

## **Right-to-Work: It's Time to Move Indiana Forward**

### **Right-to-Work and Indiana's Economic Future (Dr. Richard Vedder, January 2011)**

- Growth in Real Per Capita Income (1977-2008)

Indiana, 37.2%; Non-RTW States, 52.8%; U.S., 54.7%; RTW States, 62.3%

If RTW law in place since 1977, result would have been nearly \$2,925 more in per capita income. That's \$11,700 more each year for a family of four. How would that increase have impacted the state? That's \$19 billion more in total personal income in 2010; \$1.2 billion in additional income and sales taxes.

If RTW law had been enacted in 2011, estimated (based on three decades of economic growth data) per capita income by 2021 would be \$968 higher – or \$3,872 higher for a family of four.

- Growth in Jobs (1977-2008)

Indiana, 42.8%; Non-RTW States, 56.5%; U.S., 71%; RTW States, 100%

From 2000 to 2009, nearly 5 million Americans moved from non-RTW states to RTW states

- Growth in Economic Activity (1977-2008)

Gross state product of \$269 billion in 2008 would have been an estimated \$291.6 billion – a \$22.6 billion increase – if RTW had been in place since 1977. Gross state product per capita would have increased (based on conservative estimates) from 29<sup>th</sup> among the 50 states to 22<sup>nd</sup>.

### **U.S. Bureau of Economic Analysis (2011)**

- Change in Real GDP (2000-2010)

RTW states: 22%

Non-RTW states: 14%

Indiana: 11%

### **Statewide Voter Poll (Market Research Insight, December 2010)**

- 69% favor RTW, 23% oppose; 41% strongly favor, 13% strongly oppose

- Significant majorities of support across all demographics – age, income, gender, occupation and political affiliation: Republicans (80% support, 13% oppose), Independents (74%-13%); Democrats (53%-37%). Even 44% of union member households are RTW supporters.

### **Right-to-Work Law is Helping Turn Oklahoma Into an Economic Leader (National Institute for Labor Relations Research, May 2007)**

- From 1991 until 2001, the last 10 years prior to the Right to Work law's approval, Oklahoma residents' real personal income grew by 4% less than the national average. Between 2003 and 2006, real personal income in Oklahoma grew by 13.6% -- more than 50% higher than the national average and more than twice as fast as the overall average in the 28 forced dues states.
- Non-Right to Work Oklahoma suffered a 9.6% decline in its 25-34 year-old population between 1991 and 2000. But over the 2003 to 2005 period, after its Right to Work status was secured, Oklahoma netted a 3.9% gain in 25-34 year-olds. That's more than five times as great as the nationwide increase of 0.7% over this period.

### **Did Right-to-Work Work for Idaho? (The Federal Reserve Bank of St. Louis, 2002)**

Law adopted in 1986

- Growth in manufacturing employment (0.76% in 1975-1986; 3.71% in 1987-1996)
- Growth in manufacturing establishments (1.27% in 1975-1986; 3.99% in 1987-1996)
- Idaho's post-law growth rates similar to three RTW neighbors (Nevada, Utah and Wyoming); significantly higher than neighboring non-RTW states (Washington, Oregon and Montana)

### **The Economic Effects of Right-to-Work Laws (Mackinac Center for Public Policy, 2007)**

- From 2001-2006, economies of RTW states grew 3.4% compared to 2.6% for non-RTW states. Jobs grew 1.2% annually in RTW states, 0.6% in non-RTW states

### **The Effect of Right-to-Work Laws on Economic Development (Mackinac Center for Public Policy, 2002)**

- From 1970-2000, RTW states created 1.43 million manufacturing jobs. In the same time period, non-RTW states lost 2.18 million manufacturing jobs

### **The Impact of Compulsory Unionism on Economic Development (The Commonwealth Foundation, 2002)**

- From 1970-2000, construction employment grew an average of 50% faster each year in RTW states than in non-RTW states