

Changing employment patterns of organized workers

The total number of U.S. workers rose while the number of employed workers who were members of unions or employee associations fell

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The organized labor movement lost 2.7 million members among employed wage and salary workers between 1980 and 1984. This was a particularly sharp drop in the number of union¹ members compared with the experience between the end of World War II and 1980, a period of generally rising union membership. Because this decline took place while the nation's workforce grew, the proportion of employed wage and salary workers who were union members declined during the period, continuing a trend that began in the late 1950's.

The change in the number and proportion of union members took place while changes in the American economy were having a particularly severe impact on employment in goods-producing industries and in transportation, where many union members worked. Competition from imports was growing and government deregulation of the transportation industry in 1980 increased competition from nonunion firms. The "smokestack" industries, the traditional source of union strength, were stagnant or declining, while the less-organized service-producing industries had vigorous employment gains. During the recession of 1981-1982, unemployment hit hardest in industries where unions were strong but, to date, the recovery has been most vigorous in industries and occupations that typically have low levels of unionization.

This article discusses the employment of organized workers in May 1980 with averages for the year ended in September 1984, the second year of the recovery from the 1981-82 recession. Data on employment were obtained primarily from the Current Population Survey (CPS), conducted by the Census Bureau for the Bureau of Labor Statistics.² In May 1980, the CPS collected data on workers identified by their membership in unions or by their representation at work by a union, whether or not they were members. These data were next collected in January 1983 and have been collected each month since then.³

It should be noted that the CPS union membership data cover only employed *wage and salary workers*, not union members who are self-employed, unemployed, retired, laid off, or for other reasons are not wage and salary employees. Thus, they do not represent the total number of people who belong to unions and employee associations. The last BLS study⁴ that counted total union membership (regardless of employment status) was in 1980. That study recorded union (and employee association) membership at 22,377,000. This was 2,282,000 or 11 percent more than the 20,095,000 employed wage and salary workers who were union members recorded by the May 1980 CPS. Because BLS no longer collects data on total union membership, a similar comparison of membership trends cannot be made for 1984.

The CPS data indicate that the number of employed wage and salary workers belonging to labor unions fell from 20.1 million in 1980 to 17.4 million in 1984—a loss of 2.7 million. During the same time the total number of employed

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wage and salary workers increased from 87.5 million to 91.3 million—a gain of 3.8 million. As a result, union members as a proportion of all employees fell from 23.0 percent in 1980 to 19.1 percent in 1984. (See table 1.)

Between May 1977 and May 1980, union membership among employed wage and salary workers increased by about three-quarters of a million, from 19.3 to 20.1 million. The proportion of employees who were union members, however, fell from 23.8 to 23.0 percent, a consequence of the growth of wage and salary employment outpacing the increase in union membership.

There are no comparable CPS data for earlier years. However, as previously noted, the BLS "Directory of National Unions and Employee Associations"⁵ is another source of data on labor organization membership. Unlike the CPS, the Directory counted membership in labor organizations (unions only, prior to 1968) regardless of employment status. The data are, nevertheless, useful in providing a historical backdrop. They show that during the post-World War II era through 1980, union membership (excluding employee associations) fluctuated from year to year but grew on balance. It stood at 14.3 million in 1945, peaked at 20.2 million in 1978, and then declined to 19.8 million in 1980. During the period, the largest decline in membership was 1.2 million between 1956 and 1961.

Unions and employee associations combined showed a similar pattern of membership change between 1968 and 1980, the period for which such data are available. From 1968 to 1978, membership in both types of organizations

rose from 20.7 million to 22.9 million, but then fell to 22.4 million in 1980.

During the 1945–1980 period, the number of employed wage and salary workers increased faster than membership in unions (excluding employee associations). Consequently the proportion of workers in unions fell from 35.5 percent in 1945 to 21.9 percent in 1980. When employee associations are combined with unions, the declines were from 30.5 percent in 1968 to 24.7 percent in 1980. Against this background, the 1980–84 declines in the number and proportion of union members among employed wage and salary workers indicated by the CPS data appear particularly steep despite definitional differences between the CPS and the *Directory of National Unions and Employee Associations*.

The sharp reversal in the upward trend in the absolute number of union members in the work force and the accelerated decline in the proportion of union members in the work force between 1980 and 1984 stem from different employment patterns in the two major sectors—goods and services—of private industry. Historically the main source of union members, nonagricultural goods-producing industries (mining, construction, and manufacturing) suffered a *net* employment decline of 800,000 workers over the period. However, in these industries, jobs held by union members fell 1.9 million while jobs held by nonmembers rose 1.1 million. By contrast, in service-producing industries, which historically have had a comparatively low proportion of union members (with the exception of the transportation, communications, and utilities industries), employment in-

Table 1. Employed wage and salary workers and numbers and proportions of union members, by industry, May 1980 and the average for the year ended in September 1984

[Workers in thousands]

Industry	Number of employed wage and salary workers						Percent of employed wage and salary workers who were union members		
	Total			Union members			May 1980	Year ended September 1984	1980–84 percentage-point change
	May 1980	Year ended September 1984	1980–84 change	May 1980	Year ended September 1984	1980–84 change			
All industries ¹	87,480	91,331	+ 3,851	20,095	17,417	– 2,678	23.0	19.1	– 3.9
Private sector ¹	71,424	75,582	+ 4,158	14,332	11,756	– 2,567	20.1	15.6	– 4.5
Goods-producing ¹	27,590	26,787	– 803	8,428	6,569	– 1,859	30.5	24.5	– 6.0
Mining	891	903	(²)	285	162	– 123	32.0	17.9	– 14.1
Construction	4,437	4,413	(²)	1,371	1,072	– 299	30.9	24.3	– 6.6
Manufacturing	20,824	20,038	– 786	6,726	5,302	– 1,424	32.3	26.5	– 5.8
Durable goods	12,419	11,980	– 479	4,328	3,339	– 989	34.8	28.0	– 6.8
Nondurable goods	8,405	8,098	– 307	2,398	1,963	– 435	28.5	24.2	– 4.3
Service-producing	43,834	48,795	+ 4,961	5,904	5,188	– 716	13.5	10.6	– 2.9
Transportation, communications, and public utilities	5,277	5,414	+ 137	2,554	2,146	– 408	48.4	39.6	– 8.8
Wholesale and retail trade	17,287	18,680	+ 1,393	1,746	1,525	– 221	10.1	8.2	– 1.9
Finance, insurance, and real estate	5,062	5,753	+ 691	162	156	(²)	3.2	2.7	(²)
Service	16,168	18,948	+ 2,780	1,439	1,361	(²)	8.9	7.2	– 1.7
Government	16,056	15,748	– 308	5,764	5,661	(²)	35.9	35.9	–

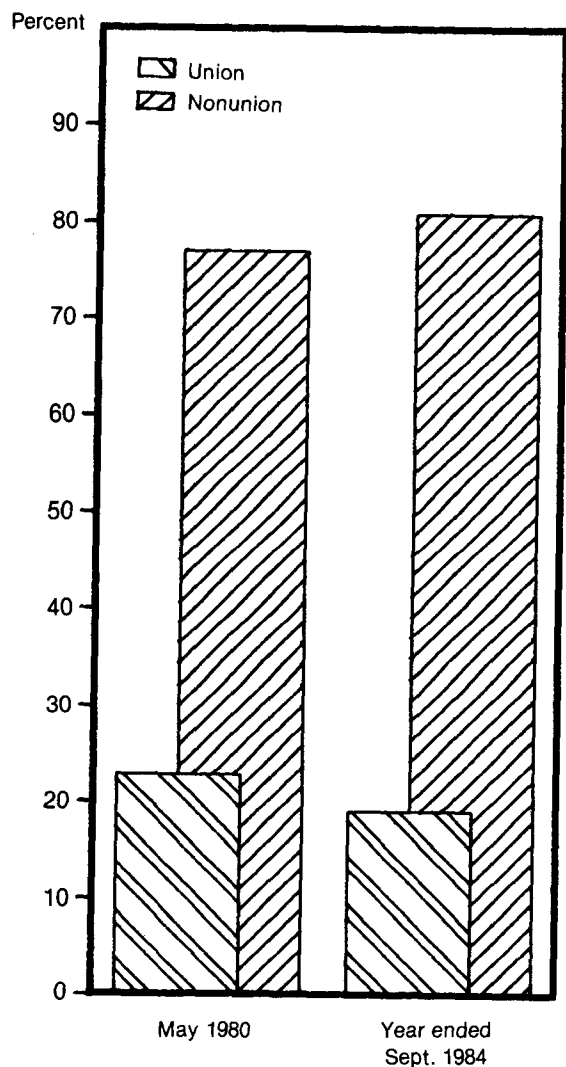
¹Includes agriculture, forestry and fisheries not shown separately.

²Change not statistically significant.

NOTE: Due to rounding, sums of individual items may not equal totals.

SOURCE: Current Population Survey.

Chart 1. Distribution of employed wage and salary workers, by union membership status, in May 1980 and in the year ended in September 1984



creased by 5 million. However, union membership among the service industries' work force fell by 700,000.

In goods-producing industries, both the recession and import competition (especially in steel, automobiles, and apparel and textiles) had a sharp effect on employment during 1980-84. Firms facing declining markets, or market shares, tried to recoup by reducing labor costs by several means. Among those that particularly affected employment of union member workers were greater use of nonunion facilities, contracting out work previously performed by union members, and purchasing supplies previously produced in-house by union members from nonunion domestic sources or foreign suppliers. Furthermore, nonunion competition for available work intensified, and it seems likely that some jobs lost during the 1981-82 recession were regained by nonunion firms during the subsequent recovery.

Within the goods-producing sector, the mining industry suffered the largest proportional loss of working union members, 43 percent, as the number of mining employees belonging to unions fell from 285,000 to 162,000 between 1980 and 1984. Because total employment in the mining industry was about the same in 1984 (903,000) as in 1980 (891,000), the proportion of union members decreased from 32.0 percent to 17.9 percent.

The other principal components of the nonfarm goods-producing sector, construction and manufacturing, also had declines in the number of union member workers and proportional union membership. By 1984, employment in the construction industry had returned to its 1980 prerecession level of approximately 4.4 million. The number of construction industry jobs held by union members, however, stood at 1.1 million in 1984, down from 1.4 million in 1980; thus, 24.3 percent of total employment in the industry in 1984 compared with 30.9 percent in 1980 were union members. As construction slowed during the 1981-82 recession, competition between union and nonunion contractors for available work intensified, with many nonunion contractors bidding for, and receiving, work historically performed by union contractors. Indeed, some unionized firms created separate companies that were not unionized. In a tight market, nonunion companies sometimes could be more competitive than union firms when bidding on or performing on projects. They could, for example, pay less than union scale, and be more flexible in work practices because they were not governed by union work rules or staffing requirements.

In the manufacturing industries, employment in 1984 was just over 20 million, 800,000 below the 1980 level. The number of employed union members in manufacturing, however, declined by about 1.4 million, resulting in the proportion of union members in manufacturing falling from 32.3 percent in 1980 to 26.5 percent in 1984.

Changes in employment and union membership varied somewhat among component manufacturing industries, however. Employment in the durable goods industries decreased approximately 500,000 between 1980 and 1984. However, the number of employed union members in these industries fell by almost 1 million. The primary and fabricated metals industries and the nonelectrical machinery industry accounted for most of the decline in employed union members. These industries have not fully recovered from the 1981-82 recession, and have been subject to intense import competition. Two other durable goods industries adversely affected by the recession and imports—stone, clay, and glass products and electrical machinery—had employed union member decreases of approximately 100,000 each.

The nondurable goods industries had a decline of about 300,000 jobs and lost over 400,000 employed union members. As a result, in those industries, the proportion of union members fell from 28.5 percent in 1980 to 24.2 percent in

1984. Among the nondurable manufacturers, the chemical industry had the largest decreases in the number of employed union members—109,000—and a decline from 25.8 to 18.3 percent in their proportion of total employment. The textiles and apparel industries lost approximately 150,000 jobs between 1980 and 1984. The number of employed union members in these industries decreased by more than 90,000 during the same period. Consequently, the proportion of union members fell from 21.3 to 18.2 percent of total employment.

The service-producing sector,⁶ unlike goods-producing industries, had strong employment gains between 1980 and 1984. Bolstered by substantial and continuing increases in health care and business services employment and more modest, but steady, gains in finance, insurance, and real estate, the service sector had an employment increase of 5.0 million jobs. The transportation, communications, and public utilities and wholesale and retail trade industries experienced employment losses during the 1981–82 recession, but these were more than offset by gains during the subsequent recovery.

Despite the overall rise in employment in the service sector, the number of employed union members fell by more than 700,000. About half the loss was in the transportation industry. The deregulation of trucking and airlines brought intense competition between union and nonunion firms in these industries.

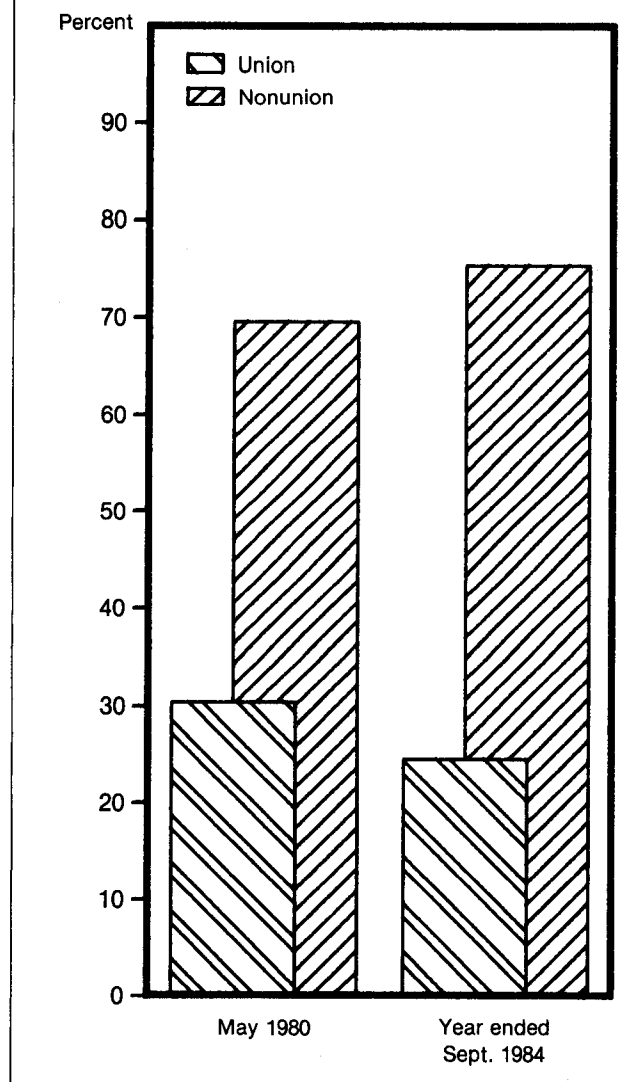
In Federal, State, and local government, employment declined by about 300,000, from 16,056,000 workers in 1980 to 15,748,000 in 1984. The number of government employees who were union members declined by 100,000 to about 5.7 million. The proportion of union members, therefore, held steady at 35.9 percent. A detailed discussion of employed union members working for government over the 1980–84 period is not possible because 1980 data were not tabulated by level of government.

Employed union members in 1984

The industrial and occupational distribution of employed union workers that existed in 1984 is the result of long-term trends as well as recent changes in employment and union membership. Five out of six union members worked in the goods-producing industries, the government sector, and transportation, communications, and public utilities in the service-producing industries. By comparison, just 1 out of 2 of all wage and salary workers were employed in these industry groupings. Union members accounted for 30.0 percent of the workers in these industries, but only 7.0 percent of the workers in other industries: wholesale and retail trade; finance, insurance, and real estate; and services. (See table 2.)

The distribution of employed union members by occupation, sex, and race is influenced by many factors. In general, however, workers in occupations typically found in construction, mining, manufacturing, and transportation

Chart 2. Distribution of employed wage and salary workers, by union membership status, private goods-producing sector, in May 1980 and in the year ended in September 1984



are more likely to be union members than those in finance, trade, or service jobs; employed men are more likely than employed women to be union members, and employed blacks are more likely to be union members than employed whites.

In private industry, transportation, communications, and utilities had the highest proportion of union members—two-fifths of the division's employment. Manufacturing and construction, each with about 1 out of 4 of its employees as union members, ranked second and third, respectively, in proportion of union members. Mining had about 1 out of 5 employees in unions, and was fourth. Trade, services, and finance, insurance, and real estate each had fewer than 1 out of 10 employees in unions.

Manufacturing employed 45 percent of union members who worked in private industry: transportation, communications, and utilities accounted for 18 percent. Despite the

Table 2. Employed wage and salary workers and union members by industry, occupation, race, and sex, average for the year ended in September 1984

Worker characteristic	All Industries ¹	Private sector								Government
		Total ¹	Mining	Construction	Manufacturing	Transportation, communication and public utilities	Wholesale and retail trade	Finance, insurance, and real estate	Service	
Number of employed wage and salary workers (thousands)										
All workers:										
All occupations ²	91,331	75,582	903	4,413	20,038	5,414	18,680	5,753	18,948	15,748
Managerial and professional specialty	20,540	13,792	227	375	3,330	872	1,580	1,491	5,880	6,749
Technical, sales, and administrative	28,857	24,555	177	385	3,888	1,656	9,150	3,850	5,355	4,302
Service	13,085	10,342	14	24	370	180	3,988	236	5,517	2,744
Precision production, craft, and repair	11,035	10,198	290	2,549	3,886	1,095	1,263	88	990	837
Operators, fabricators, and laborers	16,081	15,137	194	1,072	8,501	1,604	2,666	46	973	945
Union members by occupation:										
All occupations ²	17,417	11,756	162	1,072	5,302	2,146	1,525	156	1,361	5,661
Managerial and professional specialty	3,283	715	4	33	134	97	28	26	391	2,569
Technical, sales, and administrative	3,259	1,959	6	11	405	576	603	85	273	1,300
Service	1,982	902	3	4	130	88	175	29	472	1,080
Precision production, craft, and repair	3,375	3,044	84	749	1,290	626	175	10	108	331
Operators, fabricators, and laborers	5,430	5,088	64	275	3,333	755	543	5	110	342
Union members by race:										
White	14,482	9,844	152	964	4,452	1,829	1,312	120	988	4,638
Black	2,491	1,605	9	90	745	276	157	27	301	886
Union members by sex:										
Male	11,554	8,569	158	1,054	4,050	1,667	937	78	597	2,985
Female	5,863	3,187	3	18	1,252	479	588	77	764	2,676
Percent of employed wage and salary workers who were union members										
Union members:										
All occupations ²	19.1	15.6	17.9	24.3	26.5	39.6	8.2	2.7	7.2	35.9
Managerial and professional specialty	16.0	5.2	1.7	8.8	4.0	11.1	1.8	1.7	6.7	38.1
Technical, sales, and administrative	11.3	8.0	3.3	2.9	10.4	34.8	6.6	2.2	5.1	30.2
Service	15.1	8.7	(³)	(³)	35.2	49.0	4.4	12.4	8.6	39.4
Precision production, craft, and repair	30.6	29.8	29.2	29.4	33.2	57.2	13.9	11.0	10.9	39.6
Operators, fabricators, and laborers	33.8	33.6	32.9	25.7	39.2	47.1	20.4	(³)	11.3	36.2
White	18.2	14.8	17.9	24.0	25.4	38.4	7.8	2.3	6.1	35.6
Black	26.2	22.2	(³)	26.9	36.9	49.3	11.1	5.9	13.4	39.0
Male	23.3	20.5	21.4	26.1	30.2	42.5	9.8	3.5	8.7	38.9
Female	14.0	9.5	2.1	4.9	18.9	32.1	6.4	2.2	6.3	33.1

¹Includes agriculture, forestry, and fisheries not shown separately.

²Includes farming, forestry, and fishing not shown separately.

³Data do not meet publication standards.

NOTE: Due to rounding, sums of individual items may not equal totals.

SOURCE: Current Population Survey.

comparatively small proportions of workers in trade and services who were union members, those two industry divisions, because they employed large numbers of workers relative to other industries, together accounted for 1 out of

4 union member employees in private industry. In contrast, construction had one of the higher proportions union membership but because of its relatively small size, only about one-tenth of union members in private industry.

Occupation, sex, and race

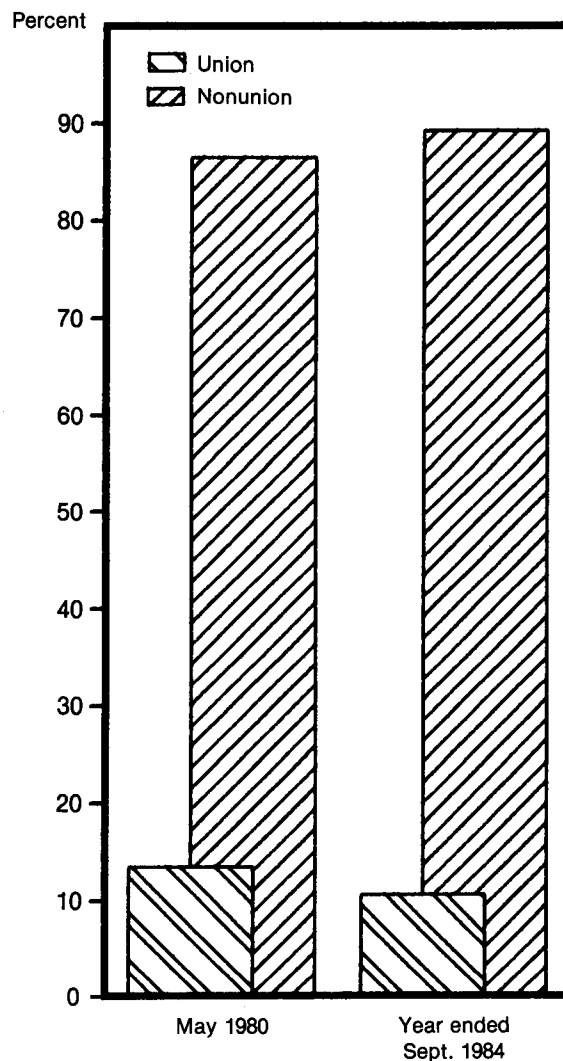
By occupation. In private industry, two of the five major occupational groups⁷ were relatively heavily unionized. About a third of the operators, fabricators, and laborers, and nearly three-fourths of the precision production, craft, and repair workers were union members. These two occupations were also among the most highly organized on an industry division basis as well, although the proportions varied. Overall, less than a tenth of the workers in any of the other occupational groups were union members. There were, however, sharp differences among the industry divisions in union membership by occupation. For example, in transportation, communications, and utilities, more than one-third of the employees in every occupational group except managerial and professional workers were union members, and nearly three-fifths of the precision production, craft, and repair workers were union members. On the other hand, in services, fewer than one-eighth in any of the occupations were union members.

Compared with private industry, government had little variation in unionization by occupation. The proportion of union members ranged from 36 to 40 percent among four of the five occupational groups. The exception was the technical, sales, and administrative group with 30 percent union members. Overall, in government, 35.9 percent of the employees were union members. Two occupations—teachers (except college and university) and protective service workers—accounted for a disproportionate share of union membership in government. While making up 23.3 percent of government employment they constituted 38.3 percent of union members.

By sex. A greater proportion of men than of women employees were members of unions, 23.3 percent compared to 14.0 percent. The greater degree of union membership among men than women occurred in almost every occupation/industry cross classification, and in both the public and private sectors. The only noticeable exception was the managerial and professional specialty group in government where women in these jobs had a union membership rate of 41.6 percent, compared to 33.9 percent for men. The comparatively high rate of unionization among women in these occupations stems from the high proportion of women who were teachers, and the high degree of unionization among teachers.

By race. Black workers were more likely than white workers to be union members. This was true in virtually every industrial occupational grouping. The proportion of blacks in the private sector belonging to unions was 22.2 percent while 39.0 percent of their counterparts in government were union members. Among white workers, 14.8 percent in private industry and 35.6 percent in government were union members. □

Chart 3. Distribution of employed wage and salary workers, by union membership status, private service-producing sector, in May 1980 and in the year ended September 1984



FOOTNOTES

¹“Union” is defined to include traditional labor unions and employee associations that represent employees in collective bargaining.

²These data were from the Current Population Survey. (See the appendix at the end of this article.) The 1980 data were collected in May of that year and therefore reflect an unknown amount of seasonal variation. The data referred to as representing 1984 are averages for the 12 months ended in September of that year, the most recent CPS data available.

³See Paul O. Flaim, “New Data on Union Members and Their Earnings,” *Employment and Earnings*, January 1985.

⁴Unpublished Bureau of Labor Statistics data derived from the discontinued BLS Bulletin, *Directory of National Unions and Employee Associations*.

⁵The Bureau’s *Directory of National Unions and Employee Associations* series provides union membership data from 1930 to 1980. The directory data were obtained directly from the labor unions and employee associations by way of a biennial questionnaire. The responding organizations provided, through their own determination, the average number of dues-paying members. Unlike the CPS data, which determine the union mem-

bership status of employed persons, the dues-paying member definition includes unemployed members as well as members on strike, layoff, or retired. Thus, while data from the directory are not entirely comparable with those from the Current Population Survey, they are a useful source for long-term membership trends.

⁶The service-producing sector consists of: transportation, communica-

tions, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services.

⁷Employed wage and salary workers were classified in one of the following major occupational groups: Managerial and professional specialty; technical, sales, and administrative support; service; precision production, craft, and repair workers; and operators, fabricators, and laborers.

APPENDIX: Use of the CPS for this study

The CPS is a program of personal interviews conducted monthly by the Bureau of the Census for the Bureau of Labor Statistics. In 1983 and 1984, the monthly sample consisted of about 60,000 households selected so their members represent the U.S. population 16 years of age and older. In one-fourth of the households (those leaving the sample that month), two special questions are asked concerning the union status of any household member reported to be in a wage and salary job. The first question asked if the employee was a member of a labor organization; the second question—asked only if the answer to the first was negative—asked if the employee was represented by a labor organization on the job. Only the employee's principal job was considered.

It should be noted that the CPS is subject to reporting errors for these data in addition to the sampling error inherent in any sample survey. Often, a single member of the household provides the information for all members of the residence. It is possible, for example, that the respondent may not be completely informed on the employed person's industry of employment, union membership, or union representation. For a full description of the CPS and a discussion of the procedure used to collect union membership data, see the January 1985 issue of *Employment and Earnings*, a periodical published by BLS.

Industries and occupations. The occupational definitions used in the May 1980 CPS followed the Standard Occupational Classification (SOC) introduced in 1972. By contrast,

the definitions used in computing the averages for the 12-month period ended in September 1984 are in accord with the revised SOC introduced with the 1980 Census. The two sets of data are thus not fully comparable in terms of their occupational breakdowns. (See U.S. Department of Commerce, Office of Federal Statistical Policy Standards, *Standard Occupational Classification Manual, 1980* (Washington, U.S. Government Printing Office, 1980).) Industries used were the conventional industry divisions defined in the Standard Industrial Classification (SIC) for 1972. The 1972 SIC was modified for use in this article to identify all government employees and include them in the public sector rather than in the industry divisions. This classification is important for this article because of the strong interest in the organization of government employees by unions and employee associations. The industrial classification used in BLS Bulletin 2105, *Earnings and Other Characteristics of Organized Workers*, May 1980, did not incorporate this modification of the SIC. Therefore, its industry data are not comparable to the data in this article, in which unpublished 1980 data, based on the modified SIC, are used for 1980–84 comparisons. The 1980 and 1984 data also differ in that the 1980 data pertain to the month of May whereas the 1984 data are averages for the 12-month period ended in September 1984. (See Office of Management and Budget, *Standard Industrial Classification Manual, 1972* (Washington, U.S. Government Printing Office, 1972).)