

CHICAGO SUN-TIMES

Opinion: Government unions rob working class blind

Yuri Vanetik

March 4, 2016

With the death of Justice Antonin Scalia, it is less likely the Supreme Court will issue a ruling to stop public-sector unions from forcing non-union members to pay dues.

That's a shame for American workers and taxpayers, who struggle to afford public unions' lavish compensation packages. Taking into account both wages and benefits, the average federal public sector worker makes nearly 80 percent more than his or her private sector counterpart. That disparity is in large part a function of coercion: unions can force new workers to join, amplifying their bargaining power.

For hard-working middle class families, a Supreme Court ruling against the public-sector unions would put money back in their pockets and improve government services. Indeed, after the passage of legislation allowing public sectors workers to opt out of unions in Wisconsin, memberships in local National Teachers Union fell by half.

Public sector unions are now one of the biggest campaign contributors in the country. In 2014, they poured more than \$65 million into federal campaigns and causes. That money has bought increasingly generous pay and benefits.

This rogue scheme is a betrayal of ordinary voters — and it is swamping state and local budgets, forcing taxes up and government services down.

It wasn't until relatively recently that unions were able to organize government workers. Even staunch labor advocates like President Franklin D. Roosevelt recognized the risks involved in letting government workers unionize.

When private sector unions sit down to collectively bargain, they are in an adversarial relationship with corporate management. Each extra dollar of compensation is a dollar less for shareholders. Ultimately, both sides work out a compromise they can live with.

However, with public unions, politicians are “management.” They are negotiating with somebody else’s money — the taxpayers’. There is no incentive for re-election obsessed politicians to turn down their public union supporters’ extravagant demands. Both parties are effectively on the same side of the table.

State and local workers, according to an in-depth study from the Cato Institute, have a 34 percent advantage over their private sector counterparts. Needless to say, that negotiating leverage translated into hugely inflated salaries. The nonpartisan Congressional Budget Office found that among college graduates, federal workers make 15 percent more than their private sector counterparts. For those with a high school diploma or less, federal workers make 36 percent more.

In some cases, the pay disparity is truly astonishing. In Los Angeles, for example, security guards make more than twice what their private sector counterparts earn. Janitors in New York City schools take home an average of \$109,467.

The advantage isn’t just with wages. Public union workers get far better benefits – materially more generous health insurance, retirement plans, and paid sick leave — than union workers in the private sector. Fully 95 percent of unionized state and local government workers have traditional, guaranteed-for-life pensions, compared with 70 percent of private sector union workers.

While private sector union membership has been in decline for decades, public sector unions are thriving. Where fewer than 8 percent of private sector workers belong to a union, almost 40 percent of state and local government workers do. In states like New York, California, New Jersey, and Pennsylvania, more than half of all government workers are unionized.

Public pension costs are swamping state and local budgets. These costs have contributed to a number of municipal bankruptcies, including Stockton, Vallejo, and San Bernardino in California and Detroit in Michigan.

Of course, it’s taxpayers — most of them middle-class and working class families — who foot the bill for this mind-bending largesse. Moreover, unlike politicians, taxpayers get nothing tangible in return. Overly generous public employee compensation crowds out the government’s ability to do anything else.

Former New York City mayor Michael Bloomberg once admitted that “every penny in personal income tax we collect will go to cover our pension bill.” Up to 60 percent of Washington State’s

budget is effectively off limits to lawmakers since it goes to pay salaries and benefits of government workers. That means less money for roads, education, safety, and more.

Unions once served a noble purpose in this country, protecting workers from abuse and boosting earnings without undermining business growth. Today, unfortunately, public employee unions have morphed into vessels of unrestrained greed. Labor bosses have been exploiting the odd dynamics of public sector employment to boost wages and benefits well beyond what is reasonable. The Supreme Court should bring this abuse to an end.

If you are a private company worker, the best way to get a raise is to quit, and go to work for a public employee union.