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Pennsylvania Union Membership 2014: What is it Telling Us?

Pennsylvania's overall union membership as a percentage of employment held steady at 12.7 percent in 2014, unchanged from 2013, according to the Bureau of Labor Statistics. While total employment rose by 27,700, union membership rose 1,900. Nationally, the percentage of employees who are union members dipped from 11.3 to 11.1 from 2013 to 2014.

All the net additional union members in Pennsylvania were due to a 2,300 rise in private sector membership and a small offsetting decline in public sector union members. Interestingly, the percentage of unionization in the private sector fell slightly from 7.8 to 7.7 as total employment gained 55,400 over 2013. Meantime, the percentage unionization in the public sector jumped from 50.5 to 52.7 as employment dropped by 27,700.

Pennsylvania's 12.7 percent overall union membership figure for 2013 and 2014 represents the lowest combined public and private number since these statistics have been assembled beginning in 1983¹. In that year, Pennsylvania's total unionization of employees stood at 27.5 percent, 51.4 percent public and 23.2 percent private. Total union membership in 1983 stood at 1,195,700 with private sector members accounting for 855,000 of that total. By 2014, total membership was down to 702,000, a 30 year decline of just under 500,000 or 41 percent.

The count of private union members has never returned to the 1983 level despite private employment rising from 3.68 million to 4.91 million over the 31 year period. Note that the 2014 reading of 379,000 private union members is just a notch above the lowest level of the last three decades set in 2012 at 375,400.

Nationally, private sector union membership fell slightly to 6.6 percent, a full point below Pennsylvania's 7.7 percent.

Meanwhile, Pennsylvania's public sector membership has fluctuated around 50 percent over the three decades with the percent unionized touching a low point of 46.4 percent in 1985 and hitting a high of 56.9 percent in 2001. Job counts in the public sector have also fluctuated widely over the period around a long term average of about 650,000 with the largest count posted in 2005 at 721,300 jobs. The lowest number of public jobs since 1983 was recorded in 2014 at 613,000, down by over 100,000 from nine years earlier. Public union membership reached its highest total in 2001 at 389,300 but currently stands well below that at 323,000.

¹ Historical Data Compiled and Provided by the *Public Service Research Foundation*

By comparison, the national membership rate for all public employees was 35.7 percent in 2014, a third lower than Pennsylvania's 52.7 percent. Based on national rates of membership for Federal, state and local employees and the public sector total, it can be reasonably assumed that Pennsylvania's state and local rates of unionization are much higher than the national average for those two government groupings. Nationally, in 2014 Federal union membership was 27.5 percent, state was 29.8 percent, and local 41.9 was percent (Bureau of Labor Statistics News Release, January 23, 2015). These figures suggest that in Pennsylvania either the state or local government union membership percentage must be well above 50 percent, most likely the local government sector that includes the heavily unionized schools.

In 2012, Pennsylvania's private sector union membership was barely higher than public membership at 375,000 compared to 356,000, despite the fact that there were almost seven and a half times more private employees than public employees. The sharp fall in public employment in the last two years has led to a decline in the number of public union members although the percentage of those employees in unions has stayed above 50 percent. Note that in 2014, private membership of 379,000 stood 56,000 above the public union member count. But that is a far cry from the 515,000 gap by which private sector union members exceeded public union membership in 1983.

Union membership is tracked in two private sector industries at the state level, construction and manufacturing. The long term Pennsylvania story for these sectors is similar to that of the overall private sector but with some differences. It is noteworthy that Pennsylvania's union membership rate for both manufacturing and construction are on the order of a third higher than the rate for those sectors in the country as a whole.

Incredibly, the fact that only 19 percent of construction workers are union members means that 80 percent of the state's construction workers are essentially unable to take part in most publicly funded projects because of Pennsylvania's prevailing wage law.

In light of the enormous decline in Pennsylvania's total union membership over the three decades (almost 500,000 members) it might have been assumed that the political power of unions would have declined along with their ability to block or promote legislation. But two factors must be borne in mind. One, the bulk of the drop in union membership has been in the private sector while public membership has held reasonably strong. Two, a large share of retirees in the state were union members who are likely to maintain loyalty to union political philosophy. For instance, the Port Authority in Pittsburgh has as many or more retired union members as active employees. Then too, the state employee retirement system has more retirees than active employees and the state's education retirement system has nearly as many retirees as active members. A conservative assumption would be that between 50 and 55 percent of public retirees were union members when they worked.

Then too, a large fraction of local government (including authorities) and state government employees and retirees who are not, or who were not, in a union are likely to be biased in favor of policies that promote increasing the size and scope of government and protecting the powers given to public sector unions.

Combined these groups (and their families) make up a formidable bloc of voters. And, it is well known that unions such as SEIU, who represent private sector employees, are very active politically as well. And given that almost no legislation that would make substantial changes to the privileges enjoyed by both private and public sector unions ever gets very far in Harrisburg, it is obvious that solidarity among private and public unions is quite strong.

No significant pension reform, no meaningful modification of the prevailing wage laws, no reform of the binding arbitration law, no eliminating the right of teachers or transit workers to strike, no liquor store privatization, resistance to school choice vouchers, and scant discussion of outsourcing or privatization. The list is long and the only common denominator is that a union, either public or private, would be impacted in ways that would reduce their power and privileges. These special privileges, granted when Pennsylvania had a very large and robust industrial base, need to be re-thought. It is not reasonable to think that Marcellus Shale-type finds will come along to prop up the economy every time the state needs another shot in the arm. The state should not be content with its below national growth forever.

Late breaking news: Wisconsin appears poised to pass right-to-work legislation. Too bad right-to-work in Pennsylvania has not even a glimmer of chance now or in the near future. And, given the track record of many failed efforts to pass it in years gone by, seems unlikely to ever happen.

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