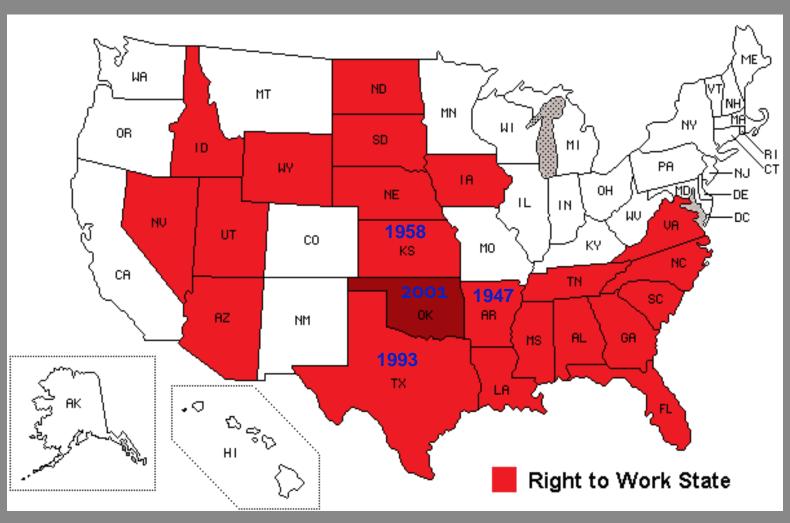
Right-to-Work Legislation and Promises of Job Creation:

Lessons from Oklahoma

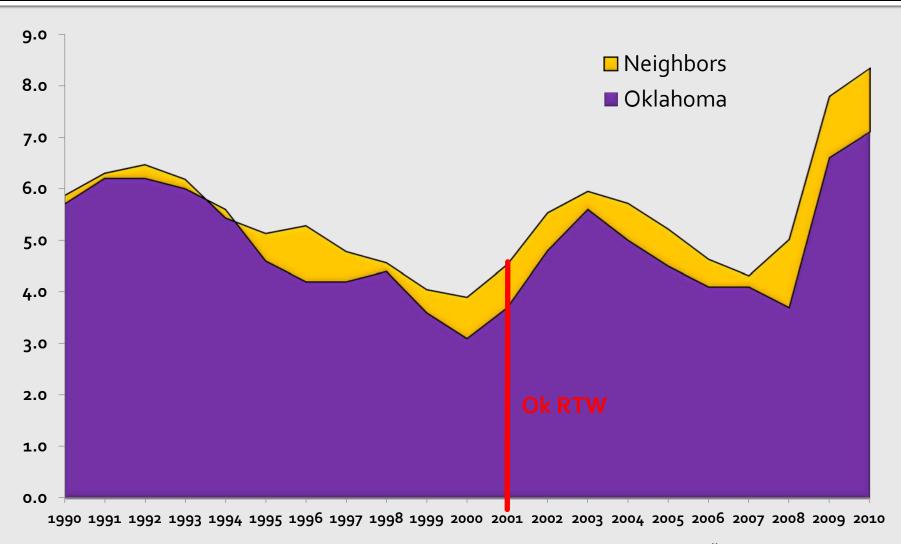
Labor & Employment Relations Association 64th Annual Meeting
January 7, 2012
Chicago, Illinois

Sylvia A. Allegretto, PhD
Co-chair: Center on Wage & Employment Dynamics
Institute for Research on Labor & Employment
University of California, Berkeley

22 Right-to-Work States



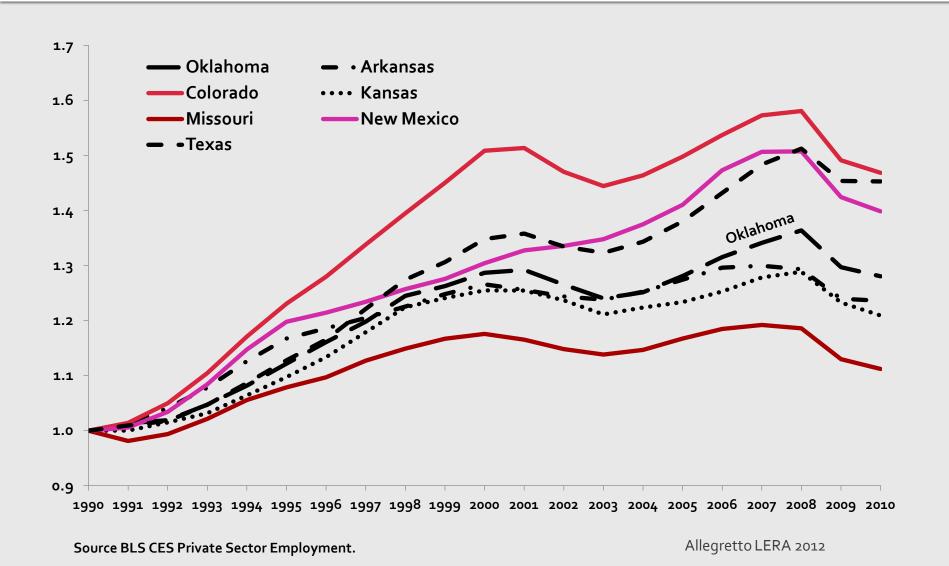
Unemployment rates



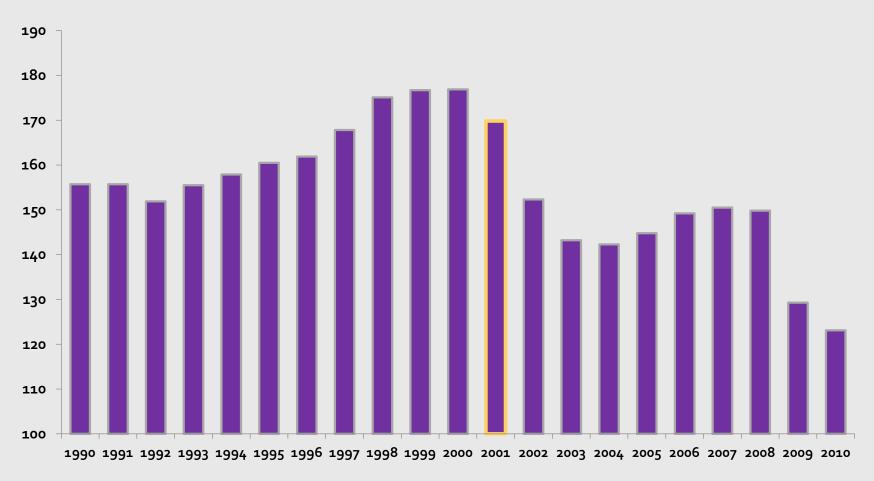
Source: BLS LAUS

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Growth of Private Sector Employment

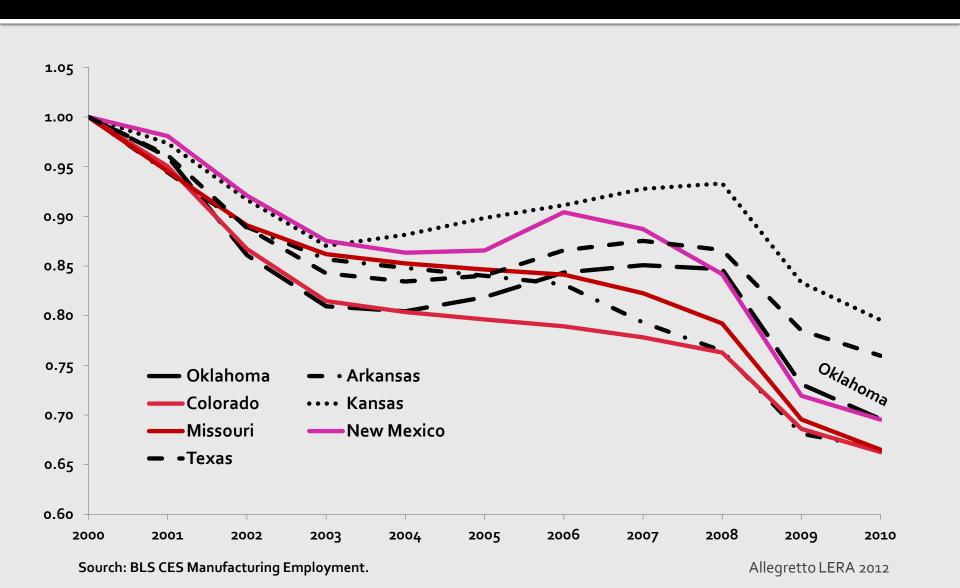


Manufacturing Employment in OK



Souce: BLS CES Manufacturing data for Oklahoma.

Growth of Manufacturing Employment



Empirical Analysis of OK & RTW

- DATA: QCEW 1996-2006
 - Payroll data, covers 98% of workers
 - County level data
- SPECIFICATION: Fixed Effects
 - County and time FE
 - State linear trends
- REGRESSIONS: Three Sets
 - 1. All U.S. counties
 - 2. Only counties in OK & six surrounding states
 - 3. OK & contiguous county-pairs
 - Add a county-pair time specific control

All U.S. County Sample

	(1) In(Emp)	(2) In(Man)
OK -3 years	0.011***	0.015***
	(0.003)	(0.005)
OK -2 years	-0.016***	0.050***
	(0.002)	(0.005)
OK -1 year	-0.009***	0.077***
	(0.003)	(0.006)
OK RTW adopted	-0.004	0.026***
	(0.003)	(0.006)
OK RTW +1 year	-0.010***	-0.019***
	(0.003)	(0.007)
OK RTW +2 year	-0.015***	-0.001
	(0.002)	(0.007)
OK RTW +3 year	-0.024***	-0.022***
	(0.002)	(0.005)
Observations	131194	113435

OK & Surrounding State Sample

	(3) In(Emp)	(4) In(Man)
OK -3 years	0.008	0.017
	(0.007)	(0.026)
OK -2 years	-0.0010	0.070*
	(0.011)	(0.038)
OK -1 year	-0.004	0.102**
	(0.010)	(0.040)
OK RTW adopted	-0.015	0.048
	(0.010)	(0.049)
OK RTW +1 year	-0.019**	-0.001
	(0.008)	(0.049)
OK RTW +2 year	-0.025***	0.023
	(800.0)	(0.042)
OK RTW +3 year	-0.030***	-0.007
	(0.006)	(0.024)
Observations	30233	23890

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OK & Contiguous County-Pairs

	(3) In(Emp)	(4) In(Man)
OK -3 years	0.005	0.043
	(0.019)	(0.050)
OK -2 years	-0.014	-0.010
	(0.029)	(0.059)
OK -1 year	-5.46e-05	0.088
	(0.030)	(0.059)
OK RTW adopted	-0.031	0.042
	(0.040)	(0.127)
OK RTW +1 year	-0.025	-0.048
	(0.040)	(0.111)
OK RTW +2 year	-0.011	0.033
	(0.037)	(0.127)
OK RTW +3 year	-0.002	0.051
	(0.037)	(0.115)
Observations	4779	3065

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Wrap up

- No indication of positive employment effect
 - Many more important factors
 - Workforce development, education, migration,
 - Highway Act, Civil Rights
 - RTW way down on the list of firm location
- What is the evidence of RTW?
 - Reduces wages for union & non-union workers
 - Lowers likelihood that workers get employer provided healthcare or pensions

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