A GOVERNMENT OF, FOR AND BY THE UNIONS? VOTE PROPOSAL 2 MICHIGAN MPENSATION COMPENSATION ECONOM TE BUSINESS REFORM PROTECT O TON VOTE BALLOT

The Biggest Threat to the Merit Shop in a Generation

Under the guise of protecting Michigan workers, union bosses were fleecing taxpayers at the expense of workers and all Michigan citizens. This didn't protect anyone; driving up the cost of doing business in Michigan only eroded our ability to compete for jobs. As a consequence, millions of Michigan citizens are now out of work and Michigan's economy has plummeted. Hard-won reforms are slowly bringing our state out of the economic doldrums and advancing our state as the place to set up shop. The "Protect Our Jobs" amendment proposal threatens to unravel all of our state's progress and, most alarmingly, make it permanent.

The "Protect Our Jobs" ballot proposal (Proposal 2) is a radical initiative to amend the Michigan Constitution to benefit the few over the many. By embedding union-only provisions and even collective bargaining itself into our state constitution, Proposal 2 is a union power-grab like never before. It not only makes it impossible to turn Michigan into a right-to-work state, but would overturn ABC's hard fought efforts that have successfully prohibited government mandated PLAs in Michigan. Proposal 2 would embed prevailing wage in the constitution and even overturn laws limiting picketing at the private residence of a contractor. The passage of this dangerous proposal would limit the ability of lawmakers to set policy, basically handing over the keys to big labor. Union bosses would essentially be more powerful than the representatives we elect to office. Hidden in the middle of the proposal's language is the phrase, "No existing or future law of the state or its political subdivisions

shall abridge, impair or limit" unions' ability to "negotiate in good faith regarding wages, hours, and other terms and conditions of employment..." This essentially means that legislators, who we elect to serve the citizens of Michigan, will be powerless to limit what government unions get in their contracts, including construction contracts. No future laws concerning union contracts could be passed without

the consent of union bosses. Rather than acting in the interest of the taxpayers who elected them, legislators would be forced to make decisions that only benefit unions without regard to the public as a whole.

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government employee compensation in line with those in the private sector. Because this proposed amendment wipes out all past and future laws regarding collective bargaining, with the exception of those related to strikes,

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the cost of government services will skyrocket right along with the state's labor costs. All of the reform that has been accomplished so far, along with its benefits and savings, would all be for nothing. According to the Mackinac Center for Public Policy, this proposed amendment would eliminate "at least \$1.4 billion of the savings the legislature produced last year." This includes the 80/20 law which prohibits state employers from paying more than 80 percent of a government worker's health care costs, which alone would cost the state over \$500 million a year.

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This amendment will adversely affect costs for our public schools. Before teacher tenure laws were reformed, teachers with seniority, regardless of how poorly they did their job, were nearly impossible to eliminate from public school payrolls. When layoffs occurred, newer, and in many cases higher performing, teachers would be sent packing first. Under the current teacher performancebased tenure laws, the hiring and firing of teachers cannot be based solely on seniority, eliminating this so-called "last in, first out" policy. If the "Protect Our Jobs" amendment passes, these laws will be nullified. It will become much harder for schools to fire an ineffective tenured older teacher, who costs the most for the state in terms of compensation, health care costs, and poor student achievement. High-performing teachers without seniority could be pink slipped. In addition, cost savings from the privatization of non-instructional services, such as janitorial services and transportation, would be eliminated. Even a statewide law setting the Tuesday after Labor Day as the first day of school would be overturned, potentially

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resulting in a different start day for each school district in the state. Do we really want to increase costs for our public schools at a time when our economy calls for cost savings? If the labor costs at public schools increase, other programs that directly affect our children will be cut to compensate for the increase.

Proposal 2 has an enormous impact on private businesses. If the "Protect Our Jobs" amendment passes, Michigan will have no ability to become a Right-To-Work state without another costly campaign to yet again amend the state constitution. This means that a worker will not be allowed to keep his job if he chooses not to contribute to a union at his workplace. This sets up our state to be dead last in job creation and kills our ability to attract industry to Michigan. Proposal 2 sends a message to businesses around the country that it will cost a whole lot more to do business in our state. At a time when Michigan needs to attract more industry, Proposal 2 will discourage anyone from setting up shop here.

So what does all this mean for ABC members? Of all businesses, Merit Shop contractors are among the biggest losers if Proposal 2 passes. Attorney General Bill Schuette recently opined that among the 17 sections of the state constitution and scores of laws that would be undermined would be Michigan's Fair and Open Competition in Governmental Construction Act, which prohibits governments from mandating union-only project labor agreements. "It is clear that ABC members and their employees will be denied access to equal opportunity and the ability to perform work on projects financed by their own tax dollars," said

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Chris Fisher, President of ABC of Michigan. "This proposal is easily the largest threat to the Merit Shop in more than a generation."

David C. Mollitor Jr., President of Consolidated Electrical Contractors, commented, "As an employer my number one goal is to employ people, but yet I find it necessary to spend a good deal of my time just protecting our company's rights to employ people; does that make any sense? The people we employ are intelligent people with an ability to make their own decision on what is best for them and their families, but yet we continue as a state to force a past belief that has failed us as a state (unionization). Many years ago our state was a leader in this country and was followed by others, but today our state is an example of what not to do. While other states continue to move in different directions based on what they have learned from the past, Michigan continues to duplicate the history of what got us in many of the troubles, without any respect or care to where that direction will take us in this global economy. If this ballot proposal is passed, God help us all. Our company, which has been here since 1924, will start all over fighting with the unions trying to take over our business. This will do nothing but chase my business and businesses just like mine to other states to make a living. At some point we are all going to call a spade a spade and give up. I hope this is not the case."

Chris Beckering, Director of Business Development at Pioneer Construction in Grand Rapids, thinks that everyone will pay the price for this proposal. "Any straight forward analysis of the ballot proposal makes clear that it would harm our economy, pick winners and losers based on union status and rip off taxpayers," he said. "Michigan citizens deserve better than this dangerous attempt to hijack our constitution just to benefit unaccountable special-interest union bosses."

This proposed amendment benefits government workers, but only three percent of our state's population belongs to a government union. "Protect Our Jobs" (Proposal 2) is a scheme to hijack the constitution in Michigan to favor this three percent over the 97 percent of all other Michigan citizens. The proponents of Proposal 2, namely UAW President Bob King and his union counterparts, have tried to argue that this proposal fights for the middle class, but it's the middle class in Michigan that will suffer if this amendment passes. Joseph G. Lehman, President of The Mackinac Center for Public Policy, a Michigan policy think tank, writes, "Protect Our Jobs argues that, unless we pass their amendment, the entire middle class (not just unionized government workers) will be worse off. But the amendment does nothing for the middle class as a whole except putting them on the hook for ever-more-expensive unionized government workers." Three percent, with one swift motion, will repeal seventeen sections of our state constitution and reverse more than 170 laws. These unions have tried on three other occasions to force their agendas through, and all three times they were rejected by Michigan voters.

The "Protect Our Jobs" amendment proposal certainly will protect government union jobs. But if Proposal 2 passes, the rest of us lose. And, more to the point, the real winners are the union bosses who will be calling the shots again in Michigan. MM



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