

# Heritage Foundation

## Government Unions 101: What Public-Sector Unions Won't Tell You

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### What Is Government Collective Bargaining?

**Legal Monopoly:** Government collective bargaining gives unions a monopoly on the government's workforce. The government must employ workers on the terms the union negotiates. It may not hire competing workers.

**Private vs. Public-Sector:** Unions operate differently in government than in the private sector. Private-sector unions bargain over limited profits. Competition from other businesses moderates wage demands. Governments earn no profits and have no competition. Government unions negotiate for more tax dollars.

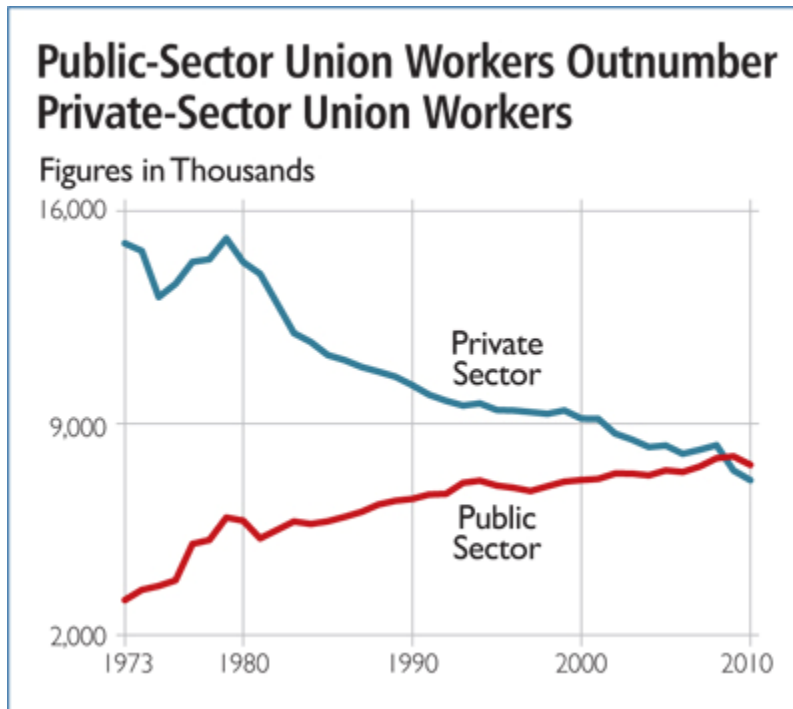
**Risking Public Services:** When government unions strike, they can deprive citizens of essential services-such as education for children-until demands are met.

### History of Government Collective Bargaining

**Unions Once Rejected:** Early labor leaders didn't believe unions belonged in government. In 1955, George Meany, then-president of the AFL-CIO, said: "It is impossible to bargain collectively with the government." In 1959 the AFL-CIO Executive Council declared, "In terms of accepted collective bargaining procedures, government workers have no right beyond the authority to petition Congress-a right available to every citizen."

**FDR:** President Franklin Delano Roosevelt (D) gave unions extensive powers to bargain collectively in the private sector but excluded them from government. FDR believed collective bargaining had no place in public service and that a government strike was "unthinkable and intolerable."

**A Change of Heart:** Union membership peaked in the private sector in the 1950s. Unions came to see government employees as valuable new dues-paying members. Some states, like VA and NC, still do not negotiate public spending with government unions. 52% of union members in the U.S. now work for a government.



## The Consequences of Government Collective Bargaining

**Leverage over Government:** Granting unions a monopoly over work done in government gives unions enormous leverage over budgets and taxes. Unions use this power to raise taxes and get more of the budget spent on them.

**Inflated Government Pay:** Government unions win above-market compensation for their members. The average government employee enjoys better health benefits, better pensions, better job security, and an earlier retirement than the average private-sector worker, although cash wages are typically not inflated at the state or local level.

**Forced Union Dues:** In the 28 non-right-to-work states, unions negotiate provisions that force government employees to pay union dues or get fired. This brings government unions billions of dollars.

**Politicized Civil Service.** Government unions have the power to elect the management they negotiate with, so they spend heavily to elect politicians who promise them concessions. Government unions were the top political spenders, outside the two major parties, in the 2010 election cycle.

## What about Wisconsin?

**In Wisconsin:** Governor Scott Walker (R) is reforming collective bargaining. His proposal restores voter control over most spending decisions but does not completely eliminate collective bargaining.

**Reforms:** Walker's proposal restricts government unions to negotiating over wages only, and not benefits or work rules (such as job guarantees for failing teachers). Voters would have to approve any wage increase beyond inflation. Unions would have to demonstrate that they have the support of a majority of members through an annual secret ballot. Wisconsin would stop subsidizing union fundraising by collecting union dues through its payroll system, and would no longer fire workers who choose not to pay union dues.

**Is This Union Busting?** A union is only "busted" if its members are forced to quit the union. Giving employees the choice to pay or not pay expensive dues is hardly union busting. Under Walker's plan, Wisconsin unions would still have considerably more negotiating power than even federal employee unions.