

Teachers' collective bargaining hurts student income

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A new Cornell study presents the first evidence that students' exposure to a duty-to-bargain law while in elementary and secondary school lowers future earnings and leads to fewer hours worked, reductions in employment and decreases in labor force participation.

Authors Michael F. Lovenheim, associate professor of policy analysis and management in the College of Human Ecology and a faculty research fellow at the National Bureau of Economic Research, and Alexander Willén, a doctoral student in policy analysis and management, found that students who spent all 12 years of elementary and secondary school in a state with a duty-to-bargain law earn an average of \$795 less per year as adults than students who were not exposed to collective bargaining laws during the same time period. They also work half an hour less per week on average; are 0.9 percentage points less likely to be employed; tend to work in occupations requiring lower levels of skill; and tend to earn lower wages.

If \$795 less earnings per year doesn't seem like much, think again.

"This individual effect translates into a large overall loss of earnings for the nation as a whole. In particular, our results suggest a total loss of \$196 billion per year accruing to those who were educated in the 34 states with bargaining laws," said Lovenheim.

Lovenheim and Willén analyzed data from the National Bureau of Economic Research on duty-to-bargain laws in each state since 1955 and

data from the 2005-12 American Community Survey, which details educational attainment and labor market success in a representative sample of adults in each state. To control for factors unrelated to collective bargaining, the researchers analyzed changes in student outcomes between birth cohorts within the same state before and after duty-to-bargain laws were adopted. They focused on the birth cohorts who would have attended school between 1959 and 1987, during which time duty-to-bargain laws were adopted in 34 states and prohibited in seven.

Critics of teacher collective bargaining claim that it shifts school resources disproportionately to teachers and makes it difficult to fire low-performing teachers. Findings from this study may support that argument, the researchers say.

The researchers also emphasize that it is imperative to understand why collective bargaining has negative impacts on students' future employment and earnings, which is not immediately clear.

"Although our results do not necessarily tell us what would happen if we eliminated teacher collective bargaining today in America, I do think they argue for developing policies to alter certain features of teacher collective bargaining in order to avoid the negative consequences our research documents," Lovenheim said. "My hope is this work spurs future research on this question to help guide policy in a positive direction." .

"A Bad Bargain: How teacher [collective bargaining](#) affects students' employment and earnings later in life" was published Nov. 17 in *Education Next*. The online article includes an interactive map with a state-by-state breakdown on duty-to-bargain laws, total earnings losses as a result of those laws, and additional details about teacher unionization.

More information: *Education Next*, [educationnext.org/bad-bargain-...employment-earnings/](https://educationnext.org/bad-bargain-employment-earnings/)

Provided by Cornell University

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