

SENATE JOINT RESOLUTION No. 27

STATE OF NEW JERSEY

INTRODUCED MAY 16, 1996

By Senator SCHLUTER

- 1 **A JOINT RESOLUTION** memorializing Congress and the President of
2 the United States to repeal certain provisions of the Taft-Hartley
3 Amendments of 1947 to section 14(b) of the "National Labor
4 Relations Act," (29 U.S.C. §164(b)).
5
- 6 **WHEREAS**, Certain provisions of the Taft-Hartley Amendments of
7 1947 to the "National Labor Relations Act," (29 U.S.C. §151 et
8 seq.) authorize the states to enact "right-to-work" laws which,
9 while recognizing the federally-guaranteed right of workers to
10 participate in democratic elections regarding the establishment of
11 union representation and the termination of such representation,
12 prohibit agreements between employers and labor unions from
13 requiring employees to join a union or pay union dues as a
14 condition of employment; and
- 15 **WHEREAS**, The ability of state governments to prohibit union
16 membership requirements derives exclusively from the
17 congressional delegation of authority to those governments
18 pursuant to 29 U.S.C. §164(b), and not from the sovereign rights
19 of the state governments; and
- 20 **WHEREAS**, The actual legal differences between the states with
21 "right-to-work" laws and those without such laws are not as great
22 as is sometimes supposed, as demonstrated by the fact that even in
23 states that have adopted "right-to-work" laws, the "National Labor
24 Relations Act" explicitly guarantees the right of workers to hold
25 democratic elections regarding the establishment of union
26 representation and to terminate union representation, and the fact
27 that even in states that have not adopted "right-to-work" laws,
28 unions and employers are permitted, under the "National Labor
29 Relations Act," to negotiate agreements which do not have to
30 include compulsory membership or payment of dues to labor
31 organizations; and
- 32 **WHEREAS**, These state "right-to-work" laws, although limited in the
33 manner indicated above, have contributed to reduced union
34 membership and lower wage and benefit levels in the states that
35 have adopted them; and
- 36 **WHEREAS**, The lower wage and benefit levels have given the 21 states
37 which have "right-to-work" laws , principally in the southern and

1 western regions of the nation, a competitive economic advantage
2 over states which do not; and

3 **WHEREAS**, That competitive economic advantage has encouraged the
4 migration of manufacturing businesses and jobs away from the
5 Northeast and Midwestern industrialized states, which have not
6 enacted "right-to-work" laws, to the state which have enacted such
7 laws; and

8 **WHEREAS**, In the years between 1947 and 1995, regional shares of
9 manufacturing employment have increasingly become closer to the
10 population shares of each region of the nation to the point where
11 the nation's economy exhibits an even distribution of industrial
12 employment among its constituent regions; and

13 **WHEREAS**, In states where the majority of the electorate holds strong
14 beliefs about the benefits of collective bargaining and union
15 membership, "right-to-work" laws have not been enacted and are
16 not likely to be enacted; and

17 **WHEREAS**, The founders of our national government recognized that
18 "competitions of commerce" among the states are a threat to the
19 unity and stability of the Republic, that the nation and its commerce
20 would suffer if each state were permitted "to pursue a system of
21 commercial policy peculiar to itself" because such "distinctions,
22 preferences, and exclusions . . . would beget discontent (as)
23 particular States might endeavor to secure exclusive benefits to
24 their own citizens," and that disruptive competition among the
25 states could be prevented through the establishment of national
26 policies on matters susceptible to interstate competition and rivalry;
27 and

28 **WHEREAS**, Nationally, the relocation of jobs, together with
29 downsizing, outsourcing, contracting out and other forms of
30 worker displacement, have contributed to a far slower growth rate
31 of pay and benefits during the current economic recovery than in
32 the preceding four recoveries, even though corporate profits are at
33 a 45-year high; and

34 **WHEREAS**, If the resulting erosion of the economic health of the
35 middle-class continues, it will eventually have the profoundest
36 negative impact on the fabric of American society and, possibly,
37 even our institutions of representative democracy; and

38 **WHEREAS**, Congress and the President have enacted, in recognition
39 of the wisdom of the authors of the Constitution of the United
40 States, uniform national policies that attempt to achieve a delicate
41 balance between the rights of management and the rights of labor
42 with equal effect in all the states, including laws regarding the
43 minimum wage, child labor, unemployment compensation, wages
44 and hours, occupational health and safety, plant closing, and fair
45 employment practices; and

46 **WHEREAS**, That the inherent difficulties of formulating an

1 intermediate compromise position satisfactory to all concerned
2 parties have proven insurmountable during the 49 years since the
3 law was enacted means that the only way to achieve a uniform
4 national policy on this matter without imposing right-to-work laws
5 on all states is to repeal entirely the provisions of the Taft-Hartley
6 Amendments of 1947 to section 14 (b) of the "National Labor
7 Relations Act" (29 U.S.C. §164(b)); now, therefore,
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9 **BE IT RESOLVED** *by the Senate and General Assembly of the State*
10 *of New Jersey:*
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12 1. The Congress and the President of the United States are
13 respectfully memorialized to repeal the provisions of the Taft-Hartley
14 Amendments of 1947 to section 14 (b) of the "National Labor
15 Relations Act" (29 U.S.C. §164(b)), which authorizes states to
16 prohibit the execution or application of agreements requiring
17 membership in a labor organization or the payment of dues to a labor
18 organization as a condition of employment, in order to provide equal
19 treatment under the law to those states which do not enact such laws
20 and which, as a result, are suffering comparative economic
21 disadvantages in their attempts to retain and develop manufacturing
22 plants and jobs.
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24 2. Duly authenticated copies of this joint resolution shall be
25 transmitted to the President, the presiding officers of the United States
26 Senate and House of Representatives, and each member of Congress
27 elected from the State of New Jersey.
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29 3. This joint resolution shall take effect immediately.
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32 STATEMENT

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34 This resolution memorializes Congress and the President to repeal
35 the provisions of the Taft-Hartley Amendments of 1947 to the
36 "National Labor Relations Act," (29 U.S.C. §151 et seq.) which
37 authorize the states to enact "right-to-work" laws. Such a repeal will
38 create a single, uniform national policy with regard to union
39 membership, consistent with other national policies that have been
40 established with regard to other aspects of labor-management relations
41 and that place all states on the same plane with regard to labor policy.
42 It will encourage the maintenance of appropriate wage levels which
43 will not only promote the well-being of the nation's workforce but also
44 stimulate business investments to raise labor productivity. New Jersey
45 and the nation require high-productivity labor to effectively compete
46 in an increasingly globalized economy.

1 "Right-to-work" laws have resulted in lower levels of union
2 membership in the states which have adopted them and have
3 contributed to the undercutting of wage levels in those states. In
4 1993, for example, New Jersey's average hourly earnings for
5 production workers on manufacturing payrolls equalled \$12.98 per
6 hour. By contrast, "right-to-work" states had significantly lower
7 average hourly wage rates: South Dakota, \$8.89; South Carolina,
8 \$9.80; Mississippi, \$9.16; Arkansas, \$9.36; and North Carolina, \$9.80.

9 This competitive advantage has encouraged the migration of
10 employment away from states which, like New Jersey, have not
11 enacted "right-to-work" laws to states which have. Between 1988 and
12 1994, the 100 largest firms in New Jersey reduced the number of New
13 Jersey jobs from 562,241 to 494,688, a decrease of 67,600, or 12%.
14 During that time, the number of New Jersey manufacturing jobs
15 decreased from 662,100 to 509,900, a decline of 152,200, or 23%.
16 Manufacturing employment in New Jersey has declined every year
17 since 1982.

18 Here and in other states, the loss of jobs, through relocation or
19 other forms of displacement, has reduced the growth of pay and
20 benefits levels in recent years, notwithstanding unusually high rates of
21 corporate profits.

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27 Memorializes Congress and President to repeal provisions of
Taft-Hartley Amendments which authorize state right-to-work laws.