



# FACT SHEET

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## Forced-Unionism Expansion Would Hurt Young Employees the Most

**Low Union-Monopoly States Furnish ‘Safety Valve’ For Americans Aged 25-34 Who Can’t Find Decent Job Opportunities in High Union-Monopoly States, Census Bureau Data Show**

The newly published 2010 edition of the U.S. Census Bureau’s *Statistical Abstract of the United States* shows that, in 2008, there were 40.932 million U.S. residents aged 25-34 living in one of the 50 states or Washington, D.C. That represents a 5.6% increase over the total 25-34 year-old population in 1998. In absolute terms, the U.S. population in this age bracket increased by 2.158 million over the past decade.<sup>1</sup>

The overall U.S. population from 1998 to 2008 increased by 12.5%, well over double the growth rate for the young-adult population. The relatively slow growth in the number of 25-34 year-olds is widely recognized as a significant impediment to economic growth because of the group’s high participation in the labor force. Among males aged 25-34, 92.2% had jobs or were seeking them in 2007, compared to just 73.2% of all males 16 and over. Among females in the 25-34 age bracket, 74.5% were labor-force participants, compared to 59.3% of all women 16 and over.<sup>2</sup>

### **Public Policy, Not Geography, Is the Most Significant Factor Behind Labor-Force Shift**

The relatively slow growth in the number of young adults nationwide is the sum of widely disparate trends among the 50 states. Thirteen states in the eastern half of the U.S. (Connecticut, Delaware, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island and Vermont) all endured *declines* of more than 5.0% in their 25-34 year-old population between 1998 and 2008, compared to the national increase of 5.6%.

Meanwhile, four states in the U.S.’s western half (Arizona, Idaho, Nevada and Utah) experienced 25-34 year-old population gains of *more than 40%*. Overall, the 13 states constituting (according to the Census Bureau delineation) the West experienced five times as great a gain in their young-adult population as did the rest of the U.S.

<sup>1</sup> *Statistical Abstract*, 1999 edition, p. 33, and 2010 edition, Table 16.

<sup>2</sup> *Statistical Abstract*, 2009 edition, Table 568.

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However, it would be way off the mark to describe the reallocation of America's young employees over the past decade merely as a shift to the West.

California, with a total population of roughly 37 million, greater than the combined populations of the 12 other Western states, experienced a mere 1.0% gain in its 25-34 year-old population over the past decade, 4.6 percentage points *below* the national average. In fact, out-migration of young native-born adults from California accounts in significant part for the rapid growth in the young-adult populations of many other Western states.

Meanwhile, six states located in America's central and eastern regions (Arkansas, Florida, Georgia, Oklahoma, South Dakota and Texas) experienced young-adult population gains of more than 10.0%, far above the national average.

To help identify factors influencing the reallocation of young adults other than the general shift to the 13 western states, it is useful to separate these states and the 37 others into two separate groups.

Among the 37 states outside the U.S. west, as we have already noted, 13 suffered a decline of more than 5.0% in their 25-34 year old population from 1998 to 2008, whereas six states experienced gains of more than 10.0%.

Though they are located variously in the New England, Middle Atlantic, South Atlantic, and East North Central regions of the U.S., all 13 states enduring the worst losses all have one important public policy in common: Not one has a Right to Work law that prohibits making forced union dues or fees a condition of employment. In contrast, all six of the states outside the West with young-adult population gains of more than 10.0% are Right to Work states.

Twenty-two states currently have Right to Work laws on the books.<sup>3</sup> Unless a state has a Right to Work law, federal law authorizes the imposition of forced union dues and fees on its private-sector employees.

In the 17 non-Western Right to Work states, the aggregate 25-34 year-old population increased from 12.965 million to 14.602 million, or 12.7%, over the past decade. Meanwhile, in the 20 non-Western forced-unionism states, the aggregate 25-34 year-old population fell from 16.807 million to 16.036 million, or 4.6%. Western Right to Work states' total young-adult population grew by 47.0%, compared to Western non-Right to Work states' 8.3% increase. Even excluding slow-growth California, Western forced-unionism states' increase was barely more than half that of Western Right to Work states.

### **Prevalence of Union Monopoly Bargaining Also Negatively Correlated With Young-Adult Population Growth**

On average, a far smaller share of private-sector employees in the 22 Right to Work states are subject to "exclusive" union representation than is the case in the 28 forced-unionism states. Under "exclusive" union representation, which may accurately, if provocatively, be labeled as union monopoly bargaining, all the employees in a government-delineated "bargaining unit" must allow the agents of a

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<sup>3</sup> The 22 Right to Work states are: Alabama, Arizona, Arkansas, Florida, Georgia, Idaho, Iowa, Kansas, Louisiana, Mississippi, Nebraska, Nevada, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia and Wyoming.

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single union to negotiate with their employer on their behalf in matters concerning pay, benefits, and working conditions.

The 1935 National Labor Relations Act (NLRA) and the 1934 Railway Labor Act (RLA) amendments mandate monopoly bargaining whenever federal authorities determine that a majority of the employees who have expressed opinions want a union. Workers who never supported the union, or cease to support it, and are not union members, nevertheless must accept the union as their monopoly-bargaining agent, just as if they were union members.

Even viewed independently from Right to Work status, the prevalence of union monopoly bargaining in a state is negatively correlated with young-adult population growth. This is true with regard to public-sector monopoly bargaining as well as private-sector monopoly bargaining. However, this fact sheet focuses on private-sector monopoly bargaining due to its topicality.

Legislation introduced last year by Big Labor U.S. Sen. Tom Harkin (D-Iowa) and Congressman George Miller (D-Calif.), and now pending on Capitol Hill, is designed to help union bosses sharply increase the share of all front-line private-sector workers nationwide who are under union monopoly bargaining. Cynically mislabeled as the “Employee Free Choice Act,” the Harkin-Miller legislation (S. 560/H.R. 1409) would promote expanded monopoly bargaining through several means, most notably by effectively ending secret-ballot elections in union organizing campaigns.

Thanks primarily to intense public opposition mobilized by the National Right to Work Committee and other organizations, S. 560/H.R. 1409 is now not expected to be adopted by Congress in its current form. However, it is quite likely that Congress will vote this year on alternative “Plan B” legislation designed to accomplish the same objective by somewhat different means, including tampering with workplace election rules.

Special targets of legislation such as S. 560/H.R. 1409 are the states with the lowest shares of private-sector employees under union monopoly control. The bottom-line impact would be to strip young adults across the nation of valuable job and other economic opportunities.

In states that had private-sector unionization of less than 6.5% in 1998 (Arizona, Arkansas, Florida, Georgia, New Hampshire, North Carolina, North Dakota, South Carolina, South Dakota, Texas, Utah, Vermont and Virginia), the total number of 25-34 year-olds in 2008 was 12.304 million, an increase of 17.8% over these states’ aggregate population in that age bracket a decade earlier.

Over the same 10-year period, the 25-34 year-old population increased by just 3.7% in states with 1998 private-sector unionization of 6.5% to 11.0%, and *decreased* by 1.1% in states with 1998 private-sector unionization of more than 11.0%.

Among the 22 Right to Work states alone, the young-adult population increased by 18.7% in the 11 states (Arizona, Arkansas, Florida, Georgia, North Carolina, North Dakota, South Carolina, South Dakota, Texas, Utah and Virginia) with 1998 private-sector unionization of less than 6.5%, more than double the 9.2% increase experienced by the 11 Right to Work states (Alabama, Idaho, Iowa, Kansas, Louisiana, Mississippi, Nebraska, Nevada, Oklahoma, Tennessee, Wyoming) with 1998 unionization of 6.5% or more.

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## **Were It Not For ‘Safety-Valve’ States, National Unemployment Would Be Even Worse**

A quick examination of relevant Census data shows that low-monopoly-bargaining density states’ outsized growth in their young-adult population was overwhelmingly the result of migration from other states, and not other factors such as disparate 1974-83 birth rates.

For example, in 1974, 1978 and 1982 combined, just 24.4% of all births nationwide occurred in states with the private-sector unionization of less than 6.5% in 1998.<sup>4</sup> But by 2008, 30.1% of all 25-34 year-olds lived in these states.

Up to now, low monopoly-bargaining-density states like Texas, Georgia, and North Carolina have furnished a “safety valve” for Big Labor strongholds like New York, New Jersey, Michigan and California.

Young adults who can’t find decent job opportunities in heavily unionized states simply pick up and leave for states like Texas, Georgia, and North Carolina, where they routinely fare far better.

As bad as unemployment is today in union-label New York, New Jersey, Michigan and California, it would be far worse were it not for the “safety-valve” states. But if Tom Harkin, George Miller, and other Big Labor politicians in Congress have their way, there will no longer be any pockets of long-term job growth in America. Under such circumstances, it won’t be long until the next nationwide economic downturn.

In retrospect, the 2008-2009 recession may then seem like a walk in the park.

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*Nothing here is to be construed as an attempt to aid or hinder the passage of any bill before Congress or any state legislature.*

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<sup>4</sup> *Statistical Abstract*, 1977, 1980 and 1986 editions pp. 57, 63 and 58, respectively.