

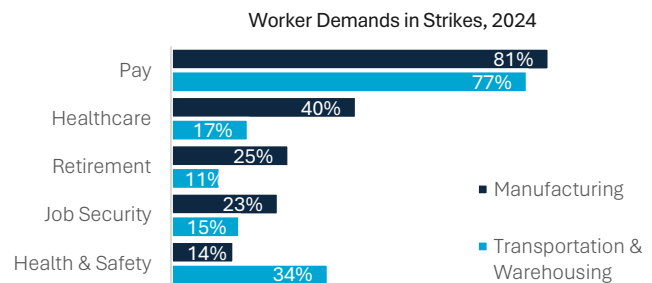
ARE NLRA-UNIONIZED WORKERS BETTER OFF?



Manufacturing and transportation sector unions are governed by one of two labor laws: the National Labor Relations Act (NLRA) or the Railroad Labor Act (RLA). RLA requires a longer and more formalized mediation process, and Congress has the power to intervene when deemed necessary. This results in fewer strikes. Over the past decade, aggressive NLRA union activity has not produced exceptional results for workers. RLA and less unionized industries achieved stronger wage growth and fewer disruptions, suggesting a more stable and sustainable labor model.

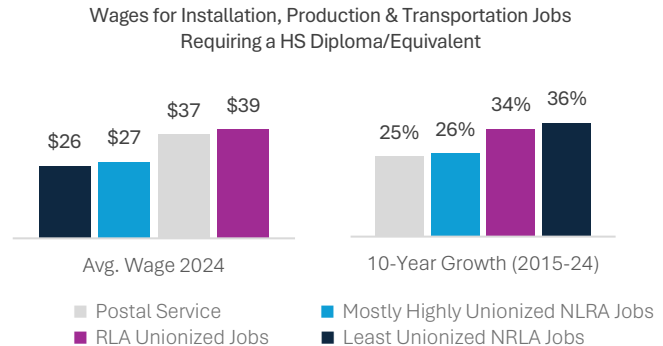
NLRA-governed unions strike more frequently; higher pay is a top demand.

- Unions use strike authorizations and work stoppages as leverage in contract negotiations. NLRA unions strike more often than RLA.
- Roughly 80% of manufacturing and transportation strikes cite pay as key demand.
- In transportation equipment manufacturing alone, over 20 strikes were authorized by union workers between 2015 to 2024.



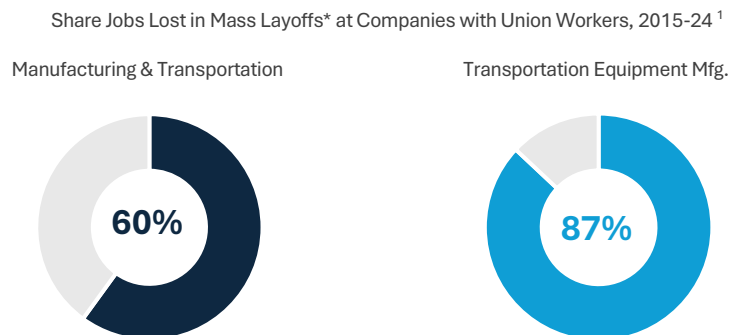
Wage growth for highly unionized NLRA jobs lags RLA and less unionized groups.

- Manual labor, material moving, and skilled trades are essential and highly unionized manufacturing and transportation jobs.
- RLA-unionized workers had higher pay and faster wage growth than workers in the most unionized NLRA jobs.
- The least unionized NLRA jobs had better wage growth than all the highly unionized groups including RLA, NLRA, and the Postal Service.



Excessive union demands have resulted in major layoffs.

- Excessive pressure from unions can force restructuring and plant closures causing major layoffs.
- 60% of major manufacturing and transportation layoffs occurred at companies with unions.
- 87% of major transportation equipment manufacturing layoffs had unions; Most occurred within a year of strike activity.



¹ Major layoffs include those with 1,000+ jobs or more.