Right-To-Work Laws Effects on Unemployment and Wages

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Labor market relations and any policies that have an effect on these relations should be important to any individual associated to any labor market. One of these policies that has been passed in select states across the United States of America are Right-to-Work Labor Laws. (RTW) These laws effectively limit the powers of the labor unions by allowing workers to elect or decline to join the union or not. The reduction in members brought on by these laws will limit the collective bargaining powers of the unions and successfully limit the powers of unions. It is thought that this should ensure more jobs in the states that have passed these labor laws, creating a lower unemployment rate than states that have not passed these laws. The lower unemployment rate comes at a sacrifice of wages and the states that have RTW laws, it is thought will have a lower wage rate.