

# THE WALL STREET JOURNAL

## REVIEW AND OUTLOOK

### Michigan Union Collapse

*SEIU membership fell 80% in a year once it wasn't coerced*

The conceit of the modern union movement is that workers would be clamoring to join if the rules weren't rigged in favor of employers. The reality is closer to the opposite. Witness what happened in Michigan, where new data show that workers fled the Service Employees International Union Healthcare affiliate when their membership was no longer coerced.

Democrats gave the SEIU a huge membership gift in 2005 when then-Governor Jennifer Granholm allowed more than 40,000 home-care workers to be unionized. The majority of the workers were independent contractors or family members who care for disabled relatives at home. But because the workers received Medicaid subsidies, they were suddenly reclassified as "public" employees for the purposes of unionization.

In early 2005, the Michigan Employment Relations Commission set a vote-by-mail election for home-care workers. According to the [Mackinac Center Legal Foundation](#), of a total of some 41,000 workers who could join the new collective-bargaining unit, there were 6,949 votes to join the SEIU and 1,007 opposed to the unionization. The union did a victory dance and began collecting dues.

Then in 2012 Michigan state lawmakers passed legislation that excluded home-care workers from the state's definition of public employees. The bottom has since fallen out of SEIU Healthcare's membership. According to reports filed with the Department of Labor, in 2012 SEIU Healthcare Michigan reported 55,265 members.

In 2013 the number fell to 10,918, a loss of 44,347 union members, or about 80%.

Michigan was one of several states that threw in with the home-care union-dues gambit in the early 2000s, including California, Oregon, Washington, Massachusetts, Maryland, Missouri, Connecticut, Vermont and Illinois. A challenge to the Illinois version is currently being heard by the Supreme Court in *Harris v. Quinn*, a case that could end the coercive arrangements nationwide.

The schemes were promoted by Democrats, who then benefitted when union chiefs spent their mandatory dues windfall on electing more . . . Democrats. The Wolverine state's collective-bargaining agreement allowed the SEIU to take home 2.75% of a home health-care provider's Medicaid compensation. From 2006 when the dues vacuuming began until 2012 when state lawmakers voted to end it, the union sucked up more than \$34 million from Michigan health-care workers. But as membership has fallen, so has the cash. According to the Labor Department filings, the union took in \$7,119,322 in dues and fees in 2013, down from \$12,078,838 in 2012.

Michigan passed a right-to-work law in 2012, making union membership voluntary across the state for all public workers. Before the law passed, the state workforce was 17.5% unionized. It is going to be fascinating to see how much that number declines now that workers have a right to choose.