



SIERRA CLUB

MAINE CHAPTER

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To: Joint Standing Committee on Labor and Housing
From: Philip Mathieu, Legislative Team Volunteer, Sierra Club Maine
Date: May 2, 2023
Re: **Testimony in Opposition to LD No. 1636, “An Act to Ensure the Right to Work Without Payment of Dues or Fees to a Labor Union,” and in Opposition to LD No. 1707, “An Act to Allow Workers to Work Without Having to Pay Labor Organization Service Fees.”**

Senator Tipping, Representative Roeder, and members of the Committee On Labor and Housing:

My name is Philip Mathieu, and I write on behalf of Sierra Club Maine, representing over 22,000 supporters and members statewide. Founded in 1892, Sierra Club is one of our nation’s oldest and largest environmental organizations. We work diligently to amplify the power of our 3.8 million members nationwide as we work towards combating climate change and promoting a just and sustainable economy. **To that end, we urge you to vote “ought not to pass” on LD 1636 and LD 1707.**

The proposed legislation would create in Maine a so-called “right to work.” While proponents of this policy often characterize these laws as promoting freedom of speech and association, improving wages, or spurring economic development, they often conveniently obscure the reality: that **the primary outcome of right-to-work laws is a decrease in union membership.**¹ From an academic standpoint, all other economic effects are, at best, mixed. For example, a 2016 report from the Economic Policy Institute² finds that states with right-to-work laws have lower rates of unemployment on average, but also lower wages. A 2020 paper from the Journal of Financial Economics³ found that right-to-work laws tend to increase employment and investment but decrease both wages and financial leverage. **In other words, while right-to-work laws may benefit the overall economy in some cases, they do so at the cost of the very employees they claim to protect.**

¹ “In the private sector, [right-to-work] laws decrease union coverage by more than 10 percent, all else equal.” Chun, Kn, “What do Right-to-Work Laws do to Unions? Evidence from Six Recently-Enacted RTW Laws.” *J Labor Res* (2023), <https://doi.org/10.1007/s12122-023-09341-w>

² “Right-to-Work’ States Still Have Lower Wages,” Economic Policy Institute, <https://www.epi.org/publication/right-to-work-states-have-lower-wages/> (accessed May 01, 2023).

³ S. Chava, A. Danis, and A. Hsu, “The economic impact of right-to-work laws: Evidence from collective bargaining agreements and corporate policies,” *Journal of Financial Economics*, vol. 137, no. 2, pp. 451–469, Aug. 2020, doi: 10.1016/j.jfineco.2020.02.005.

The Sierra Club has a long history of solidarity with the labor and economic justice movements.⁴ Indeed, when the US Supreme Court decided *Janus v. AFSCME*, which established a right-to-work in public sector jobs nationwide, then-Executive Director Michael Brune gave the following statement:

"Despite resistance from corporations and right-wing politicians, the labor movement has always moved America forward. Unions have pushed for progress on human and economic rights for all Americans and continue to work to create a more just and equitable society. Today's decision does the bidding of the very same corporations that have polluted our communities, but we will march on. The fight to protect the rights of working people is a fight to protect all of our rights, and the Sierra Club will continue to rise in solidarity with working families and unions to build a stronger, more equitable society."

In that spirit, and in solidarity with our allies in the Labor movement, I urge you to vote "Ought Not To Pass" on L.D.s 1636 and 1707.

Sincerely,

Philip Mathieu
Portland, ME
Legislative Team Volunteer, Sierra Club Maine

⁴ <https://www.sierraclub.org/labor>