



## My Union Dues Paid For That?

By Paul S. Kersey

### Summary

Union members who feel ill-served or cheated by union leaders are forced by law to pay dues anyway. A right-to-work law would introduce greater union accountability and transparency, improving the standing of the workers they represent.

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Defenders of the status quo in Michigan, where workers may be forced to join or pay dues to a union as a term of employment, often presume that workers almost always benefit from union representation. They rarely offer supporting evidence of their assumption that union officials are models of unfailing competence and unimpeachable good faith. While many union officials are scrupulous and work hard to protect their members' interests, there are union locals in Michigan where dues and trust have been squandered. A few examples:

- Last year the Laborers International Union forced Local 334 in Detroit to merge with another Laborers local. A Mackinac Center report showed that Local 334 had been plagued with election violations and forced to rerun officer elections on two separate occasions. It has also been defrauded of more than \$90,000 and found responsible for an unfair labor practice costing the local \$75,000 in back-pay to six workers.

In short, between 1999 and 2007, Detroit-area construction workers were forced to pay dues to a union that was wracked by infighting and labor law violations, and victimized by fraud.

- Members of the Administrative Professionals Association, an affiliate of the Michigan Education Association union that represents noninstructional staff at Michigan State University, have alleged numerous violations of the union's charter and bylaws by its chairman. The APA Watch Group, formed by members of the union, argues that elections to the local's executive board were tainted by a confusing ballot and improper use of the APA's e-mail address list, ensuring the reelection of incumbent leaders. The APA Watch Group also questions the use of e-mail on a contract ratification vote where the local bylaws call for voting by regular mail.

MSU staff is obligated to pay dues to a union whose leadership they believe disregards union rules and avoids accountability. At this writing, the parent union, another recipient of forced dues, has yet to take decisive action to rein in local officials.

- Brad Harper, treasurer of American Federation of Government Employees Local 1629 in Battle Creek, was sentenced to 14 months in prison and ordered to pay \$75,000 in restitution after pleading guilty to making a false statement on a financial report. According

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### THE ECONOMIC EFFECTS OF RIGHT-TO-WORK LAWS: 2007

Paul Kersey

*Published in 2007, Paul Kersey's analysis at right-to-work laws has become a valuable resource for employees, employers, policymakers and the media.*

to a Mildred Holmes, a U.S. Department of Labor investigator in the Detroit office, the conviction stems from Harper's misuse of local union funds and a union credit card.

Fortunately, Harper was caught, but the inability of individual members to withhold dues, combined with lax financial accounting rules, makes unions a natural target for embezzlement.

- A recent report published in the Battle Creek Enquirer detailed how International Brotherhood of Electrical Workers Local 445 officials hounded Buist Electric, a non-union contractor that had submitted the low bid on a public school project. For nearly two years the union directed dozens of inquiries to the Lakeview school district and Buist, picketed the work site, filed several Freedom of Information Act requests and demanded to review Buist's payroll records directly, ostensibly based on the suspicion that Buist was violating the state's prevailing wage law. Ultimately, Local 445 filed an allegation of prevailing wage violation with the Department of Labor and Economic Growth. After a two-year legal and public relations effort by Local 445, DLEG found one Buist employee on the school project was underpaid by \$10.56.

This wild goose chase, funded by IBEW member dues, ended with a nonunion contractor found liable for a trivial violation. It is quite likely that the union spent more than \$10.56 pursuing Buist.

Across the state of Michigan thousands of workers pay millions of dollars in union dues annually. These funds are intended to ensure that workers get good representation in the workplace. But these funds can be wasted, sometimes on union political activism that workers may not support and sometimes on account of dishonest or incompetent union leadership. Because unionized workers in Michigan generally cannot withhold their dues without putting their jobs at risk, those employees and their dues are particularly vulnerable to waste, fraud and abuse. A Michigan right-to-work law would correct this flaw, make union officials more accountable to the men and women they represent, and make for more honest and capable union leadership.

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