



# Professional Employees Association, Inc.

CITY OF SAINT PAUL & INDEPENDENT SCHOOL DISTRICT NO. 625

[www.peaonline.org](http://www.peaonline.org)

**Professional View**

**Special Edition — February 2012**

## **Mission Statement**

The Professional Employees Association is dedicated to bargain, administer and enforce labor agreements in a responsible, prudent and lawful manner for the overall improvement of members' working conditions, with emphasis on general advocacy, education and communication.

*Submitted by John F. Blackstone, P.E, President*

The Executive Committee understands that passage of the "Right to Work Amendment" will have significant impacts on PEA members. Elected officials are considering dramatic changes to current legislation which will require approval from citizens of our Great State of Minnesota to radically change the current rules for civil servants in Minnesota. The purpose of this special edition is to inform you about the ramifications of the proposed legislation.

## **"Right-To-Work"**

### ***A Monumental Misnomer and an Unsavory Entitlement***

*By Mike Wilde, Legal Counsel*

As an employee receiving the salary and benefits of a labor agreement, and as a citizen of the State of Minnesota, PEA believes you should have a clear explanation of a proposed Constitutional Amendment that might drastically change your working life. So we have prepared this Special Edition Newsletter to inform you of current bills introduced that might change Minnesota into a "Right-to-Work" state.

The ability of employees to meet and cooperate in addressing work issues is rooted in our freedom of association, which is protected by the First Amendment of the United States Constitution. This freedom was more specifically protected, for workers, in 1935 when Congress passed the Wagner Act as the nation's premiere labor law. The very heart of this law, which is now called the National Labor Relations Act (NLRA), is §7 that

originally read as follows:

*Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.*

It is not an exaggeration to say that some Americans died for us to gain this right. Several decades of labor unrest and struggles led to the passage of this monumental piece of American legislation.

It became part of the fabric of our society for many decades as workers from nearly every industry banded together to improve their working conditions and earning power. Even President Theodore Roosevelt understood the need for the common worker to organize when he said, "It

*"Right-To-Work" continued on page 2*

*is essential that there should be organization of labor. This is an era of organization. Capital organizes and therefore labor must organize.*” And so they did as American workers exercised their right to self-organization and created labor unions across the United States.

Employees worked together to negotiate the value of their labor. The result was a booming American middle class. Wages rose, fringe benefits grew, and working conditions improved. The Bureau of Labor Statistics confirms that the American workforce was much better off at the end of the century than it was at the beginning.

This was not by accident. Labor organizations were created upon democratic models wherein employees voted whether they wanted to form a union. The National Labor Relations Board monitored the elections, and when public employees gained the right to unionize through their state laws those elections were conducted by state agencies, like Minnesota’s Bureau of Mediation Services.

It has been an American right to organize a union according to an American tradition of voting in a democratic election. The majority of voters determine whether their self-organized union will negotiate their terms and conditions or whether each employee will stand alone.

Unions understood that, even though they were created by a majority vote of the workers and stood together in negotiations, they were always at a distinct economic disadvantage to their employers. Like all viable organizations they needed stable funding, internal rules and dedicated leadership otherwise they would surely perish as employees moved in and out of their workforce. It became common to negotiate union security clauses into their contracts. These clauses were created on the principle that since everyone in the union would benefit equally from the negotiated contract then everyone should participate in the survival of the union, until and unless a majority of the workers voted to disband the union.

Union security clauses required that the employees working under the contract pay union dues in order to make effective negotiations and enforcement of the contract possible. As a safe-

guard against unreasonable dues, applicable labor laws require a majority vote of the membership to establish the specific dues amounts. Thus, it is a democratic vote to form a union and a democratic vote to determine dues amounts. But it is the simple principle of fairness that requires all those who gain the wages, benefits, job security and enforcement of the contract to pay dues. No free riders!

The proposed Constitutional Amendment seeks to outlaw union security clauses.

In the granddaddy of all legislative misnomers, this type of legislation is usually referred to as a “right-to-work” law. For those who take time to study the issue for themselves, you will see it for what it really is: a selfish entitlement law. One that would allow some employees to gain the negotiated salary, insurance contributions, vacation benefits, leave allowances and all other conditions of employment that all of us have negotiated over nearly forty years without contributing a dime. Worse yet, the individual who exercises this potential entitlement has the legal right to demand union representation when they want enforcement or representation and your union is legally obligated to represent them to the fullest degree ... for free.

Who amongst you would gather in a group, vote on where to dine out on the evening, enjoy a fine meal (even if you had voted for another restaurant) and then leave the others to pay the bill? Few would admit to or condone such behavior. But that is what this Amendment will allow Minnesotans to do under the guise of individual liberty. Honor and integrity would lead most to agree that the benefits that we all enjoy should be upheld and supported by contributions from all.

If personal liberty and freedom to negotiate separately are the goals then each individual has the unfettered right to seek employment where unions don’t exist. They are under attack nationwide and over 80% of employees in America work without a contract. These are employees-at-will who either accept the terms offered by the employer or they seek jobs elsewhere. But the employees in PEA have a voice in their workplace and exercise it through lawful association and democratic vote.

*“Right-To-Work” continued on page 3*

## **The Truth about ‘Right to Work’ FOR LESS**

### **Lower Wages**

The average worker in a ‘right to work’ state makes about \$5,333 a year less than workers in other states (\$35,500 compared with \$30,167).<sup>1</sup> Weekly wages are \$72 greater in free-bargaining states than in ‘right to work’ states (\$621 versus \$549).<sup>2</sup>

### **Fewer People with Health Care**

21 percent more people lack health insurance in ‘right to work’ states compared to free-bargaining states.<sup>3</sup>

### **Higher Poverty and Infant Mortality Rates**

‘Right to work’ states have a poverty rate of 12.5 percent, compared to 10.2 percent in other states.<sup>4</sup> Moreover, the infant mortality rate is 16 percent higher in ‘right to work’ states.<sup>5</sup>

### **Lower Workers’ Compensation Benefits for Workers Injured on the Job**

Maximum weekly worker compensation benefits are \$30 higher in free bargaining states (\$609 versus \$579 in ‘right to work’ states).<sup>6</sup>

### **More Workplace Deaths and Injuries**

According to the federal Bureau of Labor Statistics, the rate of workplace deaths is 51 percent higher in states with ‘right to work’ – where unions can’t speak up on behalf of workers.<sup>7</sup>

### **Makes it Harder for Unionized Employers to Compete**

Unionized construction companies may have the most to gain from opposing ‘right to work’ and

other attacks on union membership. Unionized construction companies compete largely on the basis of better quality work because they provide more training, have fewer injuries on the job and are more productive. All these competitive advantages are threatened when low-road companies can drive down wages because of anti-union legislation.

## **The Difference in Minnesota is Clear<sup>8</sup>**

### **Higher Wages**

In Minnesota, we earned \$6,150 more on average in 2009 than workers in states with ‘right to work’ laws. We also have a larger share of good jobs than states with ‘right to work’ laws. Jobs in ‘right to work’ states are 84 percent more likely to be in low-wage occupations.

### **More People with Health Insurance**

8.8 percent of Minnesotans were uninsured in 2009, compared to an average of 16.7 percent of “right to work” state residents. Children in ‘right to work’ states are 88.4 percent more likely to be uninsured than our children. We are also 14.4 percent more likely to have job based health insurance than people in states with ‘right to work’ laws.

### **Lower Poverty and Infant Mortality Rates**

In 2009, the overall and child poverty rates in Minnesota were 11.1 percent and 17.4 percent respectively. ‘Right to work’ states had an average of overall and child poverty rates of 14.5 percent and 20.3 percent respectively. The average infant mortality rate for states with these laws is 50.2 percent higher than the infant mortality rate for our state.

*“Right-To-Work” continued on page 4*

1 Average Annual Pay, 2001 from Bureau of Labor Statistics, State average annual pay for 2000 and 2001 and percent change in pay for all covered workers. URL: <http://www.bls.gov/news.release/annpay.t01.htm>.

2 Bureau of Labor Statistics

3 Percent of population lacking health insurance from Current Population Survey, March 2002. Table HI06. Health Insurance coverage status by state for all people: 2001

4 Poverty Rate in 2001 from U.S. Census Bureau, Current Population Survey, March 2002. URL: [http://ferret.bls.census.gov/macro/032002/pov/new25\\_001.htm](http://ferret.bls.census.gov/macro/032002/pov/new25_001.htm).

5 O’Leary Morgan, Kathleen, and Scott Morgan, State Rankings 2001. Morgan Quitno Press, 2001

6 Workers’ Compensation data from the AFL-CIO Department of Safety and Health.

7 Workplace Fatalities from Death on the Job: The Toll of Neglect. AFL-CIO. April, 2000.

8 SOURCES: Bureau of Labor Statistics, Corporation for Enterprise Development; Elise Gould, Employer-Sponsored Health Insurance Erosion Accelerates in the Recession—Public Safety Net Catches Kids but Fails to Adequately Insure Adults, Economic Policy Institute, Nov. 16, 2010; Economic Policy Institute, Kaiser Family Foundation, State Health Facts.org; U.S. House Ways and Means Committee; U.S. Census Bureau.

Job-based health insurance coverage is for people younger than 65 and for 2008–2009. Pension coverage is for workers ages 18 to 64 who worked at least 20 hours per week and 26 weeks per year. The time period covered is a 2006–2008 three-year moving average.

### **Increased Safety and Health on the Job**

Workers in ‘right to work’ states are more than twice as likely to be killed on the job as workers here in Minnesota. In 2008, the fatal occupational injury rate for our state was 2.4 (per every 100,000 workers), compared with an average of 5.4 in states with ‘right to work’ laws. When workers do get hurt on the job in ‘right to work’ states, the average maximum weekly benefit is \$163 (21.7 percent) lower than in Minnesota.

### **Better Pensions**

Minnesotans are more likely to have pensions from employers than workers in states with ‘right to work’ laws. On average, 43 percent of private-sector workers have employer provided pension coverage in ‘right to work’ states, compared to 53.6 percent in Minnesota.

### **Better Education**

People in Minnesota are more likely than people in ‘right to work’ states to have graduated from high school and college. In Minnesota, 91.1 percent of people 25 or older have graduated from high school, compared to 84.9 percent of people in states with ‘right to work’ laws. And 31.1 percent of Minnesotans 25 or older have graduated from college, compared to 24.5 percent of people in ‘right to work’ states.

**Let’s keep Minnesota above the average. Oppose anti-union ‘right to work’ (for less) legislation.**

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## **Editorial: ‘Right to work’ is wrong for state**

*February 18, 2012 – 4:19 PM, <http://www.startribune.com/opinion/editorials/139551398.html>*

Minnesota governors can’t veto proposed constitutional amendments.

But governors have bully pulpits. DFL Gov. Mark Dayton used his during last week’s State of the State address to take a swipe at a bad idea that some GOP legislators want to add to the Constitution – a ban on labor contracts that require all workers employed under the terms of the contract to pay a share of union costs.

Dayton noted that Minnesota enjoys an unemployment rate lower than four of the five states that top the conservative-backed Tax Foundation’s business climate rankings. Four of those five states also ban union payment requirements.

“We must be doing something right” without that ban, Dayton said. “In fact, we’re doing a lot right.”

Moments later, he added a plea: “Let’s not forget what has lifted us from below average to above average to outstanding. Let’s not destroy good wages and benefits ... in search of another strategy of unproven value – or one of proven less value.”

That well describes the implications of a

proposal that acquired the misleading label “right to work” (RTW) 65 years ago, when the federal Taft-Hartley Act gave states authority to outlaw workplaces that make union membership a compulsory condition of employment. RTW laws soon followed in union-averse regions.

Contrary to what its label implies, it would give no one the right to a job. Rather, it would allow workers in union shops the option of a “free lunch” – the chance to benefit from collective bargaining without paying for it.

For many of the workers who might exercise that option, the free lunch wouldn’t last – because the union wouldn’t last. Right-to-work laws weaken and kill unions.

Only 7 percent of workers in 22 RTW states are represented by unions, compared with 15.8 percent in Minnesota and an average of 15 percent in non-RTW states. (A 23rd state, Indiana, joined the RTW list earlier this month.)

This is not a question of enabling union opponents to exercise their consciences, or preventing workers from dropping a union they no longer

favor. Federal law already protects workers who don't want to join a union from dismissal.

Workers in union shops who don't care to join are required by state law to pay an 85 percent "fair share" in lieu of union dues. Federal law provides that during a predefined period prior to a labor contract's expiration, workers can opt out of their union or change their bargaining agent.

RTW is sold as a spur to business growth, including hiring. But that flies in the face of the fact that Minnesota's unemployment rate is already lower than all but four RTW states.

Those four are all Minnesota's neighbors – North Dakota, South Dakota, Nebraska and Iowa – and Iowa's jobless rate is almost identical to Minnesota's at 5.6 percent. That suggests that conditions other than RTW are at play in this region's employment levels.

A study sponsored by the conservative Center of the American Experiment contends that RTW would raise wages gradually over time – \$2,360 to \$3,072 more per capita in 2008, if RTW had been enacted in Minnesota in 1977.

Yet only three RTW states had higher median household incomes than Minnesota had in 2010, according the U.S. Census bureau. And 12 states whose median incomes are higher do not have RTW laws.

Given the data, it's hard not to think that Republicans like RTW for its potential to damage a powerful Democratic Party ally.

It's also hard not to think that the sudden plethora of RTW bills (18 state legislatures considered RTW in 2011) is orchestrated by corporations via the American Legislative Exchange Council, a business-bankrolled organization that feeds model legislation to conservative lawmakers around the country.

RTW represents a step away from Minnesota's economic roots and toward America's South and West. Unlike those historically low-wage regions, Minnesota has long aimed to be a high-wage, high-skill state in which the fruits of enterprise are widely and fairly shared. That sharing extends to the public schools and social services that build the future human capital a high-skill economy needs.

Robust labor unions have helped Minnesota pursue that strategy, with notable success. Weaker unions are likely to lead to lower wages and benefits, which will translate into reduced tax revenue and depleted ability for Minnesota to compete for knowledge-economy jobs.

Following RTW states would put Minnesota on a new and risky path. That's a risk legislators should not invite voters to take.

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**If you have an opinion on the proposed bills that would amend Minnesota's Constitution that would outlaw union security clauses and create a so-called "Right-to-Work" environment where all unions will suffer — Take Action!**

**Call your State Representative and share your opinions on House File #2121.**

**Call your State Senator and tell them in your own words what should be done with Senate File #1705.**

## Saint Paul Public Schools Health Initiative Information

### What do you need to do?

1. Complete the online health assessment between January 16 and September 30, 2012 by logging on to your Health Partners account [www.healthpartners.com/wellbeing](http://www.healthpartners.com/wellbeing).
2. Enroll in a wellness program and complete the requirements by September 30. Choose from the programs listed at the Health Partners site, or check for new programs at [www.wellness.spps.org](http://www.wellness.spps.org) and click on "2012 Program Calendar."

Saint Paul Public Schools Wellness Initiative health assessment can be taken any time between now and September 30, 2012 and while you are completing a qualifying program. You do not need to do the health assessment before enrolling in a qualifying program. Some programs take up to 8 weeks to complete to qualify for the incentive, so plan to start your program before July 15, 2012 to meet the September 30, 2012 deadline for completion.

Covered spouses are also required to complete both wellness initiative steps in order for your family to receive the enhanced benefit for 2013.



## JourneyWell Participation for City of St. Paul Employees

63% who carry the City's health insurance have completed the JourneyWell health assessment! If you are one of the remaining 37% please take note:

### REMINDER

1. Take the JourneyWell health assessment by next Wednesday, March 7, 2012
2. Enroll in a JourneyWell online or phone coaching program by June 1, 2012
3. Those who complete steps 1 & 2 and complete a program by July 27, 2012 will not receive a medical copay, deductible or out-of-pocket increase in 2013

Resources: Go to the Intranet and select Human Resources, Employee & Retiree Benefits. Click on the JourneyWell bullet which includes FAQs (Frequently Asked Questions) and a bio of various program offerings.



# Stewards & Executive Committee Meeting and Dinner

**Tuesday, March 6, 2012**

Location:

**Joseph's Grill**

140 South Wabasha  
(651) 222-2435

Social Time: 5:00-5:30 PM

**Meeting: 5:30-7:00 PM**

Dinner: 6:00-6:30 PM

***Reservations required: RSVP to Karin at [karin.anderson@ci.stpaul.mn.us](mailto:karin.anderson@ci.stpaul.mn.us)***

**Please plan to arrive before 5:30 PM** so we can order promptly and start eating around 6:00 PM. Dinner selections will be made from Joseph's menu; your dinner may include a non-alcoholic beverage of your choice. The meeting will be suspended when dinner is served so we can all enjoy our meal together.

**AGENDA:**

1. Greetings & Introductions, President John Blackstone
2. Treasurer's Report, Lucie Passus
3. Legal Counsel's Report, Mike Wilde
4. Vice President's Report, Karin Anderson
5. Committee Reports
  - a. Personnel, Page Delong
  - b. City Negotiations, Paul Hogrefe
  - c. District Negotiations, David Peterson
6. Adjournment of Combined Meeting

The Executive Committee will hold a short meeting of the board following the adjournment of the Combined Meeting.

**NEXT GENERAL MEMBERSHIP MEETING: Wednesday, June 6, 2012 at Joseph's Grill**