Maryland among nation's most pro-union states

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Maryland ranks as one of the most pro-union states in the country, according to a new study by a D.C. think tank.

Out of the 50 states in the nation, Maryland tied for 40th on a ratings scale that favored free market and limited government, according to the Competitive Enterprise Institute.

The study analyzed labor laws and regulations in each state, as well as current union deals in states where labor

agreements are already in place. The ranking puts Maryland among the bottom 10 states in the study, just ahead of New York, New Jersey and Connecticut.

Virginia, a right-to-work state, just missed the top 10, ranking 11th in the study.

Maryland's favoring of labor organizations isn't a great strategy for the current economy, as businesses look for the most attractive location to set up shop, according to Vincent Vernuccio, labor policy council at the pro-free-market institute.

"Less regulation and lower taxes attracts business," Vernuccio said. "States have to realize that there are no walls around them. If a business wants to go to a right-to-work state, they are free to do so."

For example, major companies such as Hilton Hotels and Northrop Grumman recently chose Virginia, instead of Maryland, as the home for their corporate headquarters.

Despite the report's findings, Maryland has the luxury of being insulated by its proximity to Washington, according to Chris Edwards, editor of the Cato Institute's DownsizingGovernment.org.

Maryland suburbs such as Prince George's and Montgomery counties are buoyed by federal government contracts and other organizations drawn to the nation's capital, Edwards said.

"It's Baltimore and other parts of the state that have to compete with other areas on the private market," he said. "If Maryland has anti-competitive rules, it's going to be the northern parts of the state that are hurt the most."

According to a United Van Lines 2010 study, states with poor rankings from CEI have a net outmigration, an indication

that more business is leaving a state than moving in, Vernuccio said.

New Jersey, which received the second-lowest CEI ranking, also topped the United study, while Maryland had a more balanced percentage of shipments in and out of the state.

Experts say Maryland shouldn't expect a change in its policies anytime soon. The elections process allows labor organizations to support Democratic candidates, and once in office, politicians can return the favor by creating more pro-labor policies, in what Vernuccio described as a "vicious cycle." Before the 2010 gubernatorial election, more than 56 percent of Maryland voters were registered Democrats, and about 29 percent of Maryland's public work force is unionized, according to the report.

"The Democratic Party in Maryland has this sort of built-in advantage," Edwards said. "They've got this big group of collective bargaining organizations to support them and keep them in office."

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