

UNION WORKERS RECEIVE HIGHER WAGES BUT NEED EFCA LAW

Despite the declining share of union-represented employees in the workforce, unionized workers' wages are 11.3 percent higher than the wages of nonunion workers with similar characteristics, according to a report by the Center for American Progress. The report finds that between 2004 and 2007 union workers made \$2.26 more per hour than nonrepresented workers.

Former labor secretary Robert Reich says the report "makes the case very clearly" regarding the benefits of unionization for workers. If union coverage rates were to increase, workers "would be able to buy more of the services and products that are made in this country." This could help to spark an economic recovery. "Consumers have run out of money." Reich and others say that this makes the case for passage of the Employee Free Choice Act.

The report finds that in 1983, 23.3 percent of American workers were either members of a union or represented by a union at their workplace, and in 2008, that rate had declined to 13.7 percent. From 1980 to 2008, U.S. worker productivity grew by 75.0 percent, while workers' inflation-adjusted average wages increased by 22.6 percent, which means that workers were compensated for 30.2 percent of their productivity gains.

Reich and others say the report's findings provide support for passage of the controversial Employee Free Choice Act. The legislation would amend the National Labor Relations Act to require the National Labor Relations Board to certify a union as the representative of employees if a majority of employees signs union authorization cards. It would allow unions to continue to petition for NLRB-supervised secret ballot elections, if they choose, once 30 percent of the workers have signed union authorization cards.

Supporters argue that the legislation would allow for the creation of more unions, which would lead to greater protections and buying power for workers. Opponents argue that the bill would cost millions of dollars for businesses and lead to increased costs for products and services, and would deny workers the right of a secret-ballot representation election. Reich says the "key point and purpose" of the legislation is to end intimidation of workers by anti-union employers and other entities during the representation election process.

The report, "Unions Are Good for the American Economy," is available at http://www.americanprogressaction.org/issues/2009/02/efca_factsheets.html.

(Source: BNA, *Daily Labor Report*, No. 31, February 19, 2009, p. A8.)