

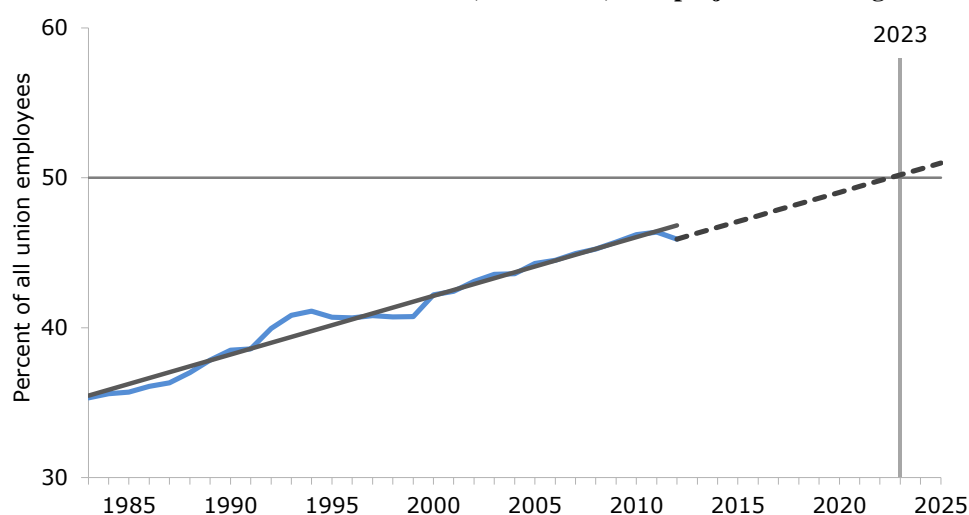
Women Workers and Unions

By John Schmitt and Nicole Woo*

This issue brief looks at the most recent national data available¹ to examine the impact that being in or represented by a union has on the wages and benefits of women in the paid workforce. Even after controlling for factors such as age, race, industry, educational attainment and state of residence, the data show a substantial boost in pay and benefits for female workers in unions relative to their non-union counterparts. The effect is particularly strong for women with lower levels of formal education.

Women are a large and growing portion of the union workforce. In 1983², they accounted for 35.3 percent of all workers who were members of or represented by a union, compared to 45.9 percent in 2012. If current trends continue, women are on track to become a majority of the union workforce in 2023. (See **Figure 1**.)

FIGURE 1
Women as share of total union workforce, 1983-2012, with projections through 2025



Source: Authors' analysis of Current Population Survey Outgoing Rotation Group



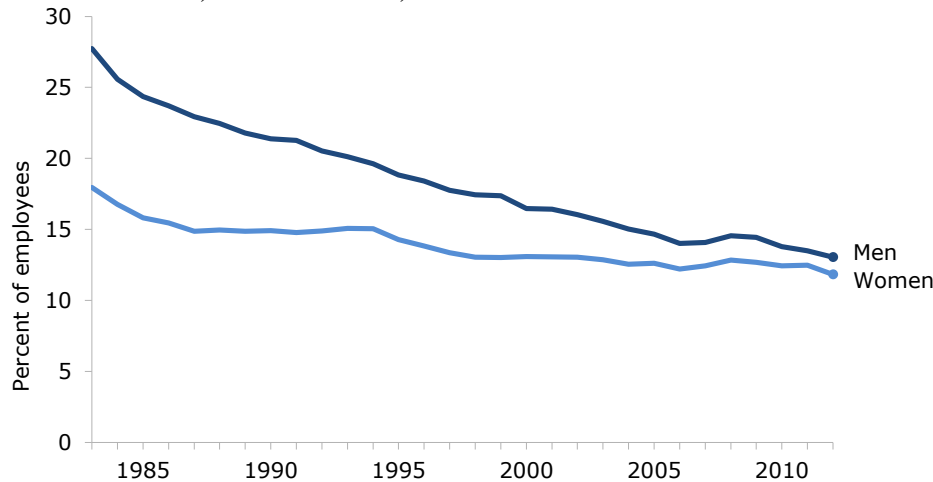
Center for Economic and Policy Research
 1611 Connecticut Ave. NW
 Suite 400
 Washington, DC 20009

tel: 202-293-5380
 fax: 202-588-1356
www.cepr.net

* John Schmitt is a Senior Economist at the Center for Economic and Policy Research, in Washington D.C. Nicole Woo is the Director of Domestic Policy at CEPR.

Despite this rise in their share of the union workforce, female workers continue to be unionized at lower rates than their male counterparts are, although the gap has shrunk significantly. Over the past three decades, the portion of all female workers in or covered by unions fell sharply, along with that of the entire workforce. In 1983, 18.0 percent of women were unionized, while in 2012, only 11.8 percent were unionized – a fall of just over one-third. However, the drop in unionization for men during the same period was much steeper: from 27.7 percent in 1983 to 13.1 percent in 2012 – a decrease of more than one-half. (See **Figure 2**.)

FIGURE 2
Unionization rate, women and men, 1983-2012



Source: Authors’ analysis of Current Population Survey Outgoing Rotation Group

On average, unionization raises women’s wages by 12.9 percent – or about \$2.50 per hour – compared to non-union female workers with similar characteristics. (See **Tables 1 and 2**.) Both tables analyze data for all women in the workforce, but Table 1 may overstate the effects of unionization because union workers may be more likely to have characteristics that are associated with higher wages and benefits, such as age, race, state of residence, industry and educational attainment. Table 2 statistically controls for such factors, which reduces the size of the union advantage – but the effects on pay and benefits still remain large.

TABLE 1
Wages, Health, and Retirement Coverage for Women Workers, 2008-2012

Unionization rate (percent)	Median hourly wage (2012\$)		Health-insurance (percent)		Retirement plan (percent)	
	Union	Non-union	Union	Non-union	Union	Non-union
12.5	21.06	14.98	74.0	50.1	75.3	42.7

Notes: CEPR analysis of CEPR extract of the Current Population Survey (CPS) Outgoing Rotation Group and March CPS. Wage data exclude imputed values. Union refers to union membership or union coverage. Health insurance refers to participation in an employer- or union-sponsored plan where the employer pays some or all of the premium. Retirement plan refers to participation in an employer-sponsored plan, with or without employer contribution. Health and pension coverage refer to 2007-2011; wages refer to 2008-2012.

TABLE 2

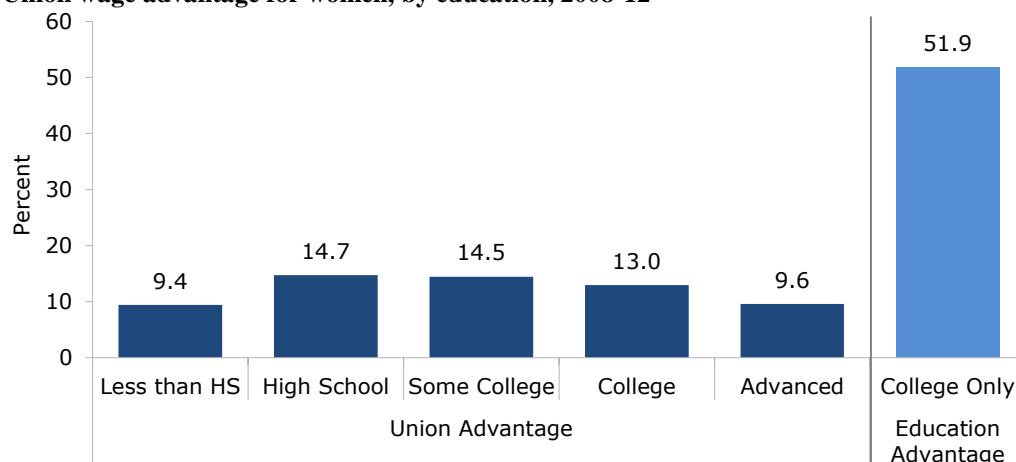
Regression-Adjusted Union Wage, Health, and Retirement Premiums for Women Workers, 2008-2012

Unionization rate (percent)	Hourly wage	Health-insurance coverage		Retirement plan	
	Union premium (percent)	Union premium (p.p.)	Coverage increase (percent)	Union premium (p.p.)	Coverage increase (percent)
12.52	12.9	18.4	36.8	22.8	53.4

Notes: All regressions include controls for age, education, gender, state, and two-digit industry. Union wage premiums in percent are converted from log points; all are statistically significant at, at least, the one-percent level. Union-health insurance and pension coverage figures are the percentage-point (p.p.) increases associated with union coverage or membership; all estimates are significant at the one-percent level. Coverage increases in percent terms are from the current coverage rates for non-union workers. Health and pension coverage refer to 2007-2011; wages refer to 2008-2012.

Being in or represented by a union compared well to completing college in terms of wages, especially once tuition costs are factored in. All else equal, being in a union raises a woman's pay as much as a full year of college does. For the average female worker, a four-year college degree boosts wages by over half (51.9 percent) relative to a similar woman who has only a high school degree. In comparison, unionization raises a woman's pay by 14.7 percent – over one-quarter of the effect of a college degree. (See **Figure 3**.)

FIGURE 3
Union wage advantage for women, by education, 2008-12



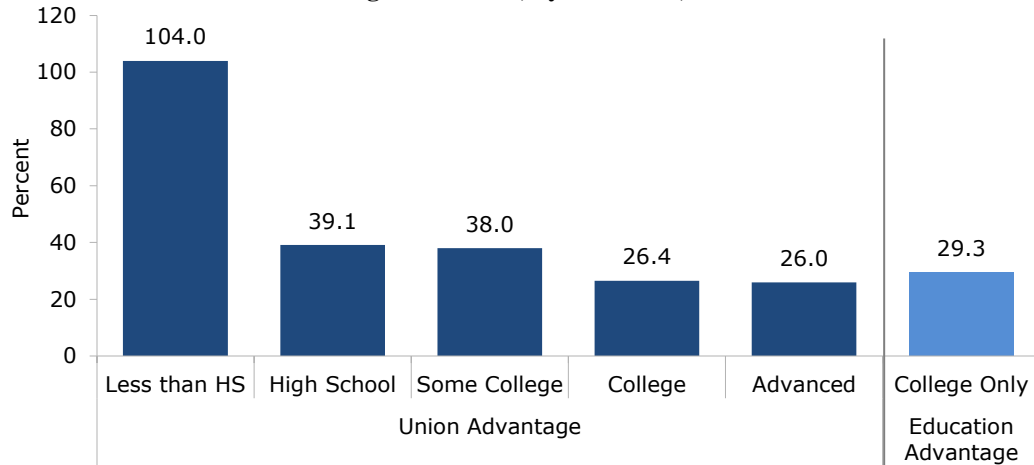
Source: CEPR analysis of CPS data.

The union impact on the probability that a female worker has health insurance or a retirement plan through her employer was even larger than the impact on wages. At every education level, unionized women are more likely to have employee benefits than their non-union counterparts with similar characteristics. In fact, for a women worker with a high school degree, being in or represented by a union raises her likelihood of having health insurance or a retirement plan by more than earning a four-year college degree would.

For health insurance, unionized female workers are over one-third (36.8 percent) more likely to have employer-provided coverage than their non-union counterparts. This is a larger effect than that of finishing a four-year college degree, which is associated with a 29.3 percent increase in the probability of having health insurance. The benefit is even more pronounced for women workers with less formal education. For example, for a woman without a high school diploma, unionization

doubles (104 percent increase) her chances of having employer-provided health insurance. (See **Figure 4**.)

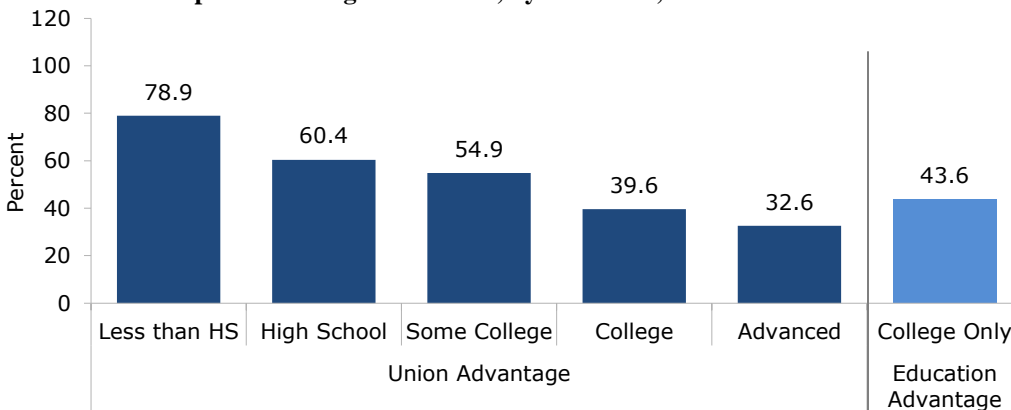
FIGURE 4
Union health-insurance advantage for women, by education, 2008-12



Source: CEPR analysis of CPS data.

The union advantage is largest when looking at employer-provided retirement plans. Women in or represented by unions are 53.4 percent more likely to have pension coverage than those not in unions, which is also larger than the corresponding effect of a four-year college degree (43.6 percent). Similarly, the union effect is much larger for female workers with less formal education. Unionization raises the likelihood of having an employer-provided retirement plan by over three-quarters (78.9 percent) for women with less than a high school diploma. For female workers who completed high school or have some college education, being in or covered by a union increases their chances of having pension coverage by 60.4 and 54.9 percent, respectively. (See **Figure 5**.)

FIGURE 5
Union retirement-plan advantage for women, by education, 2008-12



Source: CEPR analysis of CPS data.

1 For details about data sources and methodology, please see Schmitt, John. 2008. "Unions and Upward Mobility for Women Workers." Washington, DC: Center for Economic and Policy Research. Available at <http://www.cepr.net/index.php/publications/reports/unions-and-upward-mobility-for-women-workers>.

2 1983 is the first year that the Current Population Survey includes full year data on unionization rates.