



JOBS ARE JOB #1.

A Dozen Reasons Why Right
to Work is *Right* for New Mexico

Experts nationwide say that half or more of corporations seeking to expand won't even consider states that don't have Right to Work laws. Even if we cut that number in half, it means that New Mexico is missing out on one-quarter to one-third of the opportunities we have to attract a Tesla factory, or a Mercedes-Benz plant, or any number of other high-wage manufacturing jobs. Texas is a Right to Work state. So is Arizona. Even Michigan—birthplace of the UAW—is now a Right to Work state. 24 states in all have passed Right to Work legislation, and between 1980 and 2011 their job growth was more than double that of non-Right to Work states.ⁱ

Here are a dozen reasons why Right to Work is right for New Mexico.



It's about freedom of association and the right to choose. If an individual wants to join a union, he or she should be able to do so. However, no one should be forced to join a union as a condition of employment, nor should they be subjected to automatic deductions from their paycheck in order to fund activities with which they may disagree. Nobody should have to choose between paying union dues and losing their job.

A majority of voters on both sides of the aisle love it. Last year a Gallup poll showed that most people—regardless of party affiliation—support Right to Work laws. According to Gallup, 77% of independents, 74% of Republicans, and 65% of Democrats support Right to Work.ⁱⁱ And elected officials who supported recent Right to Work legislation in both Indiana and Michigan were handily re-elected.

It will bring jobs we desperately need to our state. Since 1990, Right to Work states have seen double the pace of job growth compared to non-Right to Work states.ⁱⁱⁱ Over that time span, eight of America's top ten job-creating states were Right to Work.^{iv}

It will increase tax revenue to state and local governments. More jobs means more taxpayers—both corporations and individuals—that will increase revenue to state coffers and enable us to better support vital legislative initiatives. This is especially important when revenue from the oil & gas industry is unpredictable.

It will cost taxpayers nothing to implement and put no additional strains on the state's budget. This is a move we can make that will have an immediate impact on our state's economic development fortunes without diverting a single dollar from other vital legislative priorities.

It will help reverse our population loss. Most of our neighboring states (including Arizona and Texas) have Right to Work laws, and their population growth—not to mention economies—are much healthier than ours. Between 2000 and 2008, 4.8 million Americans moved from non-Right to Work states to Right to Work states.^v A stronger economy will enable us to give our kids the job opportunities they need at home. According to the US Census

Bureau, between 2000 and 2010 Right to Work states saw their populations grow by nearly 16 percent, while non-RTW states grew by less than half that.^{vi}

The majority of experts nationwide agree on its importance. All ten of Business Facilities “Best Business Climate” states are Right to Work.^{vii} And national experts suggest that as many as one-half to two-thirds of corporate relocation or expansion decision-makers rule out any state that does not have a Right to Work law.^{viii} Dan Boyd of The Boyd Company was quoted in the Albuquerque Journal during Tesla’s decision-making process and said that manufacturing companies look for reasons to scratch off states when considering where to build major facilities — and [having] no Right to Work is at the top of the list. “I can’t underscore how critical Right to Work status is,” Boyd said. “New Mexico has enormous potential to become a manufacturing hub, especially if it were to adopt Right to Work legislation.”^{ix}

It will increase personal income in our state. Some say Right to Work means “right to work for less” because it purportedly holds down wages. But once the cost of living is accounted for, real median income in Right to Work states is about \$5,000 higher than non-RTW states.^x And between 2003 and 2013, Right to Work states experienced nearly double the overall real compensation growth (16.0% vs. 8.7%) of non-Right to Work states.^{xi}

Further, a sweeping study released in 2013 analyzed data from the 64-year period 1947-2011 and found that Right to Work laws boosted average real personal income growth by 0.8 percentage points.^{xii} That makes sense; more jobs means greater demand and higher competition for trained workers. To prove the point, carpenters, miners, pipe layers, welders and transportation workers all make more per hour in Right to Work Wyoming, a relatively poor and sparsely-populated Western state like ours, than they do in New Mexico.^{xiii}

It’s a trend that’s happening across the country. 24 states now have Right to Work laws, including Alabama, Arizona, Arkansas, Kansas, Florida, Georgia, Idaho, Indiana, Iowa, Louisiana, Michigan, Mississippi, Nebraska, Nevada, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, and Wyoming. Indiana became a Right to Work state in 2012 and that year alone added more

than 43,000 jobs.^{xiv} New Mexico is too-often a laggard—if we wait until many more states have Right to Work laws we will lose our competitive advantage (and fall further behind our competitor states in the meantime).

It strengthens unions by making them more accountable to their members. Labor unions play a valuable role in a private economy and are deserving of the dues and support of the members they benefit. A Right to Work law means they have to continually provide real, tangible benefits to their members to continue earning their dues. And according to the U.S. Bureau of Labor Statistics, in recent years Right to Work states have actually seen faster union growth than non- Right to Work states, seeing an overall increase of 39,000 union members while non- Right to Work states lost 390,000 members.^{xv}

New Mexico is already a low union-participation state. According to the Center for Economic and Policy Research, 20 of 24 Right to Work states have higher private sector unionization rates than does New Mexico.^{xvi} In a state where union membership is less than one in ten workers,^{xvii} it’s almost a non-issue here—except for the companies who will avoid our state until we pass a Right-to-Work law. If we can get more “at-bats” to recruit companies here, we’ll create jobs for everyone—union and non-union alike.

It won’t hurt New Mexico’s thriving film industry. Film Production Capital recently ranked state film programs, and the top three film-friendly states (Louisiana, Georgia, and North Carolina) are all Right to Work.^{xviii} The crew base in New Mexico has been well served by its unions, and directors and producers who value well-trained professionals will continue to “look for the union label.” Right to Work will have no impact on film industry unions except to make their leadership more accountable to their members.

WHAT EXPERTS ARE SAYING

“Approximately 75% of our manufacturing clients express an initial interest in being in a Right to Work state. After further discussion with our clients, somewhere around 50% want to retain Right to Work as a pass/fail criteria.”
Mark Sweeney: Missouri State Senate - February 10, 2011

“Right to Work is vitally important; Right to Work status enables the companies to have equal leverage [with] the unions. More than half of our companies either make it a threshold or a very important factor in making a decision on where to locate a factory and other operations.”
Mark Vitner: vice president and senior economist for Wachovia

“Businesses are increasingly considering Right to Work as a key competitive criterion when considering sites for new growth and investment. Almost three-fifths (69.5%) of business executives specify Right to Work as a very important or important factor in site selection.”
Annual Corporate Survey published by Area Development Magazine

“Approximately 50 percent of our clients ... do not want to consider locations unless they are in Right to Work states. As a result, states that are not Right to Work states, and the communities in them, are eliminated from consideration in the initial phase of the site selection process, no matter how strong other advantages for a facility might be.”
A vice president of Fantus: to the Greater Twin Falls, Idaho Chamber of Commerce

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