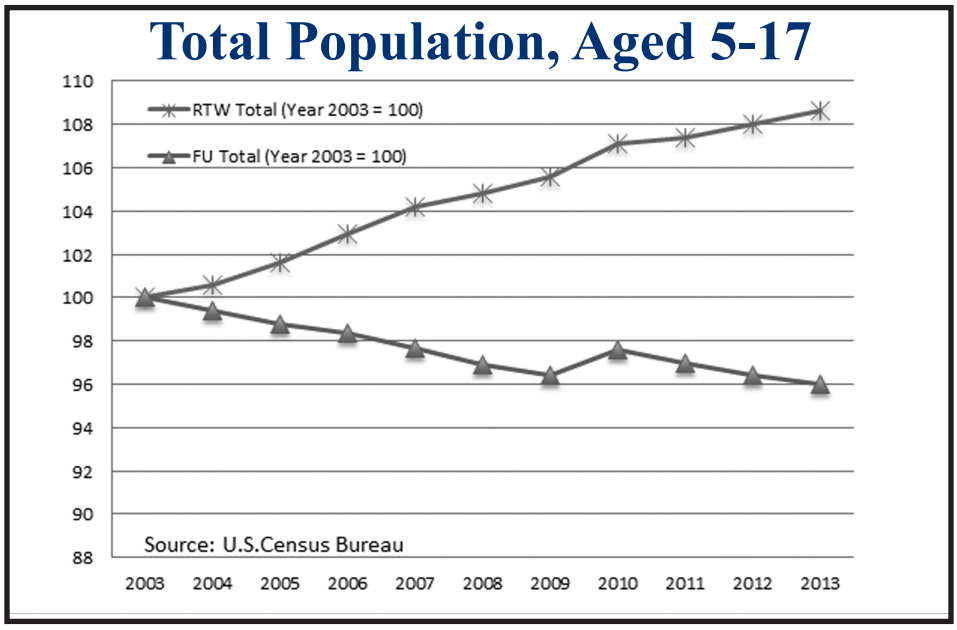
"The most likely way for the trend to change is for Congress to adopt a national Right to Work policy.

"But of course, National Education Association [NEA] and American Federation of Teachers [AFT] union bosses would oppose such legislation ferociously, just as they bitterly fight passage of new state Right to Work laws everywhere from Maine to Montana.

"The undeniable fact is that teacher union officials who oppose enactment of Right to Work laws in their states are effectively fighting to reduce the number of kids that the educators in their unions will have the opportunity to teach.

"Union chieftains will naturally insist that isn't their intent. But, whatever their intent, union dons value forced unionism more highly than teachers' jobs.

"Regardless of how teachers personally feel about voluntary vs. compulsory unionism, they should pause to consider whose best interests NEA and AFT union officials are really protecting."



CREDIT TO: NAOKO IDA/NILRR

Thirteen of the 14 top-ranking states for school-aged population growth since 2003 bar forced union dues. But among the 17 bottom-ranking states, only Louisiana had a Right to Work law prior to 2013.

Ex-Ted Kennedy Aide Back on the Labor Board?

Barack Obama Renominates Illegal 2012 'Recess' Appointee to NLRB

On June 27, the U.S. Supreme Court unanimously ruled that President Obama had violated the U.S. Constitution in early 2012 as he sought to pack the powerful National Labor Relations Board (NLRB) with extreme proponents of monopolistic unionism.

It was a little more than two-and-a-half years ago that the President, acting at Big Labor's behest, installed three of his nominees, two of them with established records as aggressive advocates of compulsory unionism, on the NLRB before any U.S. Senate debates or votes had been held on the nominations.

The White House claimed that ex-Ted Kennedy aide Sharon Block, International Union of Operating Engineers union lawyer Richard Griffin, and lawyer Terence Flynn were legally permissible "recess" appointees to the NLRB.

But the fact is, the Senate was not in recess when these three NLRB appointments were made back in January 2012. Writing for a 9-0 High Court majority in *NLRB v. Noel Canning*, Justice Stephen Breyer explained that the Senate was not adjourned, as that term is defined in Article I, Section 5 of the Constitution.

INSET CREDIT: U.S. DEPARTMENT OF LABOR

CREDIT:CHIP SOMODEVILLA/GETTY IMAGES

Big Labor bosses like Richard Trumka (right) are counting on NLRB activism to expand monopoly unionism. President Obama is eager to help by putting forced-unionism ideologues like Sharon Block (inset) on the board.

'Getting Slapped Down By the Supreme Court Was Just a Setback'

All nine justices also soundly rejected Obama Administration lawyers' contention that Article I, Section 5's definition of "adjourn" can't be used to restrict the President's appointment power.

Did it trouble the President that no Supreme Court justices, not even his own two appointees, could accept the excuse his Administration had made for circumventing the Senate? Judging by appearances, not a bit.

Less than two weeks after the Supreme Court issued its *Noel Canning* rebuke to the White House, Mr. Obama actually renominated union-boss favorite Sharon Block to the NLRB.

As Sean Higgins of the Washington *Examiner* astutely noted in a July 21 commentary regarding this move, Mr. Obama "could hardly have [made] it clearer that when it comes to labor policy he was going to plow ahead with the exact same agenda. Getting slapped down by the Supreme Court was just a setback."

Why does the President think he can afford to be so blasé?

Last year, when it was already clear that the phony 2012 "recess" appointments would ultimately be tossed out as unconstitutional, Big Labor Senate Majority Leader Harry Reid (D-Nev.) launched a preemptive strike to ensure the President kept the power to appoint forced-unionism extremists to the NLRB.

In July 2013, at union bosses' prodding, Mr. Reid used the threat of a permanent Senate rule change to extract a pledge from establishment GOP senators not to support extended debates against several then-pending Obama NLRB nominations.

Stopping Senate Confirmation Of Sharon Block Will Be an Uphill Battle

Then, late last year, Mr. Reid and 51 other Senate Democrats publicly declared that for the rest of the current Congress they would generally ignore the longstanding rule of their chamber enabling a minority of 41 senators to delay confirmation of presidential nominations by conducting an extended debate.

"Since Harry Reid's majority caucus has 55 members today, and it now takes just 51 votes to shut down a debate and ram through a presidential nomination other than to the Supreme Court, stopping Sharon Block will be an uphill battle," said National Right to Work Committee President Mark Mix.

"Nevertheless, Right to Work advocates must do everything possible to thwart this appointment, because the stakes are very high.

"Within the next few months, assuming three of the five NLRB seats continue to be controlled by forced-unionism zealots, the board is poised to impose sweeping changes to decades-old procedures under which Big Labor may obtain monopoly-bargaining control over workers.

"The unmistakable aim of the proposed 'ambush election' rules is to make it even easier for Big Labor to corral employees into unions.

"However, if a tidal wave of public opposition prevents Harry Reid from getting the 51 votes he needs to replace current union-label NLRB member Nancy Schiffer, whose term expires late this year, with Ms. Block, then the entire NLRB election rules-change power grab could be derailed."

Mr. Mix vowed over the next few weeks to mobilize Right to Work activists in all 50 states to contact their senators and press them to oppose confirmation of Ms. Block to the NLRB on all votes.

Union Don Admits: Right to Work 'Helps' Unions

Secretary-Treasurer of the UAW Has 'Let the Cat Out of the Bag'

The fundamental aim of Right to Work laws is to protect the freedom of the individual employee, and not either to hurt or to help union officials.

But whatever they say publicly about Right to Work, union bosses know that, in exchange for losing the privilege of forcing reluctant employees to fork over union dues or fees, they start out on a better foot with employees in general.

It Reassures Workers to Know They Won't Have to Bankroll a Harmful Union

"When a union organizer visits an employee of a union-free business, there are a number of concerns about unionization the employee may potentially have," observed Greg Mourad, vice president of the National Right to Work Committee.

"Some of the concerns could be equally, or nearly equally, applicable to a business in a Right to Work or a forced-unionism state.

"For example, regardless of where a unionized business is located, Big Labor may wield its monopoly-bargaining power to impose counterproductive work rules and other contract provisions that unfairly penalize talented and conscientious employees and, ultimately, destroy jobs.

"But it is nevertheless reassuring to many employees to know that, if it turns out they personally don't benefit from unionization, they will retain the option to refuse to join or pay dues or fees to the union."

'This Is Something I've Never Understood, That People Think Right to Work Hurts Unions'

"For Big Labor, the reassurance Right to Work laws give employees facing an organizing drive that they won't be forced to bankroll a union they don't want is a clear advantage," Mr. Mourad continued.

"Of course, the Big Labor 'downside' is not being able to extort money from employees who prefer not to join after a successful union organizing campaign.

"Interestingly enough, back in February, veteran United Auto Workers union organizer Gary Casteel, who has since been promoted to UAW secretary-treasurer, admitted that, as far as he is concerned, the upside of Right to Work laws for Organized Labor is greater than the so-called 'downside.'

CREDIT: AP PHOTO/CHATTANOOGA (TENN.) TIMES FREE PRESS/DAN HENRY PRESS/DAN HENRY

Gary Casteel likes being able to tell workers they won't have to join the UAW union.

"Although Mr. Casteel's remarks on how Right to Work laws affect unions were apparently made roughly six months ago, they were first published in a July 1 Washington *Post* article by overtly pro-Big Labor reporter Lydia DePillis."

There's "a school of thought," wrote Ms. DePillis, "that says it's not such a great thing to have everyone pay dues whether they want to or not." She then cited Mr. Casteel's explanation for why he "prefers right-to-work environments" for organizing:

"This is something I've never understood, that people think right to work hurts unions. . . .

"To me, it helps them. You don't have to belong if you don't want to.

"So if I go to an organizing drive, I can tell these workers, 'If you don't like this arrangement, you don't have to belong.'

"Versus, 'If we get 50% of you, then all of you have to belong, whether you like it or not.' I don't even like the way that sounds. Because [Right to Work] is a voluntary system, if you don't think the system's earning its keep, then you don't have to pay."

Committee Officer Urges Other Union Bosses to Join Mr. Casteel in Facing the Truth

Mr. Mourad commented: "Of course, the fact that Gary Casteel has acknowledged one important fact about Right to Work laws that other union bosses seek to obscure doesn't make him a saint.

"In fact, I'm confident Right to Work advocates will continue to have to battle Mr. Casteel on a number of fronts. [See the story beginning on p.8 of this Newsletter edition for one example.]

"Nevertheless, I commend Mr. Casteel for 'letting the cat out of the bag' with regard to the impact of Right to Work laws on unions, and I urge other union officials to join him in facing the truth about this matter."

NATIONAL RIGHT TO WORK NEWSLETTER

www.nrtwc.org **August 2014**

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)).

Right to Work States Dominate Auto Production

Investment in South Carolina BMW Plant Soon to Exceed $7 Billion

The extraordinary success of BMW's factory located in Right to Work South Carolina, documented in considerable detail by reporter Christoph Rauwald in a July 13 article for *Automotive News Europe*, is illustrative of how states with laws prohibiting forced union dues dominate U.S. auto production today.

As Mr. Rauwald pointed out, BMW's plant, located near Spartanburg in Upstate South Carolina, will employ 8800 people by 2016 and is "already the biggest exporter of U.S.-made light vehicles" to markets outside of North America.

'Good Cars Can Be Made at a Reasonable Cost in the U.S.'

Once an ongoing expansion is concluded, BMW will have poured $7.3 billion into the site. The expansion is expected to increase capacity by 50%, to "as many as 450,000 vehicles a year." Within two years, more BMWs will be made in South Carolina than anywhere else in the world.

With regard to BMW's "gamble" in investing in the South Carolina plant in the early 1990's, Mr. Rauwald quoted Erik Gordon of the University of Michigan's Ross School of Business:

"The plant overcame qualms to show the world that good cars can be made at a reasonable cost in the U.S. That led to a renaissance in carmaking . . . ."

More Than 70% of Current Auto Output in U.S. Occurs In Right to Work States

Besides furnishing compensation that is very attractive, especially given Spartanburg's low cost of living, the BMW factory features state-of-the-art automation such as robots whose "flexible arms . . . help workers lock in plastic frames inside a door, relieving them of a task that can cause wrist injuries."

National Right to Work Committee Vice President Matthew Leen commented that the very "flexible work rules" that Mr. Rauwald and many other industry observers recognize as key to BMW's success in South Carolina are endemic to states that prohibit forced union dues.

"Right to Work states represent the future of the U.S. auto industry," said Mr. Leen.

"As recently as 2002, U.S. Commerce Department Bureau of Economic Analysis [BEA] data showed that less than 21% of total U.S. output in automotive manufacturing took place in Right to Work states.

"Now it's safe to predict, based on the latest available data and ongoing trends, that this year the 24 Right to Work states combined will yield more than 70% of the total U.S. production in this sector, in dollar terms.

"A large share of the Right to Work growth since 2002 can be accounted for by the fact that Michigan and Indiana, respectively #1 and #2 in automotive GDP, both passed laws prohibiting compulsory unionism in 2012. But this is far from the whole story."

Right to Work Output Soars, Forced-Unionism Output Stagnates

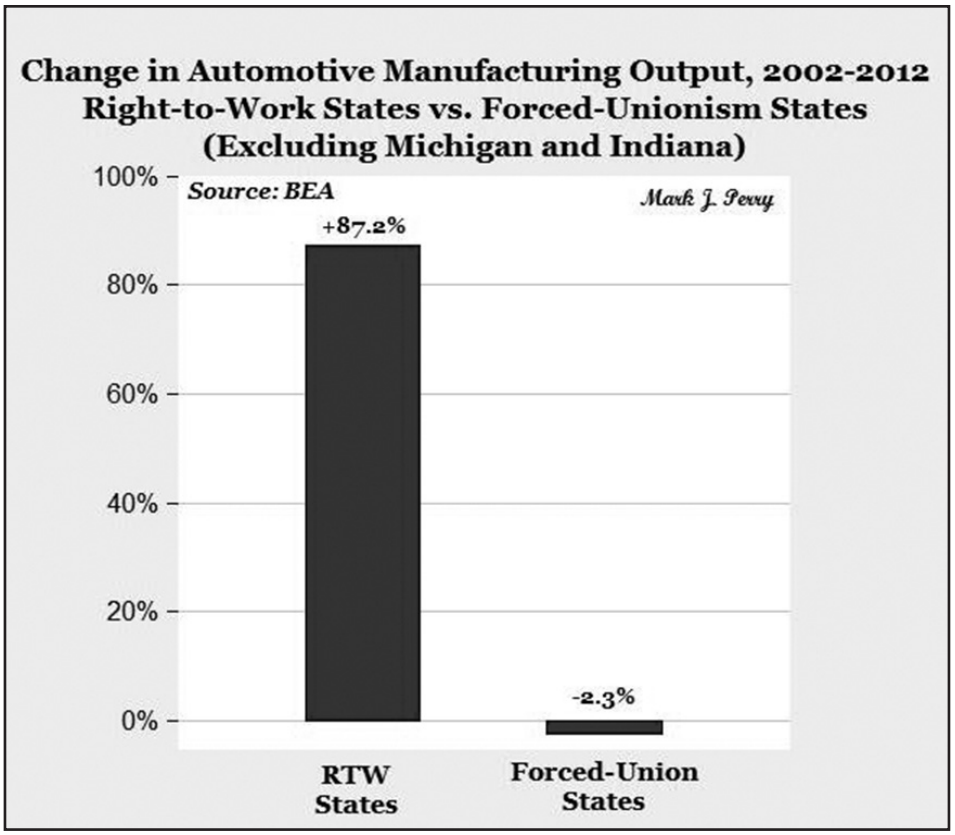
Mr. Leen explained: "Excluding Indiana and Michigan from the U.S. total, and considering just the 22 states that had Right to Work laws from 2002 to 2012, the Right to Work share of nationwide automotive output grew from 36% to 52% over the decade.

"Real automotive manufacturing GDP in these 22 Right to Work states grew by 87% from 2002 to 2012, but it fell by 2% in forced-unionism states (again excluding Indiana and Michigan).

"The overwhelming advantage Right to Work states have enjoyed over forced-unionism states in attracting automotive manufacturing investment ought to put the burden of proof on Big Labor legislators in states like Kentucky, Missouri and Ohio.

"The union-label politicians claim it makes no difference to companies considering new plant construction or expansions whether unionism is voluntary or not.

"If that's the case, how do they explain why automotive manufacturing output is soaring in Right to Work states as a group, but stagnant in forced-unionism states as a group?"



CREDIT: MARK PERRY/AEI

Excluding Indiana and Michigan, the two most recent states to ban forced unionism, the share of all automotive production occurring in Right to Work states rose from 36% in 2002 to 52% in 2012.

Workers' Freedom Still Under Fire

Continued from page 8

employees to the UAW brass based on such dubious evidence of majority support. This February 3, employees were informed that, on February 12, an up-or-down vote over UAW monopoly representation would begin.

The electoral playing field was to be tilted steeply in Big Labor's favor.

For example, over the course of the nine days between when the election was announced and its onset, VW "allowed union activists to canvass inside the plant, while forbidding employees opposed to unionization an equal chance to argue the other side," as a Washington *Times* editorial reported February 7.

Federal labor law clearly prohibits an employer from granting one side in a certification campaign access to its work areas, while denying access to the other. Some company executives were evidently willing to take the risk of having NLRB charges filed against them in order to ensure a UAW victory.

After UAW Loss, VW Opted To Build SUV in Tennessee

But on Valentine's Day evening, America learned the workers had still said "no."

VW Chattanooga employees voted against unionizing by a margin of 712 to 626. Union bosses' margin of defeat would undoubtedly have been far greater had opponents had equal ability to campaign on company property.

Shortly after the election, UAW kingpins petitioned the NLRB to overturn it, based on the novel theory that unsolicited anti-UAW statements by Tennessee elected officials who have no control over employees' jobs somehow improperly swayed the voters.

But the UAW brass subsequently backed off when it became clear that persisting with the case might well give Right to Work Foundation attorneys, representing independent-minded employees, the opportunity to expose in detail how union chiefs and certain VW executives had illegally colluded with one another.

And last month, it became apparent that, despite all that VW has done in the recent past to appease Big Labor, a critical mass of key players in the firm recognize that the union-free facility in Chattanooga represents an excellent investment opportunity.

On July 14, VW announced it would invest $900 million to build a new line of SUV's in Chattanooga, creating, a Wall Street *Journal* editorial later that week opined, 2000 factory jobs "that would probably have gone to Mexico if the UAW had won."

Production of the new SUV, based on VW's CrossBlue concept vehicle unveiled in Detroit in 2013, is expected to begin at the end of 2016. As AP reporters Erik Schelzig and Tom Krisher explained, "It gives VW an entry into an important segment of the U.S. market, the family people mover."

In addition to expanding the Chatanooga plant by roughly 538,000 square feet, VW announced it would build a new research center nearby that would employ 200 engineers.

CREDIT: DPA IMAGES (NO PHOTOGRAPHER LISTED)

The appointment last month of German union boss/VW executive Bernd Osterloh to VW Group of America's Board of Directors is disconcerting for independent-minded VW employees in Tennessee who intend to remain union-free.

Do VW Executives Prefer To Live Dangerously?

Mr. Mix commented: "One might hope that VW's decision to bet, to a large extent, the future of the company on its production employees in Chattanooga means that the company has decided to respect the views of the clear majority of workers who don't want a union monopoly.

"Unfortunately, there is substantial evidence that too many VW executives continue to want to have it both ways regarding their U.S. workers.

"On the one hand, they obviously appreciate the efficiency and flexibility of the union-free workforce they have in Tennessee.

"On the other hand, the VW hierarchy keeps sending friendly signals to UAW bosses like Secretary-Treasurer Gary Casteel, who has recently strongly reaffirmed that UAW officials have not abandoned their goal of acquiring monopoly-bargaining power in Chattanooga.

"Even as VW announced the $900 million SUV investment, for example, the company also let the world know that Bernd Osterloh, the nemesis of employees who value their Right to Work, would join VW Group of America's Board of Directors.

"The decision to grant Mr. Osterloh direct authority over American employees, plus the decision not to try to enforce a 'neutrality' deal that prohibited additional UAW organizing efforts for a year if the union lost the election, are signs that VW executives still like living dangerously.

"Fortunately, the successful lobbying efforts by Committee members and their allies to block enactment of federal legislation mandating 'card check' recognition of unions and Foundation attorneys' legal expertise have enabled VW's U.S. employees to beat the odds and remain UAW union-free up to now."

Mr. Mix, who heads the Foundation as well as the Committee, vowed to remain vigilant in defending these employees' freedom in any way possible.

Autoworkers Succeed Without UAW Bosses' 'Help'

Union Kingpins Still Seek Monopoly Control Over Chattanooga Plant

Last fall, United Auto Workers (UAW/AFL-CIO) union bosses' multi-year, lavishly funded campaign to secure monopoly-bargaining privileges over employees at Volkswagen's motor-vehicle assembly plant in Chattanooga, Tenn., was heating up.

Meanwhile, independent-minded employees at the facility, located in the eastern part of a state that has had a Right to Work law on the books since 1947, were growing concerned about a contingent in VW's top management.

Judging by media reports, several high-ranking executives appeared to want to help UAW kingpins grab monopoly power to speak for Chattanooga employees on matters concerning their wages, benefits and work rules -- even if a majority opposed unionization.

Emblematic of freedom-loving workers' concerns was Bernd Osterloh, head of VW's "global works council" and a member of the presidium of the supervisory board of Volkswagen AG.

As Reuters reported on October 16, Mr. Osterloh had unsubtly indicated in an interview the week before that the establishment of a so-called "works council" at the Chattanooga plant was imperative "if the plant wanted a second model in the future, in addition to the Passat sedan currently built there."

This statement was quickly seized upon by UAW union organizers.

With little contradiction from the media or VW executives, union organizers were then contending that, under U.S. labor law, the type of "works council" advocated by Mr. Osterloh could not be established at the Chattanooga plant unless it was first unionized.

CREDIT: MIKE SHELTON/FRANKLIN CENTER/WATCHDOG.ORG

Why did VW's Chattanooga employees reject UAW monopoly bargaining in a secret-ballot vote this February? As one independent-minded worker explained, "Many of us have . . . seen the damage that unions can do."

Majority of Workers Refused To Bow to Big Labor Pressure

Obviously eager to assist UAW bosses, Mr. Osterloh, who in Germany is VW's top union official as well as a company executive, emphasized to Reuters he knew how much employees in Chattanooga wanted the company's new seven-passenger crossover vehicle to be produced in their plant, rather than in Mexico.

"It would be good if the Chattanooga factory already had a [UAW boss-dominated] works council," he added, "because what's at stake at the moment is another model for our U.S. factory."

Had Bernd Osterloh been an officer of VW's American subsidiary when he was threatening U.S. employees that their plant would be denied a major job-creating investment unless they unionized, even President Barack Obama's National Labor Relations Board would likely have had to press charges against the company.

But because Mr. Osterloh was an officer of the German parent company rather than its U.S. affiliate, "NLRB bureaucrats could contend, however implausibly, that his overt threat was not illegal under federal labor law," noted Mark Mix, president of the National Right to Work Committee.

"At any rate," he recalled, "the majority of VW's Chattanooga employees ultimately refused to bow to pressure to acquiesce to union monopoly control."

First, with free assistance from attorneys on the staff of the Committee's sister organization, the National Right to Work Legal Defense Foundation, employees opposed to a union monopoly collected more than 600 signatures for a petition stating they did not want to have the UAW foisted on them.

Workers, Aided by Right to Work Attorneys, Ultimately Secured a Secret-Ballot Vote

Also with Right to Work legal assistance, employees deterred VW executives from going along with demands from then-UAW czar Bob King and his lieutenants to grant union officials "exclusive" representation privileges based on signed union "authorization" cards alone, without a secret-ballot vote.

Employees gathered ample evidence that UAW organizers had illegally used misrepresentations, coercion, threats and inducements to obtain many of the authorization card signatures that by late 2013 were being deployed to enthrone UAW bosses through a so-called "card check."

Finally, VW leaders decided they could not hand over all their front-line

See **Workers' Freedom** *page 7*