

Right-to-work (RTW) was a **RIPOFF** in 1978; it's still a **RIPOFF** today

This is a summary of the **FACTS** detailed in this issue that tell the **TRUTH** about RTW and how it impacts **YOU**, your family, our state. Spread the word 'cause the fight's not over

FACT: PEOPLE WHO LIVE IN RTW STATES ARE WORSE OFF



WAGES

- ✓ **Household income** (average) in WORKER FRIENDLY (non-RTW) states is \$4,613 more than in RTW states.
- ✓ **Weekly wage** of union workers, on average, is \$191 a week MORE than non-union workers.
- ✓ **Union vs. non-union** in the same occupations, by gender and age: union members greatly out-earn their non-union counterparts.
- ✓ **Pay Gap** between men and women: in RTW states women earn 77% of their male co-workers' wages compared to earning 79% in WORKER FRIENDLY (non-RTW) states. The national average is 78%.
- ✓ **The richest 1%** capture more for themselves at the expense of the workers who make the products and provide services as a result of RTW weakening unions. The ability for workers to band together is severely and negatively impacted by the lack of density of union members in the nation's workforce.

CEO vs. Worker Pay Scale between 1978-2012

Average pay:	CEO*	Worker	Ratio	Union Members % of Workforce
1978	\$1.5 million	\$48,600	26 to 1	19.7%
2012	\$14.1 million	\$51,200	202 to 1	11.3%
% Increase	876%	5.4%		

*CEOs of America's top 350 firms; includes pay and the value of stock options.



JOBS

- ✓ **Low wage jobs:** Of the 20 states with the most low-paying jobs, 70% are RTW states (14 states) while only six are WORKER FRIENDLY (non-RTW) states (30%).
- ✓ **Full time in poverty:** On average, for more than one fourth of the jobs available in RTW states, if a worker were to work that job full-time, he or she would still be in poverty. (Poverty level: A family of four earning \$21,954 or less.)
- ✓ **Availability:** Even after more than 60 years of having RTW in almost half the states, more jobs are to be found in WORKER FRIENDLY states (82 million jobs) than in RTW states (53 million jobs).
- ✓ **Death rates on the job** are substantially higher in RTW states. Only 10 RTW states (32%) have death rates lower than the national average.



POVERTY

- ✓ **Poverty** in RTW states is HIGHER: 15.3%, compared to 13.4% in WORKER FRIENDLY states.
- ✓ **Highest poverty levels** are in RTW states (13 of the worst 20). As a result, taxpayers carry a bigger burden.



HEALTH CARE

- ✓ **Lack of health insurance:** more people go without health insurance in RTW states (16.3%) than in WORKER FRIENDLY states (12.9%).



EDUCATING CHILDREN

- ✓ **Less in RTW** states is spent educating kids: an average of \$3,094 LESS per capita on education than WORKER FRIENDLY states, so the children suffer far into the future.

FACT: RTW DOES NOT LEAD TO BETTER STATE-LEVEL ECONOMIC PERFORMANCE



LOCATION DECISIONS

- ✓ **Site selection** consultant surveys consistently say RTW legislation is NOT even in the top 10 reasons companies use to relocate.
- ✓ **More important** reasons to locate a plant: an educated, well-trained workforce and good infrastructure.



INNOVATION

- ✓ **Innovation**, which is the future of good paying jobs, is fostered to a much greater extent in WORKER FRIENDLY states than in RTW states.



GROWTH

- ✓ **Faster growth:** WORKER FRIENDLY states are growing faster than RTW states. Of the 20 FASTEST growing states, 60% are WORKER FRIENDLY states. Of the 20 SLOWEST growing states, 55% are RTW states.
- ✓ **Facts give lie** to RTW claims that RTW states are growing faster.



CRITICAL SERVICE SUPPORT

- ✓ **Spending less:** On a per capita basis, RTW states spend less on essential services such as education, health care, fair wages, roads, etc. Of the 20 states with the LOWEST essential services funding, 65% are RTW states.
- ✓ **Spending more:** In contrast, 75% of WORKER FRIENDLY states have the STRONGEST per capita spending for critical services.

THE TRUTH BEHIND RTW



The Right-to-Work (a/k/a Right-to-Work-for-Less or Right-to-Work for Worse or RTW) movement was begun several decades ago by a group of southern businessmen whose intent was to fight and weaken unions in order to destroy the unity, and thus the cohesiveness, of working men and women banding together to help themselves against the power — and money — of the corporation! Missouri defeated a RTW campaign in a 1978 statewide vote. Today, 24 states have RTW laws, and although the Missouri Legislature fended off an attempt in 2014 to make it the 25th state (with the support of all the Democrats and a key number of strong-willed Republicans who believe in, and support working families), those same out-of-state special interest groups are going to try yet again in the 2015 session of the Republican-controlled Missouri Legislature.

The same special interests are also eyeing Illinois in the upcoming governor's election.

THE WOLF AT THE DOOR



RTW proponents claim that such laws attract more business, and improve states' economies and workers' lives. IT'S A LIE.

THE TRUTH

The truth, however, is that:

- ✓ **WORKER FRIENDLY** states (non-RTW states) have higher growth rates, and people have higher wage levels and are more likely to have benefits such as health care and retirement.
- ✓ RTW states have lower household incomes because individual worker's incomes are lower, thus people are more likely to live in poverty and less likely to have health insurance.
- ✓ RTW weakens a state's economy and labor unions thus strangling the unity of workers banding together to improve their own welfare.
- ✓ RTW destroys the Middle Class and pushes the economic advantage to the wealthy and special interests.

THE FACTS

A current study of a variety of factors related to RTW concludes:

- RTW will not create jobs.
- RTW will not improve Missouri's economy.
- RTW will hurt ALL Missouri's workers and our state's economic recovery.
- RTW WILL HURT our Unions and their families.

(EDITOR'S NOTE: All information in this special report independently researched using the latest published data from the Bureau of Labor Statistics and other authoritative resources from a report issued by Preserve Middle Class Missouri, a grassroots coalition of citizens and organizations advocating for better wages, working conditions, and employment opportunities for Middle Class families in Missouri.)

- RTW DOES NOT lead to better overall outcomes in almost every category.
- RTW DOES lower incomes, create higher poverty and ensure worse health care coverage.
- RTW DOES weaken unions, the very institutions that exist to unite workers, who, by banding together help boost themselves into the Middle Class and get a fair shake in dealing with their employers.
- RTW DOES help people at the top of the economic ladder at the expense of the rest of us. Today, the average corporate CEO is earning 202 times what the average worker earns.

For workers, RTW is a wolf in sheep's clothing. BEWARE!

FACT: QUALITY OF LIFE LOWER IN RTW STATES



PER PUPIL SPENDING

- ✓ **Stronger:** WORKER FRIENDLY states are stronger supporters of education. Average annual spending per pupil in WORKER FRIENDLY states is \$12,350.
- ✓ **Weaker:** In RTW states the average annual per pupil is \$9,256.



EDUCATIONAL OUTCOMES

- ✓ **Best:** Of the best 20 states with the best educational outcomes, 14 (70%) were WORKER FRIENDLY states.
- ✓ **Worst:** 55% of RTW states (11) are among the worst 20 states in the U.S.



HEALTH INSURANCE

- ✓ **Worse:** Almost a fifth (16.3%) of the people in RTW states don't have adequate health care compared to 12.9% of WORKER FRIENDLY states, which creates huge social service burdens in those states.
- ✓ **Better:** Comparing availability of health care to the national average of availability in all states, 71% of WORKER FRIENDLY states are above that average, while 72% of RTW states are below it.



HEALTH CARE & RETIREMENT

- ✓ **Unions improve** the likelihood that workers will have medical and/or retirement security.
- ✓ **None:** One-fourth (25%) of non-union workers have no medical and/or retirement benefits, compared with 4% of union workers.



A HARD ROAD FOR WORKERS

- In looking at all the data in this special Labor Day report, the implications of a Right-to-Work law are clear and stark — in RTW states:
- ✓ For ALL workers: Wages lower, poverty higher.
- ✓ Lower wages means less tax revenue is available for education, health care, roads, bridges.
- ✓ Lower wages = fewer critical services such as teachers, fire fighters, police.
- ✓ More unemployed or in poverty: tax burden falls heavily on working taxpayers.
- Is RTW really in the best interests of working families or the richest elite among us who want to take advantage of low wages and cheap labor? This special report should help you make that decision.

FACT: REAL PROTECTIONS LAG IN RTW STATES



MINIMUM WAGE

- ✓ **Minimum wage** (average) is higher in WORKER FRIENDLY states (\$7.81) compared to \$7.36 in RTW states. The difference for a full-time worker: \$936 annually. Five RTW states have NO state minimum wage laws, while three are below the federal standard.

- ✓ **Tipped workers** in RTW states have the most difficulty earning a living. On average, they make 30% LESS (\$1.37 an hour) than tipped employees in WORKER FRIENDLY states. Tragically, servers have three times the poverty level of other workers.



GENDER EQUALITY

- ✓ **NO legal** gender equality protections in 82% of RTW states.

FACT: REAL RTW GOALS: WEAKENING UNIONS, DRIVE DOWN WAGES, DESTROY WORKING MIDDLE CLASS



UNION MEMBERSHIP

- ✓ **Clear intent** of RTW laws — destroy union membership; in WORKER FRIENDLY states average union membership is 13.6% of state's workforce compared to 6.1% in RTW states.
- ✓ **When workers aren't** together in their union, their strength at the negotiating table is severely weakened.



WEAKEN THE UNION

- ✓ **Union density:** In WORKER FRIENDLY states, there are 10 union members for every non-member (who is paying a 'fair share' cost vs. actual dues to support the union's services). In RTW states, there are only 4.5 union members for every non-member. History is clear: When union diversity declines, workers' wages and benefits decline proportionately.
- ✓ **Freeloaders:** As the union is forced by federal law to provide non-members the same services as members (freeloaders), this weakens the union's financial ability to deal effectively with management on workers' needs.

