

Right to Work for Less in Michigan?

H.B. 4454 and H.B. 4455 Will Hurt Michigan's Economy and Working Families

'Right to Work' for Less Hurts Everyone

Workers in states with so-called right to work laws have a consistently lower quality of life than in other states—lower wages, higher poverty, less access to health care—according to data from the U.S. Department of Labor and the U.S. Census Bureau. Why should Michigan adopt a losing “right to work” strategy that lowers the standard of living for workers and their families?

'Right to Work' Will Not Ease Michigan's Manufacturing Crisis

The notion that so-called right to work laws confer benefits on states that opt for low-road economic development strategies is a complete fallacy, especially in today's global economy. Compare North Carolina—a “right to work” state with the smallest percentage of unionization of any state in the country—with Michigan. Between 1994 and 2005, North Carolina's manufacturing job loss, both in absolute numbers and in the decline in the overall share of manufacturing employment, was far greater than that of Michigan. Michigan lost 170,000 factory jobs (20 percent of its manufacturing employment) while North Carolina lost 251,000 such jobs (31 percent of its manufacturing base). Clearly, “right to work” is not the answer to Michigan's factory job crisis.

Michigan Workers Earn More Than Employees in 'Right to Work' States

Michigan workers have higher—\$7,600 higher!—average annual pay than workers in states with laws similar to H.B. 4454 and H.B. 4455. Michigan workers earn an average of \$776 each week—almost 22 percent more than workers in “right to work” states.

Fewer People Have Health Coverage And a Pension in 'Right to Work' States

The percentage of people without health care coverage in “right to work” states is almost 33 percent greater than in Michigan. The share of people with employment-based health insurance is also higher in Michigan than in “right to work” states. Seventy percent of Michiganders younger than 65 have employer-provided health insurance, compared with only 62 percent in “right to work” states. Workers are also more likely to have job-based pension coverage in free collective-bargaining states than in “right to work” states. In the private sector, 51.4 percent of Michigan residents have employer-provided pension coverage, compared with 44.4 percent in “right to work” states.

Michigan vs. 'Right to Work' States

Economic indicator	Michigan	'Right to work' states
Average annual wages ¹	\$39,443	\$31,832
Average weekly wages ²	\$776	\$637
Percent of people without health insurance ³	11.6%	15.4%
Percent of people younger than 65 with employment-based health insurance ⁴	70.0%	62.1%
Percent of private-sector workers with employer-provided pension coverage, 2001–2002 ⁵	51.4%	44.4%

¹Morgan Quitno, State Rankings 2005: A Statistical View of the 50 United States

²U.S. Department of Labor, Bureau of Labor Statistics, Employment and Wages, Annual Averages 2004, Table 5. www.bls.gov

³U.S. Census Bureau, Current Population Survey, 2005 Annual Social and Economic Supplement. Table HI05. Health Insurance Coverage Status and Type of Coverage by State and Age for All People 2004

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⁵Economic Policy Institute analysis.



**Don't let your
state legislator
vote to lower
your pay!**

**URGE THEM TO VOTE "NO"
ON H.B. 4454 AND H.B. 4455**

To email a letter to your legislator and for more information go to www.miafclcio.org.