

Area wage surveys shed light on declines in unionization

Among both production and office workers, the degree of unionization declined in the past 20 years; structural changes in the U.S. economy account for only part of this development

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Declines in unionization over the past 20 or 30 years are well recognized, but no consensus has been reached as to the specific causes. The Bureau of Labor Statistics' area wage surveys provide data for analyzing both the dimensions of these declines and the significance of a major explanation commonly offered—shifts in the industrial, occupational, regional, and demographic composition of the labor force. Such analysis is the purpose of this article.

Between 1961 and 1984, the proportion of employees in unionized establishments declined from 73 to 51 percent among production workers in metropolitan areas, and from 17 to 12 percent among nonsupervisory office clerical workers. These declines can be attributed partly to employment shifts away from centers of union strength, such as the "smokestack" industries in manufacturing, and toward less organized sectors, such as the service industries. Nevertheless, the degree of organization also declined within individual industries, thus calling into question the importance of structural shifts as an explanation for recent trends in unionization.

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Survey scope

Area wage surveys, covering occupational wages and related practices, are currently conducted in a sample of 70 Standard Metropolitan Statistical Areas (SMSA's).¹ Findings of the individual area surveys are combined, after appropriate weighting, to represent all SMSA's in the United States (excluding Alaska and Hawaii).

The surveys are restricted to establishments employing 50 workers or more in the following industry divisions: manufacturing; transportation, communications, electric, gas, and sanitary services; wholesale trade; retail trade; finance, insurance, and real estate; and selected services. (In the 13 largest areas studied, the minimum establishment size is 100 workers in manufacturing; transportation, communications, electric, gas, and sanitary services; and retail trade.) As of July 1984, metropolitan area establishments within the industrial and size scope of the survey program employed 29 percent of all employees on nonagricultural payrolls. Major exclusions from the survey coverage are:

- The construction and mining industries.
- Local, State, and Federal government agencies; private and public schools; and health care facilities.

- Establishments employing fewer than 50 or 100 workers, depending on the industry and area involved.
- Establishments located outside defined metropolitan areas (SMSA's).

The construction and mining industries, especially coal mining, have a long history of extensive unionization, but both are experiencing growth in the number of nonunion firms. The public administration sector and schools and hospitals, historically nonunion areas, have seen intense organizing campaigns recently. The excluded smaller establishments and establishments located in nonurban areas are less likely to be unionized than larger metropolitan area establishments.

Area wage survey findings are useful for analyzing trends in collective bargaining agreement coverage because they provide data over a 23-year span. Furthermore, separate data are available for production and office clerical workers, disaggregated by industry division, geographic region, and size of employing establishment.

Industry	Production workers	Office workers
All industries	51	12
Manufacturing	60	7
Durable goods ¹	62	8
Stone, clay, and glass products	65	(²)
Primary metal industries	89	18
Fabricated metal products	60	3
Machinery, except electrical	49	5
Electrical and electronic equipment	45	7
Transportation equipment	87	18
Instruments and related products	26	2
Miscellaneous manufacturing industries	50	—
Nondurable goods ¹	56	5
Food and kindred products	73	6
Textile mill products	22	2
Apparel and other textile products	52	3
Paper and allied products	76	(²)
Printing and publishing	53	10
Chemicals and allied products	51	4
Rubber and miscellaneous plastics products	47	1
Nonmanufacturing	41	14
Transportation and public utilities ¹	85	61
Railroad transportation	98	97
Local and interurban passenger transit	86	32
Trucking and warehousing	76	17
Transportation by air	74	37
Communications	92	84
Electric, gas, and sanitary services	83	37
Wholesale trade	42	3
Durable goods	37	2
Nondurable goods	47	5
Retail trade ¹	25	6
General merchandise stores	10	6
Eating and drinking places	12	1
Miscellaneous retail	23	10
Finance, insurance, and real estate ¹	—	3
Real estate	—	(²)
Selected services ¹	30	6
Business services	28	1
Miscellaneous services	8	3

¹Includes industries in addition to those shown separately.
²Less than 0.5 percent.

NOTE: Unionized establishments are those in which a majority of the production or office workers were covered by labor-management agreements. Dashes indicate that data do not meet publication criteria.

The data analyzed here are estimates of the proportion of production or office workers employed in establishments where labor-management agreements cover a majority of such workers. (These establishments are referred to as "organized" or "unionized.") Estimates of agreement coverage in this study, therefore, are not measures of membership in unions or employee associations.

Union members may include individuals who are retired, unemployed, or not currently working under a labor-management agreement; these persons would not be recorded in the area wage surveys. Conversely, surveys of agreement coverage include as unionized all workers in establishments where the majority are covered by an agreement, whether those workers are union members or not. Such surveys treat as "nonunion" all establishments where none or a minority of the workers are under a collective bargaining agreement.² Until 1979, membership data were published in the Bureau's biennial *Directories of National Unions and Employee Associations*.³ They are now available from information collected by the Census Bureau in the Current Population Survey, and tabulated by the Bureau of Labor Statistics.⁴

Agreement coverage in 1984

Unionized establishments employed 51 percent of the 12.2 million production and related workers within scope of the area wage survey program in 1984. The corresponding proportion for the 4.8 million nonsupervisory office workers was 12 percent. Production and related workers or blue-collar workers accounted for more than nine-tenths of all unionized workers in the two employee groups combined. Historically, unions have had limited organizing success among nonsupervisory office or other white-collar workers.⁵

By industry division, the proportion of workers under collective bargaining agreements varied widely in 1984. (See table 1.) Nearly nine-tenths of the blue-collar workers in transportation and public utilities, for example, were working under terms of a union contract—twice the proportion in wholesale trade. Coverage of nonsupervisory office workers was under 10 percent in all industry divisions studied except transportation and public utilities, where 61 percent of the office workers were in unionized establishments. Even within the manufacturing sector, which employed more than one-half of the production workers in this study, notable differences emerged. Coverage of blue-collar workers was highest among such "smokestack" industries as primary metals (89 percent) and transportation equipment (87 percent) and lowest among manufacturers of instruments and related products (26 percent) and textile mill products (22 percent).

Agreement coverage also varied widely in 1984 among broad geographic regions of the country. In the South, for example, 32 percent of the production workers were in unionized establishments, compared with 69 percent in the Midwest.⁶ Within individual regions, variations among in-

dustry divisions usually reflected the national pattern. (See table 2.)

Size of establishment also affects unionization, with the larger establishments more likely to be operating under collective bargaining agreements. For production workers, the degree of unionization in 1984 ranged from 39 percent in establishments employing fewer than 500 workers to 69 percent in establishments with 1,000 workers or more. For office workers, this disparity was relatively greater. (See table 3.)

Trends in agreement coverage

To provide analysis over the longest period possible, this article reviews developments between 1961 and 1984, the

earliest and latest years for which area wage survey data are available on a national basis.⁷ Because data for individual years within this period do not reveal pronounced cyclical patterns, the choice of beginning and ending years does not significantly affect the analysis.

Unionized establishments accounted for a smaller share of the production and office workers in 1984 than in 1961. Table 2 shows that agreement coverage dropped from 73 to 51 percent for blue-collar workers, and from 17 to 12 percent for office workers during this period. This trend was also pervasive among the regional and industrial sectors included in the table. All of the production worker proportions show declines, as do nearly three-fourths of those for office clerical workers. Another notable observation is the 32 percentage point decline in coverage among production workers in the West. In 1961, this region and the Midwest led in production worker unionization (80 percent); in 1984, the West ranked third with 48 percent. Two major factors which had an impact on the West's ranking are: lower employment in the heavily unionized aircraft industry, which has a heavy concentration along the West Coast; and emergence and growth of numerous nonunion electronics firms, particularly in "Silicon Valley," near San Jose, CA.

Nationwide, the decline in the share of workers covered by labor-management agreements was about 30 percent for both production and office workers. Nevertheless, the significance of the decline differs for the two employee groups. Among production workers, both the proportion and the absolute number of employees in organized establishments declined between 1961 and 1984. Among office workers, only the proportion in unionized establishments fell; the actual number grew. In 1961, 17 percent of the 3.2 million office workers within the scope of the area wage survey program, or about 536,000 employees, were in unionized establishments. By 1984, the corresponding figures were 12 percent of 4.8 million office workers—or roughly 577,000 employees. This 8-percent expansion of covered employees did not maintain the unionized share, as office employment grew 50 percent during this period.

Explaining the decline

Over the last 30 years, there has been considerable discussion, first, of the prospects for union growth and, more recently, of reasons for declines in the extent of unionism.⁸ Throughout the period, a number of researchers have commented on such labor market developments as expanded employment in the relatively nonunion Southern States and employment shifts away from heavily unionized manufacturing industries and toward the less organized service sector.⁹ Because of such shifts, the degree of unionization could decline overall even though it remained stable within individual sectors.

There appears to be substantial agreement that employment shifts among sectors of the economy have tended to

Table 2. Percent of production and office workers in unionized establishments, all metropolitan areas, by region and major industry division, 1961 and 1984

Region and industry division	Production workers		Office workers	
	1961	1984	1961	1984
All metropolitan areas	73	51	17	12
Manufacturing	79	60	12	7
Nonmanufacturing	61	41	20	14
Transportation and public utilities	95	85	65	61
Wholesale trade	56	42	9	3
Retail trade	39	25	17	6
Finance, insurance, and real estate	—	—	3	3
Selected services	56	30	11	6
Northeast	77	57	19	12
Manufacturing	81	60	16	8
Nonmanufacturing	69	54	21	14
Transportation and public utilities	97	90	71	65
Wholesale trade	63	52	10	4
Retail trade	47	35	23	13
Finance, insurance, and real estate	—	—	3	4
Selected services	68	43	15	4
South	48	32	14	10
Manufacturing	60	42	13	8
Nonmanufacturing	34	22	14	10
Transportation and public utilities	86	72	55	51
Wholesale trade	22	19	(¹)	1
Retail trade	13	10	3	2
Finance, insurance, and real estate	—	—	(¹)	1
Selected services	18	9	3	2
Midwest	80	69	16	13
Manufacturing	86	80	9	6
Nonmanufacturing	66	52	22	17
Transportation and public utilities	98	93	70	65
Wholesale trade	65	57	9	3
Retail trade	42	31	15	8
Finance, insurance, and real estate	—	—	3	5
Selected services	69	44	3	4
West	80	48	18	13
Manufacturing	83	50	11	7
Nonmanufacturing	78	47	23	15
Transportation and public utilities	98	89	60	64
Wholesale trade	75	44	17	4
Retail trade	68	35	36	5
Finance, insurance, and real estate	—	—	2	3
Selected services	66	35	20	13

¹Less than 0.5 percent.

NOTE: Unionized establishments are those in which a majority of the production or office workers were covered by labor-management agreements. Dashes indicate that data do not meet publication criteria.

Table 3. Percent of production and office workers in unionized establishments, all metropolitan areas, by major industry division, region, and establishment size, 1984

Industry division and region	Production workers			Office workers		
	Under 500 workers	500 and under 1,000 workers	1,000 workers or more	Under 500 workers	500 and under 1,000 workers	1,000 workers or more
All establishments	39	53	69	4	10	22
By industry:						
Manufacturing	49	58	76	2	5	12
Durable goods	47	58	77	1	3	13
Nondurable goods	51	57	72	3	7	8
Nonmanufacturing	30	47	60	4	12	26
Transportation and public utilities	69	89	94	24	53	75
Wholesale trade	39	62	51	3	6	1
Retail trade	17	28	37	2	11	9
Finance, insurance, and real estate	—	—	—	1	2	5
Selected services	26	40	44	4	11	8
By region:						
Northeast	52	61	67	4	9	20
South	20	35	56	2	9	22
Midwest	55	70	85	4	9	22
West	39	57	61	4	15	23

NOTE: Unionized establishments are those in which a majority of the production or office workers were covered by labor-management agreements. Dashes indicate that data do not meet publication criteria.

reduce unionism in the United States, but less accord on how influential these shifts have been. In 1979, Professor George H. Hildebrand of Cornell University emphasized the importance of structural changes in the economy: “. . . the declining *relative* position of organized labor since the last war is far more the product of a weight shift in employment patterns and in the composition of the work force than of an absolute decline in total union membership.”¹⁰

Conversely, in their recent study of unions, Professors Richard B. Freeman and James L. Medoff of Harvard University, have downplayed structural changes, pointing out that similar shifts have occurred in other countries without the parallel decline in unionization experienced in the United States. As they see it: “A more realistic reading of the evidence is that structural factors increase or decrease the difficulty of organization but do not determine unionization.”¹¹

Shifts in the economy

Area wage survey data provide an opportunity to analyze several relevant labor market shifts—in regional and industrial composition, in size of employing establishment, in size of community, and in occupational mix. The extent of these shifts is summarized below, followed, where possible, by an estimate of their effect on the overall percent of workers in organized establishments. (The effect of the growing number of women in the labor market—historically less unionized than men—cannot be evaluated with area wage survey data.)¹²

Regional and industrial composition. The much discussed move to the “Sun Belt” has changed the geographic distribution of workers within scope of the area wage survey program. The least unionized region, the South, which employed 19 percent of the workers in 1961, employed 28 percent by 1984. The West’s proportion rose 6 percentage

points from 14 to 20 percent, compared with losses of 9 percentage points in the Northeast and 7 in the Midwest regions. (See table 4.)

Employment trends by industry mirror the reduced importance of manufacturing and the growth of less organized industries, such as retail and wholesale trade and services. Manufacturing’s share of employment declined from 56 percent of the total within scope of the survey program in 1961 to 39 percent 23 years later. One effect of this was a drop in the percentage of unionized production workers employed by manufacturing plants—from 70 percent in 1961 to 62 percent in 1984. (The corresponding percentages for office workers were 28 and 17.)

Size of establishment. For a variety of reasons, higher

Table 4. Percent of workers in metropolitan areas by industry, region, occupational group, and sex, 1961 and 1984

Item ¹	1961	1984
All industries	100	100
Manufacturing	56	39
Nonmanufacturing	44	61
All regions	100	100
Northeast	35	26
South	19	28
Midwest	33	26
West	14	20
All occupations	100	100
Production workers	64	45
Office workers	19	18
Other ²	17	37
All workers	100	100
Men	65	55
Women	35	45

¹Data on sex of workers are from the Current Population Survey and relate to all civilian workers throughout the country, including nonmetropolitan areas. All other data are from area wage surveys.

²Includes administrative, executive, and professional employees. In 1984, all part-time employees were included in the “Other” category; in 1961, part-time employees were included in the appropriate production or office worker category.

NOTE: Because of rounding, sums of individual items may not equal 100.

levels of unionization have generally been associated with establishments employing larger numbers of workers. Professors F. Ray Marshall of the University of Texas and Brian Rungeling of the University of Mississippi, explain that: "Large union membership tends to occur where plants are the largest because large firms are easier to organize than smaller ones. The cost of organizing one large firm with a given number of workers is lower than the cost of organizing a number of smaller firms with the same number of workers. Perhaps more important is the lack of a close working relationship between employer and employees in larger firms, which leads employers to implement rules to govern wages, hours and working conditions. Workers react to such rules by organizing in an attempt to influence or modify them."¹³ Over the 23-year period, average employment in establishments covered by the area wage surveys decreased 16 percent.

Size of community. Collective bargaining is more prevalent in urban than rural areas and is thus influenced by increasing urbanization in the United States. One indicator of urbanization is the number of recognized Standard Metropolitan Statistical Areas (SMSA's). This number increased between 1961 and 1983, and in many areas additional counties were added to the definition of an existing SMSA.¹⁴ Although area wage surveys are limited to establishments within defined SMSA's, their findings are influenced by expanded urbanization. Some of the declines in unionization recorded by the program stems from surveys in newly designated SMSA's, as these additions have tended to be less urbanized than existing areas. For example, unionization of production workers was below average in each of three newly defined SMSA's added to the area wage survey program in 1975.¹⁵ Similarly, when additional counties are included in existing SMSA's, the new territories often are less urbanized, which also tends to lower the proportion of unionized workers.

Occupational mix. Blue-collar or production workers have been more highly unionized than other groups of workers. Over the 1961-84 period, however, the proportion of workers in blue-collar categories fell, while white-collar employees, for whom unionism has had limited appeal, increased their share of the total. These occupational shifts are the result of various forces, including technological developments within industries and the expansion of service industries, some of which require largely white-collar workers.

Within scope of the survey program, the proportion of production workers declined from 64 to 45 percent between 1961 and 1984, whereas the proportion of nonsupervisory office workers remained at just under 20 percent. The share of administrative, executive, professional, and part-time employees, for whom unionization is least likely, grew from 17 to 37 percent of the survey employment.¹⁶

As the extent of production worker unionization stabilized in the 1950's, approaching what some analysts thought was

a "saturation" point,¹⁷ unions turned more to the growing corps of white-collar workers.¹⁸ Nevertheless, the proportion of organized office employees in the survey program declined by nearly one-fourth between 1961 and 1975, with declines reported in nearly all regions and industry divisions. Subsequently, increased organization in the public utilities, finance, and services sectors offset losses in manufacturing and trade, so that the proportion of organized office workers remained constant at 13 percent between 1975 and 1983, dropping to 12 percent in 1984. Area wage survey data, however, may understate union agreement coverage among office employees, because the survey program excludes sectors in which unionism generally has been expanding—schools, hospitals, and government.

Effects of employment shifts. The effects of several of the labor market developments discussed above can be approximated by estimating what agreement coverage would have been if these shifts had not occurred. For regional employment shifts, this can be accomplished by averaging regional agreement coverage in 1961 using 1984 relative employments among the regions as weights. The difference between actual agreement coverage in 1961 and the average 1961 coverage derived using 1984 employment weights is a rough indicator of the effect of regional employment shifts. The same approach can be used to evaluate industry shifts, combined regional and industry shifts, and establishment size shifts.¹⁹

As shown below, each of these shifts (industrial, regional, and establishment size) contributed to the percentage point decline in labor-management agreement coverage among production workers, but regional shifts had no apparent effect among office workers:

	<i>Production workers</i>	<i>Office workers</i>
Decline in coverage, 1961-84	22	5
Attributable to shifts in:		
Regions and industries combined	7	2
Industries	5	1
Regions	4	-
Establishment size	3	1

For production workers, the combined effect of changes in the regions and industries is less than the sum of the individual effects, because the two developments are, in part, interrelated. Of the 22-percentage point reduction in collective bargaining agreement coverage, about one-third (7 percentage points) can be attributed to shifts from regions and industries where unions have traditionally been strongest. The combined reduction of 7 percentage points was calculated by using industry employment weights separately for each region and combining regional data to obtain national estimates. For office workers, regional and industrial shifts, combined, accounted for 2 percentage points, or almost half the relative decline in their agreement coverage.

This approach to quantifying shift effects could not be

applied to all types of structural changes because of the lack of data. It was not possible, for example, to consider the effect of the growing proportion of women in the labor market. Furthermore, as the data on regional and industrial shifts emphasize, structural changes are interrelated—addition of calculated effects of individual shifts overstates total shift effects. Conversely, from a different perspective, the estimates presented here tend to understate the full effect of employment shifts because they do not take account of shifts *within* broad sectors. Within manufacturing, for example, the highly organized primary metals industries lost about 216,000 production workers over the 23-year period, while the less organized industry of instruments and related products gained almost 143,000 workers. Analysis at a level fine enough to capture these changes was not possible with the details available from the 1961 area wage survey program.

Developments within sectors

In any event, it is reasonably clear that shift effects can at most explain only part of the decline in agreement coverage. This conclusion is reinforced by a review of developments in narrowly defined sectors, where shift effects are likely to be reduced. Here too, the general picture is one of reduced unionization. For example, table 5 presents data on agreement coverage within a selection of narrowly defined industries.²⁰ Of 23 industries surveyed between 1967

and 1974 and again between 1974 and 1984, 18 had declines in production worker unionization; 4 had no change in collective bargaining agreement coverage; and 1 had an increase. Typically, declines were small—4 percentage points or less in half the industries with reduced unionization. Declines of 11 points or more, however, were found in four industries—prepared meat products, men's and boys' shirts and nightwear, fabricated structural steel, and motor vehicle parts. Similarly, one finds declines in unionization within individual local areas. In eight of the nine area wage survey localities having the same definition between 1961 and 1984, the percentage of production workers in unionized establishments dropped:²¹

	1961	1984
Buffalo, NY	85–89	74
Chicago, IL	70–74	66
Green Bay, WI	65–69	63
Miami, FL	50–54	25
Omaha, NE	65–69	44
Philadelphia, PA–NJ	80–84	60
Pittsburgh, PA	90–94	81
Portland, OR	80–84	56
Trenton, NJ	85–89	59

It must be noted, however, that even within these areas, shift effects can be discerned. In three areas with marked declines in agreement coverage—Philadelphia, Portland, and Trenton—part of the decline can be attributed to drops in the relative importance of manufacturing employment.

Table 5. Percent of production workers in unionized establishments, selected industries, 1967–1984

Industry ¹	1967–74		1974–84	
	Percent	Survey reference month	Percent	Survey reference month
Mining				
Bituminous coal mining	79	January 1967	79	July 1982
Manufacturing				
Meat packing	83	March 1974	80	May 1979
Prepared meat products	82	March 1974	71	May 1979
Flour and other grain mill products	82	May 1972	80	September 1982
Confectionery products	63	August 1970	54	August 1975
Cigarettes	75	May–June 1971	75	June 1981
Women's hosiery	(²)	September 1973	(²)	August 1981
Men's and boys' suits and coats	84	April 1972	81	June 1984
Men's and boys' shirts and nightwear	42	October 1971	30	May 1984
Corrugated and solid fiber boxes	87	March 1970	82	May 1981
Industrial chemicals	79	June 1971	75	May 1981
Paints and varnishes	65	November 1970	68	November 1976
Petroleum refining	93	April 1971	87	April 1981
Miscellaneous plastics products	54	August 1969	47	September 1974
Footwear	47	March 1971	46	March 1980
Pressed or blown glass and glassware	95 +	May 1970	95 +	May 1980
Structural clay products	70	September 1969	69	September 1980
Basic iron and steel	95 +	August 1972	92	August 1983
Iron and steel foundries	87	November 1973	83	September 1979
Nonferrous foundries	60	June 1970	57	June 1975
Fabricated structural steel	74	October 1969	56	November 1979
Motor vehicle parts	81	April 1974	58	May 1983
Transportation and public utilities				
Electric and gas utilities	81	November 1972	80	October 1982

¹Data are from the Bureau's industry wage survey program and are limited to industries studied on a nationwide basis and to industries in which survey scope was unchanged over the period reviewed.

²Less than 4.5 percent.

NOTE: Unionized establishments are those in which a majority of the production workers were covered by labor-management agreements. Plus signs (+) indicate a 5-percent band (95 – 100).

Other explanations

As already observed, a full accounting for the decline in collective bargaining agreement coverage must go beyond an examination of shifts in the structure of the U.S. economy. A variety of forces are involved, with some having a broad scope and others applying to specific industries.

The more general forces are those affecting the appeal of unionism to individual workers²² and the ease or difficulty of union organizing and collective bargaining activities.²³ Results of National Labor Relations Board (NLRB) representation elections, for example, indicate that some of the drop in agreement coverage stems from diminished union success in organizing new bargaining units. In 1961, unions succeeded in 53 percent of the NLRB certification elections conducted, adding 237,000 workers to the covered rolls.

By 1981, the latest year for which data are available, unions won 43 percent of the elections and added 165,000 workers.²⁴ Professor Paul Weiler of the Harvard Law School notes that: "In 1950, new certifications raised the level of union representation in the private sector work force by 1.92 percent; in 1980, the entire organizational effort of American unions under the NLRA increased union density by a near-infinitesimal 0.24 percent, a rate just one-eighth that of 30 years earlier (and one that was far outstripped by natural attrition from job loss in unionized firms)."²⁵

Government deregulation has also contributed to the decline in unionization. It has stimulated competition—partly from unorganized firms—in such industries as intercity trucking, airlines, and communications. Examination of these forces, however, is beyond the scope of this article. □

FOOTNOTES

¹The number of areas studied has varied over the years. Sixty areas were studied between July 1959 and June 1960. Beginning in July 1960, the program was expanded to cover 80 areas annually, but was reduced to the current 70-area program in July 1974. Estimates of labor-management agreement coverage for each of the areas are presented in individual area reports and in *Area Wage Surveys: Selected Metropolitan Areas, 1985*, Bulletin 3025-72 (Bureau of Labor Statistics, 1984), which presents data for all 70 areas.

²Two studies indicate that, on average, estimates of the percentage of workers covered by collective bargaining agreements exceed estimates of membership percentage. See Richard B. Freeman and James L. Medoff, "New Estimates of Private Sector Unionism in the United States," *Industrial and Labor Relations Review*, January 1979, pp. 169-73; and Markley Roberts, "The Future Demographics of American Unionism," *The Annals of The American Academy of Political and Social Science*, May 1984, p. 30.

³See, for example, *Directory of National Unions and Employee Associations, 1979*, Bulletin 2079 (Bureau of Labor Statistics, 1980).

⁴Membership concepts in the Current Population Survey (CPS), however, differ from those employed in the *Directories*. The CPS also provides data on workers who are represented by unions. See Paul O. Flaim, "New Data on Union Members and Their Earnings," *Employment and Earnings*, January 1985, pp. 13-14. For a detailed analysis of CPS findings for the 1980-84 period, see Larry T. Adams, "Changing employment patterns of organized workers," *Monthly Labor Review*, February 1985, pp. 25-31.

⁵See Everett M. Kassalow, "White-Collar Unionism in the United States," in Adolf Sturmthal, ed., *White-Collar Trade Unions* (Urbana, Ill., University of Illinois Press, 1966), pp. 305-64.

⁶For an analysis of unionization in the South, see F. Ray Marshall, "The development of organized labor," *Monthly Labor Review*, March 1968, pp. 65-73. See also William J. Moore and Robert J. Newman, "On the Prospects for American Trade Union Growth: A Cross-Section Analysis," *The Review of Economics and Statistics*, November 1975, pp. 435-45.

⁷Data for the earlier period are based on surveys conducted between July 1959 and June 1961; for the later period, between May 1981 and December 1984. For ease of reference, these survey periods are labeled 1961 and 1984, respectively. (Information on collective bargaining agreement coverage typically is obtained in a given metropolitan area once every 3 years, with the information being collected in a third of the areas each year.)

⁸Much of the early debate was stimulated by articles of Bell and Bernstein. See Daniel Bell, "The Next American Labor Movement," *Fortune*, April 1953, beginning on p. 120; and Irving Bernstein, "The Growth of American Unions," *American Economic Review*, June 1954, pp. 301-18. For summaries of the ensuing literature, see Albert A. Blum, "Why Unions Grow," *Labor History*, Winter 1968, pp. 39-72; and Woodrow L. Gins-

burg, "Review of Literature on Union Growth, Government and Structure—1955-1969," in Woodrow L. Ginsburg and others, eds., *A Review of Industrial Relations Research*, Volume 1 (Madison, Wis., Industrial Relations Research Association, 1970), pp. 215-24.

Recent econometric literature is summarized in Jack Fiorito and Charles R. Greer, "Determinants of U.S. Unionism: Past Research and Future Needs," *Industrial Relations*, Winter 1982, pp. 1-32.

⁹See, for example, Marten S. Estey, "The Impact of Labor Force Changes on Labor Relations," *The Annals of The American Academy of Political and Social Science*, January 1961, pp. 1-4.

¹⁰George H. Hildebrand, *American Unionism: An Historical and Analytical Survey* (Reading, Mass., Addison-Wesley Publishing Co., 1979), p. 115.

¹¹Richard B. Freeman and James L. Medoff, *What Do Unions Do?* (New York, Basic Books, 1984), pp. 227-28. For a comparison of Canadian and U.S. experience, see Noah M. Meltz, "Labor Movements in Canada and the United States," in Thomas A. Kochan, ed., *Challenges and Choices Facing American Labor* (Cambridge, Mass., MIT Press, 1985), pp. 315-34.

¹²One pertinent study is Joseph R. Antos, Mark Chandler, and Wesley Mellow, "Sex Differences in Union Membership," *Industrial and Labor Relations Review*, January 1980, pp. 162-69.

¹³F. Ray Marshall and Brian Rungeling, *The Role of Unions in the American Economy* (New York, Joint Council on Economic Education, 1976), pp. 48-49.

¹⁴In 1961, areas included in the area wage survey program were a sample of the 188 existing SMSA's. The survey sample of areas, last revised in 1974, is representative of the 262 SMSA's as then defined.

The SMSA concept has been devised to meet the needs of Federal Government agencies that develop general-purpose statistics about metropolitan areas. Except in New England, a Standard Metropolitan Statistical Area is defined as a county or group of contiguous counties which contains at least one city of 50,000 inhabitants or more. Counties contiguous to the one containing such a city are included in an SMSA if, according to certain criteria, they are essentially metropolitan in character and are socially and economically integrated with the central city. In New England, where the city and town are administratively more important than the county, they are the units used in defining SMSA's.

In June 1983, the Office of Management and Budget revised its definitions of the Nation's metropolitan statistical areas, based on data from the 1980 decennial census. In addition, the term "Standard Metropolitan Statistical Area" was shortened to "Metropolitan Statistical Area" (MSA). The Bureau of Labor Statistics anticipates introducing a sample of the newly defined areas into the 1987 area wage survey program.

¹⁵The areas and the proportion of production workers in unionized establishments were: Poughkeepsie, N.Y. (13); Daytona Beach, Fla. (16); and Gainesville, Fla. (22).

¹⁶Area wage survey definitions for occupational groups were modified in 1975, affecting the comparability of data between earlier and later years. Prior to 1975, part-time workers were included in the appropriate production or office worker category; since 1975 they have been included in an "other" category, along with administrative, executive, and professional employees. Because part-time workers are less likely than full-time employees to be unionized, the change imparts an upward bias to the 1984 unionization percentages relative to the 1961 data. The effect of this is to reduce the recorded decline over the 23-year period. The extent of this bias is unknown.

¹⁷See Bell, "The Next American Labor Movement," p. 204.

¹⁸See Solomon Barkin, *The Decline of the Labor Movement* (Santa Barbara, Calif., Center for the Study of Democratic Institutions, 1961), pp. 15, 42.

¹⁹Similarly, one could estimate what agreement coverage would have been in 1984 if employment patterns were the same as in 1961. This approach could not be followed here for lack of the needed 1961 weights. For recent analyses of structural shifts paralleling the approach taken here, see Henry S. Farber, "The Extent of Unionization in the United States," in Kochan, ed., *Challenges and Choices*, pp. 16–22; and Freeman and Medoff, *What Do Unions Do?*, pp. 224–28. See also William T. Dickens and Jonathan S. Leonard, "Accounting for the Decline in Union Mem-

bership, 1950–1980," *Industrial and Labor Relations Review*, April 1985, pp. 323–34; and George R. Neumann and Ellen R. Rissman, "Where Have All the Union Members Gone?" *Journal of Labor Economics*, April 1984, pp. 175–92. As Farber (p. 15) observes, some of the employment shifts may be the result of unionization and not a cause of its decline.

²⁰Most of the studies cover industries defined at the three- or four-digit level of the *Standard Industrial Classification Manual* prepared by the U.S. Office of Management and Budget.

²¹Individual area data available for 1961 are in 5-percent bands.

²²See Thomas A. Kochan, "How American workers view labor unions," *Monthly Labor Review*, April 1979, pp. 23–31.

²³See *Oversight Hearings on the Subject "Has Labor Law Failed,"* Part 1, Joint Hearings before the Subcommittee on Labor-Management Relations and the Manpower and Housing Subcommittee, House of Representatives, June 1984.

²⁴Unions can secure recognition without recourse to NLRB elections.

²⁵Paul Weiler, "Promises to Keep: Securing Workers' Rights to Self-Organization Under the NLRA," *Harvard Law Review*, June 1983, p. 1776. The term "union density" is defined as union membership divided by work force. Weiler estimates that in 1960, new certifications raised the level of unionization by 0.62 percent, more than double the 1980 rate.

Union membership abroad

All countries for which data were available exceed the extent of organization of the labor market in the United States. However, . . . like the United States, the percentage organized has been dropping in each of them, and the most recent membership totals are below the peak in every country, except Japan, Sweden, and Denmark. In the United Kingdom, membership and density [percentage of the labor market organized] peaked in 1970; in West Germany, the peak membership came in 1981 and peak density in 1979; in France, membership topped out in 1976 and density in 1970; Italy's peak membership was in 1980 and peak density in 1978; Japan's membership in 1983 is also its peak, but the percentage organized has slipped steadily through the seventies.

—LEO TROY AND NEIL SHEFLIN

*Union Sourcebook: Membership, Structure,
Finance Directory, First Edition, 1985*
Industrial Relations Data and Information Services
(West Orange, NJ), p. 7-1
