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HB 163 - Labor and Employment - Labor Organizations - Right to Work
House Economic Matters Committee
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OPPOSE

Donna S. Edwards
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Mr. Chairman and members of the Committee thank you for the opportunity to testify in opposition to HB 163 - Labor and Employment - Labor Organizations - Right to Work. My name is Donna S. Edwards and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of the 340,000 union members in the state of Maryland, I offer the following comments in strong opposition to HB 163.

Right to Work is clever branding. Meant to be misleading, Right to Work laws do nothing to increase workers' chances of finding a job, being paid more, and it definitely does not create a right to a job. Right to Work is a political strategy designed to take away rights from workers further rigging the system at the expense of workers in favor of the wealthiest 1%.

Proponents of RTW laws claim to be protecting workers against being forced to join a union. The reality is that federal law already makes it illegal to force a worker to join a union. Instead, RTW laws prohibit contracts that require all workers who benefit from the union's collective efforts in a bargaining unit to help pay for these benefits. The non-paying worker receives all the increased wages and benefits negotiated by the union and must be represented by the union. That means that if an employer mistreats a worker not in the union, the union must represent the non-paying worker even if it costs hundreds of dollars or more.

Financed by a network of extremely wealthy individuals and corporations, RTW is a well-funded centralized campaign to weaken unions thereby weakening working people's leverage over their working conditions and ability to collectively negotiate for better wages and benefits. RTW laws result in suppressing wages and forces union members to pay for and provide services for free to nonpaying workers.

Of the 21 States stuck at federal minimum wage (\$7.25) 19 are right to work states. Twelve of the 15 states with the worst pay gap between men and women are right to work states. Right to work states have a 36% higher than the average number of discrimination charges filed with the EEOC.

A recent study of three Midwest right to work states demonstrated there were significant differences between right to work states and collective-bargaining states. Workers in the three right to work states analyzed

earned 8% less per hour on average than their counterparts in collective-bargaining states and the medium income of a worker was 5.9% less.¹

Moody's Analytics, a Moody's Corporation business, completed an Economic Forecast January 2015 for the State of Illinois². They reported that:

“Right to work laws weaken labor unions by eroding the power and influence of organized labor—they tilt the balance of power so that workers reap fewer of the gains from growth. Since laws that hurt unions shift the balance of power from employees to owner, they tend to erode wages and lead to a more uneven distribution of gains of economic growth. Consequently, even if the impact of right to work laws is positive in the short run, it can diminish over time because of the downward pressure on incomes.”

Right to Work laws endanger safety and health standards that protect workers on the job. Working people and their unions have a long history of fighting for tougher workplace safety and health rules. Right to work laws weaken workers' ability to stand together in order to maintain and strengthen workplace safety and health standards. According to data from the Bureau of Labor Statistics, the rate of workplace deaths is 58% higher in states with these laws³.

Wages are lower in states with these laws. The average worker in states with these laws makes \$7,443 a year less than workers in other states (\$45,924, compared with \$53,367)⁴. Because of the higher wages, working families in states without these laws also benefit from healthier tax bases that improve their quality of life.

The Economic Policy Institute memorandum, “What’s Wrong With ‘Right-to-Work’”⁵, examined the claims that states with right-to-work laws experienced personal income growth and employment growth by separating ideological passion and scientific fact. EPI found dramatic growth in some RTW states but steep declines in others, with the high growth states skewing the average. Studies finding positive employment effects of RTW laws failed to control for numerous factors affecting employment such as educational levels, proximity to transportation hubs and level of manufacturing.

There is ample evidence that Right to Work laws hurt all workers—union and nonunion. All the reasons that supporters give for right to work laws are false and attempt to deceive us from the real reasons they want to pass these bills – to pad the profits of large corporations by allowing them to pay workers less, work us more and prevent us from doing anything about it.

We ask for an unfavorable report on HB 163.

¹ The Impact of Right to Work Laws on Labor Market Outcomes in Three Midwest States April 3, 2017

² <http://cgfa.ilga.gov/Upload/2015MoodyEconomyILforecast.pdf>

³ AFL-CIO, “Death on the Job: The Toll of Neglect,” April 2017.

⁴ Bureau of Labor Statistics, Quarterly Census of Employment & Wages—QCEW, 2016 data, (all industries, all establishments, average annual pay), accessed July 14, 2017

⁵ <http://www.epi.org/publication/pm174/>