

The Benefits of Union Membership **Academic Literature Review with Non-Academic Source List**

Wage Advantage

Author: Barry T. Hirsch

Study Reference: "Reconsidering Wage Effects: Surveying New Evidence on an Old Topic." *Journal of Labor Research*, Vol. 25, No. 2 (Spring 2004): 233-66.

Findings: The standard estimate of the average union premium (union vs. non-union wage gap) of 15% might be incorrect due to two forms of measurement that create an error bias in the data. One is match bias, which results from U.S. Census procedures that do not include union status as a match criterion. The second is misclassification of union status. These procedural errors lead to a downward bias, indicating that the average union premium could be as high as 24%.

Author: Daniel B. Klaff and Ronald G. Ehrenberg

Study Reference: "Collective Bargaining and Staff Salaries in American Colleges and Universities." *Industrial and Labor Relations Review*, Vol. 57, No. 92 (October 2003).

Data Source: Survey conducted by the Association of Higher Education Facilities Officers 1997-1998

Findings: Investigates how union coverage affected staff salaries at 163 U.S. colleges and universities. The authors estimate a union salary premium of 9-11%, with variation from near zero for some of the 47 occupations in their sample to 13-16% for others, such as the skilled building trades. The union vs. non-union differential appears to be larger in two-year than in four-year institutions, but does not vary between the public and private sectors. Where faculty members are covered by a collective bargaining agreement, unionized staff members appear to enjoy an additional salary gain of 2-3%.

Author: David Blanchflower and Alex Bryson

Study Reference: "Changes over time in union relative wage effects in the UK and the US Revisited." *National Bureau of Economic Research Working Paper*, No. 9395 (December 2002).

Findings: This paper examines the impact of trade unions in the United States and the United Kingdom and elsewhere. In both the United States and the United Kingdom, despite declining membership numbers, unions are able to raise wages substantially over the equivalent non-union wage. Unions in other countries, such as Australia, Austria, Brazil, Canada, Chile, Cyprus, Denmark, Japan, New Zealand, Norway, Portugal and Spain, are also able to raise wages by significant amounts.

Author: Robert C. Johansson, Jay S. Coggins

Study Reference: "Union Density Effects in the Supermarket Industry." *Journal of Labor Research*, Vol. 23, Issue 4 (Fall 2002).

Findings: The authors find a significant, positive effect of union density for both union and nonunion employees. This effect explains approximately one-third of the union vs. non-union wage differential.

Author: Barry T. Hirsch and Edward J. Schumacher

Study Reference: "Private Sector Union Density and the Wage Premium: Past, Present, and Future." *Journal of Labor Research*, Vol. 22, Issue 3 (Summer 2001).

Findings: At the end of the century, the percentage of private wage and salary workers who were union members was less than 10%, not greatly different from union density prior to the passage of the National Labor Relations Act of 1935. This paper examines the relationship between private sector union density and the wage premium.

Author: James Monks

Study Reference: "Unionization and Faculty Salaries: New Evidence from the 1990s." *Journal of Labor Research*, Vol. 21 (Spring 2000).

Data Source: 1993 National Survey of Postsecondary Faculty

Findings: Union representation significantly alters the returns to individual and institutional characteristics, and unionized faculty receive a premium of between 7% and 14%, an earnings differential that is substantially larger than those found in most earlier studies.

Author: C. Jeffrey Waddoups

Study Reference: "Unions and Wages in Nevada's Hotel-Casino Industry." *Journal of Labor Research*, Vol. 21, Issue 2 (Spring 2000).

Findings: A significant union presence in the Las Vegas hotel-casino industry juxtaposed to the near absence of union representation in the Reno area provides a unique setting to study union wage effects in the industry. Results of the analysis using state wage survey data indicate that after controlling for unobserved heterogeneity in the two locations, median wages in occupations in Las Vegas with substantial union coverage are 24% higher than wages in identical occupations in Reno.

Wages and Fringe Benefits

Author: John W. Budd and Karen Mumford

Study Reference: "Trade Unions and Family Friendly Policies in Great Britain." *Industrial and Labor Relations Review*, Vol. 57, No. 204 (January 2004).

Data Source: 1998 British Workplace Employee Relations Survey

Findings: Unions have increased the availability of three policies designed to help workers balance the demands of work and family: parental leave, special paid leave, and job-sharing options. They did so both by negotiating for additional benefits and by providing workers with information about existing policies and assisting them in using those policies.

Author: Thomas C. Buchmueller, John Dinardo, and Robert G. Valletta

Study Reference: "A Submerging Labor Market Institution? Unions and the Non-Wage Aspects of Work." *National Bureau of Economic Research* (November 2003).

Findings: In general, union members are more likely to be offered and to be covered by employer-provided health insurance, more likely to receive retiree health benefits from their employer, more likely to be offered and to be covered by a pension plan, and more likely to receive dental insurance, long-term disability plans, paid sick leave, maternity leave, and paid vacation time.

Author: Lawrence Mishel with Matthew Walters

Study Reference: "How unions help all workers." *Economic Policy Institute Briefing Paper*, August 2003.

Findings: Unions have a substantial impact on the compensation and work lives of both union and non-union workers. This report presents current data on unions' effect on wages, fringe benefits, total compensation, pay inequality, and workplace protections.

Author: Gordon Cleveland, Morley Gunderson, and Douglas Hyatt

Study Reference: "Union Effects in Low-Wage Services: Evidence from Canadian Childcare." *Industrial and Labor Relations Review*, Vol. 56, No. 295 (January 2003).

Data Source: Survey data for Canadian childcare workers in 1991

Findings: Although childcare labor was low-wage, the authors find that the union impact on wages (15%) and fringe benefits was in line with union effects found in other, better-compensated work, and they find substantial returns to education, occupational level, and firm-specific experience.

Authors: Vicky Lovell, Xue Song, and April Shaw

Study Reference: "The Benefits of Unionization for Workers in the Retail Food Industry." *Institute for Women's Policy Research*, Washington, DC (2002).

Data Source: Current Population Survey, U.S. Census Bureau

Findings: Workers in the retail food industry who are union members have significantly higher wages, higher rates of health insurance coverage, larger employment-based contributions to health insurance premiums, and higher rates of pension coverage than non-union workers. Full-time and part-time workers, women, and single mothers in the retail food industry all benefit from union membership.

Wage Distribution

Author: David Card, Thomas Lemieux, and W. Craig Riddell

Study Reference: "Unionization and Wage Inequality: A Comparative Study of the U.S, the U.K., and Canada." *National Bureau of Economic Research Working Paper*, No. w9473 (February 2003).

Findings: This paper presents a comparative analysis of the link between unionization and wage inequality in the United States, the United Kingdom and Canada. The authors' motivation is to see whether unionization can account for differences and trends in wage inequality in industrialized countries. Using comparable micro data for the last two decades, the authors found that unions have remarkably similar qualitative impacts in all three countries. In particular, unions tend to systematically reduce wage inequality among men. They also conclude that declines in union membership explains a substantial part of the growth in male wage inequality in the United States and the United Kingdom since the early 1980s.

Author: Dale L. Belman and Kristen A. Monaco

Study Reference: "The Effects of Deregulation, De-Unionization, Technology, and Human Capital on the Work and Work Lives of Truck Drivers." *Industrial and Labor Relations Review*, Vol. 54, No. 502 (March 2001).

Data Source: Current Population Survey 1973-1995, U.S. Census Bureau

Findings: The earnings of truck drivers fell by 21% between 1973 and 1995. Union membership remains an important determinant of wages, with members earning 18% to 21% more than their non-union counterparts. The authors conclude that the primary sources of wage decline and increased wage inequality have been deregulation, a declining manufacturing wage and declining union membership.

Training

Author: Alison L. Booth, Marco Francesconi, and Gylfi Zoega

Study Reference: "Unions, Work-Related Training, and Wages: Evidence for British Men." *Industrial and Labor Relations Review*, Vol. 57, No. 68 (October 2003).

Data Source: British Household Panel Survey 1991-96

Findings: Relative to non-covered workers, union-covered workers were more likely to receive training and also received more days of training. Among workers who received training, those with union coverage enjoyed greater returns to training and higher wage growth than did those without.

Labor Management Partnership

Author: Eileen Appelbaum and Larry W. Hunter

Study Reference: "Union Participation in Strategic Decisions of Corporations." *National Bureau of Economic Research Working Paper*, No. w9590 (March 2003).

Findings: This paper reviews workforce participation in strategic decisions - those that affect the basic direction of the company - when workforce interests are represented collectively through unions. The paper describes the prevalence of such partnerships in the United States, focusing on two institutions through which unions have engaged in discussion of strategic issues: negotiated union-management partnership agreements, and union representation on corporate boards. We offer detailed accounts of specific strategic partnerships and of union involvement on corporate boards, showing that unions face a range of challenges in constructing partnerships that extend possibilities for effective representations of workers' interests.

Author: Annette Bernhardt, Laura Dresser, and Joel Rogers

Study Reference: "Taking the High Road in Milwaukee: The Wisconsin Regional Training Partnership." *Working USA*, Vol. 5, Issue 3 (January 31, 2002).

Findings: The WRTP is an association of 125 employers and unions dedicated to family-supporting jobs in a competitive business environment. WRTP members have stabilized manufacturing employment in the Milwaukee metro area, and contributed about 6,000 additional industrial jobs to it over the past five years. Among member firms, productivity is way up--exceeding productivity growth in nonmember firms. Once-stagnant wages are also up, and easily outpace wage growth outside the partnership. Individual firm commitment to training frontline workers is evident in direct training costs of some \$20 million annually--an increase of almost that magnitude from prior levels. Direct training reaches some 6,000 workers (one-quarter of whom are people of color) each year. Because entry-level job requirements among member firms are known and broadly shared, moreover, the WRTP has been able to offer employment opportunities to those traditionally neglected in Milwaukee metro's labor market.

Author: Susan L. Manring and Amanda Brailsford

Study Reference: "Collaboration toward service excellence: A union-management and empowered employee partnership." *Hospital Topics*, Vol. 79, Issue 3 (Summer 2001).

Findings: The authors' experience with a hospital food services group taught them the importance of going deeper into the hospital, beyond the experience of the internal customers, to affect the quality of working life and commitment to service excellence of hospital facilities personnel, through a strategic partnership

involving management, employees, and the union. Although building commitment to service excellence among nonmedical, unionized hospital facilities employees can be especially problematic, there is a growing need to do so.

Author: Saul A. Rubinstein

Study Reference: "The Impact of Co-Management on Quality Performance: The Case of the Saturn Corporation." *Industrial and Labor Relations Review*, Vol. 53, No. 197 (January 2000).

Data Source: Surveys, interviews, direct observation, and records of quality performance

Findings: The author examines the system of co-management created through the General Motors-United Auto Workers partnership at the Saturn Corporation. Under this partnership, each department, or module, is jointly managed by union-represented and non-represented advisors. The author credits the union with building a dense communications network throughout Saturn's management system. Compared to non-represented advisors, union advisors showed greater levels of lateral communication and coordination, which had a significant positive impact on quality performance. Also positively associated with quality outcomes at the module level were balanced time use, with each advisor engaging in both production and people management, and alignment between union-represented and non-represented advisors regarding their priorities, responsibilities, practices, and job definition.

Author: Gil Preuss

Study Reference: "Committing to Care: Labor-Management Cooperation and Hospital Restructuring." *Economic Policy Institute*, 1998.

Findings: This report finds that union labor-management committees improve communication and ease the process of implementing new hospital practices in response to changing market demands.

Author: Terry H. Wagar

Study Reference: "Is Labor-Management Climate Important? Some Canadian Evidence." *Journal of Labor Research*, Vol. 18, Issue 1 (Winter 1997).

Findings: This paper investigates the relationship between labor-management climate and perceptions of productivity, product/service quality, and customer/client satisfaction using a regional and national sample of Canadian organizations and a regional sample of local unions. Overall, the ordered probit results reveal a strong relationship between labor-management climate and measures of organizational performance with a more positive labor-management climate associated with more favorable scores on the performance variables.

Health Insurance

Author: Thomas C. Buchmueller, John Dinardo, and Robert G. Valletta

Study Reference: "Union Effects on Health Insurance Provision and Coverage in the United States." *Industrial and Labor Relations Review*, Vol. 55, No. 610 (July 2002).

Data Source: Individual survey data spanning the years 1983-97 combined with employer survey data for 1993

Findings: The union effect on health insurance coverage rates has fallen somewhat but remains large, due to an increase over time in the union effect on employee "take-up" of offered insurance, and that declining rate of union membership explains 20-35% of the decline in employee health coverage. The increasing union take-up effect is linked to the effects of unions on employees' direct costs for health insurance and the availability of retiree coverage.

Author: Rudy Fichtenbaum and Paulette Olson

Study Reference: "The Impact of Unionization on Health Insurance Benefits." *Journal of Economic Issues*, Vol. 36, Issue 2 (June 2002).

Findings: This study highlights the growing importance of including fringe benefits in estimating the impact of unions on the union vs. non-union total compensation differential.

Performance/ Service Quality

Author: John E. Baugher and J. Timmons Roberts

Study Reference: "Workplace Hazards, Unions and Coping Styles." *Labor Studies Journal*, Vol. 29, No. 2 (Summer 2004).

Findings: This study examines how workers cope with hazards at work and whether unions help workers cope more effectively with those hazards. Aside from supervisory or managerial authority, which is not available to most workers, we found that only one factor effectively moves workers who are in subordinate positions to actively cope with hazards; membership in an independent labor union. These findings suggest that union growth could indirectly reduce job stress by giving workers the voice to cope effectively with job hazards.

Author: Michael Ash and Jean Ann Seago

Study Reference: "The Effect of Registered Nurses' Unions on Heart-Attack Mortality." *Industrial and Labor Relations Review*, Vol. 57, No. 422 (April 2004).

Findings: This study examines the relationship of a unionized nursing staff and the mortality rate for acute myocardial infarction (AMI), or heart attack, in acute-care hospitals in California. After controlling for patient and hospital characteristics, the authors find that hospitals with union nurses have 5.5% lower heart-attack mortality than do non-union hospitals.

Author: Jody Hoffer Gittell, Andrew Von Nordenflycht, and Thomas A. Kochan

Study Reference: "Mutual Gains or Zero Sum? Labor Relations and Firm Performance in the Airline Industry." *Industrial and Labor Relations Review*, Vol. 57, No. 163 (January 2004).

Findings: The authors examine competing theoretical arguments regarding whether union representation, shared governance, wage levels, and two features of the quality of labor relations--workplace culture and conflict in negotiations--lead to better or worse outcomes for airlines. The authors conclude that efforts to recover from the current crisis in the airline industry that depend primarily on reductions in wages or union power will at best bring only short-term relief from immediate financial pressures. Sustained improvement in service quality and

financial performance will require more fundamental improvements in the quality of labor relations.

Author: Alan B. Krueger and Alexandre Mas

Study Reference: "Strikes, Scabs and Tread Separations: Labor Strife and the Production of Defective Bridgestone/Firestone Tires." *National Bureau of Economic Research Working Paper*, No. w9524 (March 2003).

Findings: Labor strife in the Decatur, Illinois plant coincided closely with lower product quality, but the story is not simply that replacement workers made bad tires. Instead, defects peaked when strikers returned to the plant, and just before they went out on strike. Thus the paper provides new evidence on the impact of labor strife on the quality of production at the plant level, and suggests that workers provide more effort and due diligence if they feel that they are being treated better.

Unions and Discrimination

Author: Phanindra V. Wunnava and Noga O. Peled

Study Reference: "Union Wage Premiums by Gender and Race: Evidence from PSID (Panel Study of Income Dynamics) 1980-1992." *Journal of Labor Research*, Vol. 20, Issue 3 (Summer 1999).

Findings: The overall union wage premium is relatively stable, but there seems to be a convergence of union wage premiums across different demographic groups between 1980 and 1992. Nonwhite men show the largest gain, followed by white women, white men, and nonwhite women. One explanation for this convergence of union wage premiums might be the "equalization hypothesis" associated with unions. If union membership can explain a portion of the gender/racial wage gap, and women/nonwhites can obtain increased female/nonwhite union participation in highly unionized sectors that offer high union wage gains could, in time, greatly decrease the gender/racial wage differential.

Author: Martin Milkman

Study Reference: "Teachers' unions, productivity, and minority student achievement." *Journal of Labor Research*, Vol. 18, Issue 1 (Winter 1997).

Findings: This paper estimates the union vs. non-union productivity differential for minority students attending public high schools. Education production functions are estimated for minority students attending schools where teachers are unions and for minority students attending nonunion schools using achievement scores as the measure of output and the individual student as the unit of observation. The union vs. non-union productivity differential is positive for minority students attending schools where the majority of students are minorities.

Safety Standards

Author: Joan Greenbaum and David Kotelchuck

Study Reference: "Got Air? The Campaign to Improve Indoor Air Quality at the City University of New York." *Working USA*, Vol. 7, Issue 2 (Oct 31, 2003).

Findings: For more than a century the industrial sector was center stage for safety and health struggles. While industrial issues are still vital, the scope of conflict has broadened to include white-collar and service occupations, which now constitute the overwhelming majority of American workers. In many workplaces, the air quality may be as poor as-or worse than-it is outdoors. Unions are becoming increasingly aware of such issues, and the Health and Safety Committee of the Professional Staff Congress of the City University of New York is taking an innovative approach to the problem with its "Got Air?" campaign.

Author: David Weil

Study Reference: "Building Safety: The Role of Construction Unions in the Enforcement of OSHA." *Journal of Labor Research*, Vol. 13, Issue 1 (Winter 1992).

Findings: A comparison of OSHA enforcement in union and nonunion construction sites demonstrates that union sites face higher probabilities of inspection and receive greater scrutiny during inspections than do comparable nonunion sites.

Unemployment Insurance

Author: John W. Budd and Brian P. McCall

Study Reference: "Unions and Unemployment Insurance Benefits Receipt: Evidence from the Current Population Survey." *Industrial Relations*, Vol. 43, Issue 2 (April 2004).

Data Source: January 1996 Current Population Survey's Displaced Worker Supplement, U.S. Census Bureau

Findings: Eligible blue-collar workers laid off from union jobs are approximately 23% more likely than comparable nonunion workers to receive unemployment insurance benefits.

Pension

Author: Daniel Beland

Study Reference: "Does Labor Matter? Institutions, Labor Unions and Pension Reform in France and the United States." *Journal of Public Policy*, Vol. 21, Issue 2 (May-Aug 2001).

Findings: Beland challenges Paul Pierson's account on the (supposedly declining) role of labor unions in the "new politics of the welfare state." More specifically, the text compares labor's influence on the French and the American politics of pension reform since the 1980s.

Economic Development

Author: Philip Mattera and Greg LeRoy

Study Reference: "The Jobs Are Back In Town: Urban Smart Growth and Construction Employment." *Good Jobs First* (November 2003).

Findings: This study finds that, contrary to common belief, smart growth policies are good for construction jobs. The report provides evidence that smart growth can create more employment opportunities than sprawl for workers who build residential and commercial structures and transportation infrastructure.

Author: Greg LeRoy

Study Reference: "Labor Leaders as Smart Growth Advocates: How Union Leaders See Suburban Sprawl and Work for Smart Growth Solutions," *Good Jobs First* (August 2003).

Data Source: Interviews with 39 central labor council leaders and 11 state labor federation leaders

Findings: Labor federations have advocated for urban reinvestment or "smart growth" policies, including improving existing schools, expanding mass transit, rebuilding aging infrastructure, cleaning up brownfields, stopping factory shutdowns, and fighting "big box" retail projects.

Author: David Reynolds

Study Reference: "Unions Organize Around Economic Development." *Working USA*, Vol. 5, Issue 3 (January 31, 2002).

Findings: As unions organize around new and higher public standards, as they break into the nation's workforce-development programs, as they join with efforts to promote smart growth, they not only gain access to important levers of power, they also link up with a wide range of grassroots allies. Indeed, economic development policy provides a natural arena within which labor, community, faith-based, environmental, low-income, and other groups can forge a new and bold vision of a better economy built around economic justice and sustainable practices. By attaching wage and other standards to employers that receive public funds, living-wage activism links two central dimensions of public policy: the use of public funds to promote business investment and the setting of public standards.

Author: Julian Gross, Greg LeRoy, and Madeline Janis-Aparicio

Study Reference: "Community Benefits Agreements: Making Development Projects Accountable." *Good Jobs First and California Public Subsidies Project*, 2002.

Findings: Unions are part of the coalitions being organized in major cities around the country to achieve baseline community benefits from publicly funded redevelopment projects.

Non-Academic Literature Review Source List

Wages and Benefits

“Local 226, 'the Culinary,' Makes Las Vegas the Land of the Living Wage”

By Steven Greenhouse

The New York Times

June 3, 2004

“Las Vegas as a Workers’ Paradise”

By Harold Meyerson

The American Prospect

Vol. 15, Issue 1 – January 2004

“Unions a Powerful Force Lifting All Workers, Study Finds”

By Cynthia Green

Labor Research Association

October, 7 2003

“Working Systematically to Improve the Conditions of Part-Time/Adjunct Faculty; A Case Study of the Washington Federation of Teachers’ Public and Legislative Campaign”

By Craig Smith

Working USA

Vol. 6, Issue 4 – April 30, 2003

“Securing Pensions II”

By Damon Silvers

The American Prospect

Vol. 13, Issue 6 – March 2002

“Collective Bargaining May Be Losing Ground, but the Latest Research Shows that Unionized Workplaces Do Reduce Pay Injustices”

By David Walker

The Guardian

June 5, 2000

"The Battle over Workers' Compensation: For a Decade, Employers and Insurers Won Drastic Cuts in Coverage and Benefits. In Ohio, Labor Fought Back"

By James Ellenberger

Working USA

Vol. 3, Issue 3 – October 1999

"Yes, Union"

By Beth Shulman

The American Prospect

Vol. 7, Issue 29 – November/December 1996

Productivity/Quality

"Everyone Wins"

By Sandra Feldman

The American Prospect

Vol. 12, Issue 7 – April 2001

Training

"Labor Rallies around Retraining; More Local Workers are Taking Advantage of Union Programs to Upgrade Skills"

By Ellen Ullman

Crain's New York Business

August 4, 2003

Unions, Racial Equality and Civil Rights

"A Dream Deferred"

By Michael Honey

The Nation

Vol. 278, Issue 17 – May 3, 2004

"Let Freedom Roll"
By Julie Quiroz-Martinez
The Nation
Vol. 277, Issue 13 – October 27, 2003

"The Indispensable Advocate"
By Harold Meyerson
The American Prospect
Vol. 14, Issue 7 – July/August 2003

Fair Trade/Union Label

"They Make Sure You Can Reach for the Union Label"
By Joyce Gannon
Pittsburgh Post-Gazette
June 27, 2004

"As American as Apple Pie"
By Jim Hightower
The Nation
Vol. 275, Issue 10 – September 30, 2002

International Human and Economic Rights

"The Coca-Cola Killings"
By David Bacon
The American Prospect
Vol. 13, Issue 2 – January 28, 2002

"It's the Real Thing: Murder"
By Aram Roston
The Nation
September 3, 2001

"Labor and Protest in DC"
Anonymous
The Nation
Vol. 270, Issue 17 – May 1, 2000

"Bringing Down Niketown"
By David Moberg
The Nation
Vol. 268, Issue 21 – June 7, 1999

Environmentalism

"Labor-Environmental Coalitions"
By Fred Rose
Working USA
Vol. 6, Issue 4 – April 2003

"Teamsters and Turtles in (Temporary?) Tiff"
The American Prospect
Vol. 13, Issue 7 – April 8, 2002

Labor – Management Partnership

"Labor-Management Partnerships Common Response to Industry's Unique Circumstances"
Daily Labor Reporter
June 7, 2004

"Catholic Healthcare West, SEIU Agree on Statewide, Master Contract for 14,000"
Daily Labor Reporter
June 3, 2004

"Investment Seen Saving 600 Workers' Jobs"
Daily Labor Reporter
May 25, 2004

"In Defense of Public Service; Union Strategy in Transition"

By Richard W. Hurd

Working USA

Vol. 7, Issue 1 – July 2003

Economic Development

"Economic Development for Whom? Labor Gets Involved in Massachusetts' Economic Development"

By Mary Jo Connelly, Peter Knowlton, Pete Capano, and Harneen Chernow

Working USA

Vol. 5, Issue 3 – January 31, 2002

"Development for the People"

By Howard Padwa

Labor Research Association

June 15, 2001