

Right-to-Work FAQ

How does right-to-work create more jobs? A right-to-work law would open the door to attracting more new and expanding companies and the thousands of jobs they bring. Site selection experts from across the country say that up to half of all companies that hire them to find a good location won't even consider non-right-to-work states for their business growth and expansion plans. So Indiana automatically loses out in far too many cases.

Between 1977 and 2008, right-to-work states enjoyed nearly double the job growth of non-right-to-work states.

Do right-to-work states have lower wages? Emphatically, NO! The reality is a right-to-work law will result in wages equal to or higher than those states without right-to-work, when you make the standard cost-of-living adjustments. Example: While an employee at the same job in Texas may make \$1 less per hour than that same position in Indiana, that's because Texas has a lower cost of living (not to mention no income tax!). Unfortunately, union bosses will say right-to-work states have lower wages because of the right-to-work law and even resort to emotional tactics to scare citizens into believing it.

When you look at the facts, right-to-work states have significantly higher per capita personal income growth (11%+ higher) than states without a right-to-work law. The latest case is Oklahoma, which passed right-to-work in 2001. Between 2003 and 2006, the real personal income in Oklahoma grew by 13.6%. That's more than twice as fast as the overall average of non-right-to-work states.

Would a right-to-work law mean the end of unions in Indiana? No. Right-to-work simply protects employees from being forced to join a union and pay dues. It does not prohibit labor unions or collective bargaining. Instead, it lets an individual employee decide if he or she wants to support the union. Such a freedom is what's expected in a democracy and what our country was built on.

What's more, Indiana already has seen a right-to-work law pass for teachers (over 15 years ago). The result: It didn't eliminate their unions or collective bargaining rights.

What's the difference in the Indiana Builders Association having members who pay dues and union membership? The Indiana Builders Association routinely advocates for

passage of legislation that benefits most or all companies engaged in the construction industry in the state, not just those who are our members. However, we don't force any Hoosier business to pay for our work. Those who value what we do join voluntarily...that's the big difference!

Moreover, union leaders complain of "free riders," and say that it's not fair for non-members to receive the same compensation and benefits as dues payers. Under the National Labor Relations Act, unions are permitted to negotiate "members-only" contracts. But they seldom do. Why? They strongly prefer including all employees and receiving the increased revenues that the forced dues system generates.

How big of a "business" is unionization in Indiana? Some 194,000 Indiana workers are forced to pay \$127 million in union dues (per unionstats.com). Some Hoosiers (of the approximately 8% of private sector workers who currently belong) would still elect to join a union under a right-to-work law, but there could be a significant group that won't. Oklahoma, the last of the 22 states to pass right-to-work (in 2001), saw a 15% decline in union membership. If that trend holds for Indiana, unions would lose some \$19 million a year. This makes for good motivation for union leaders to muddy the factual waters when speaking about the issue.

Doesn't federal law already prohibit "forced union membership?" Yes and no. The U.S. Supreme Court has ruled that it is unconstitutional to force a worker to actually be a "member" of a labor union as a condition of employment. However, federal law still allows non-member workers to be forced to pay so-called "agency shop" or "representation fees" which are regularly nearly the same as full member dues, thereby sidestepping these protections. Federal law allows states to enact a right-to-work law to provide the full measure of protection.

What's different between Indiana's right-to-work effort and other workplace battles recently waged in Ohio and Wisconsin? In Indiana it's all about right-to-work, an issue that 65% of Hoosiers support! Whereas what happened in Ohio and Wisconsin had ZERO to do with right-to-work. Instead, it was about public employee collective bargaining reforms, reduced benefits and higher insurance co-pays for government workers. The same regional and national union bosses who were on the ground in those states are going to face a very positive, pro-jobs unified front in Indiana.

What do Hoosiers think about right-to-work? Statewide, scientific public opinion polling finds that at least 65% of Hoosier voters support passage of a right-to-work law. Majorities of Republicans, Democrats and Independent voters support it. Even union-member households are roughly evenly split on the issue. Labor union bosses are the ones who vigorously oppose right-to-work, not Hoosier working men and women.

What can I do to help get right-to-work passed in Indiana? The most important thing you can do is contact your state legislators and let them know you support Indiana passing a right-to-work law. Take just a few minutes to send a letter or call the House at (800) 382-9841 / (317) 232-9600 and Senate at (800) 382-9467 / (317) 232-9400.