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NEWS >>

UNIONS HELP ALL WORKERS EARN MORE

Union members aren't the only ones hurt when labor's slice of the workforce pie gets smaller, a report confirms. In fact, research by the Economic Policy Institute shows all workers today are making less than they would if union density was at its 1979 level.

Between 1979 and 2013, the share of private-sector workers in a union fell from about 34 percent to 10 percent among men, and from 16 percent to 6 percent among women. For women, the result is \$718 less in pay per year. But for men, lost pay balloons to nearly \$2,725 a year.

As EPI notes, "Unions keep wages high for nonunion workers for several reasons. Union agreements set wage standards that nonunion employers follow. And a strong union presence prompts managers to keep wages high to prevent workers from organizing or leaving. Unions also set industry-wide norms, influencing what is seen as a "moral economy."

Working-class men have felt the decline in unionization the hardest, the report notes. Specifically, nonunion men lacking a college degree would have earned eight percent, or \$3,016, more in 2013 if unions had remained as strong as they were 34 years earlier.

The signs have been noticeable to anyone paying attention that the U.S. economy isn't working for most. Income inequality has soared. As we've noted before, the real economy has doubled in size since 1980. But for workers in the bottom half have seen nearly no economic benefit from it, despite existing social programs meant to lend a hand to this population. The result is some 117 million adults stuck in place despite the pre-tax income per adult in the U.S. growing by 60 percent on average.

Because of this, the nation's top 1% now makes nearly twice as much as the bottom half and on average earns 81 times more than those in the bottom half. By comparison, in 1980 they made 27 times more.

The people of this nation aren't winning under this scenario. They need an economy that produces jobs that allow families to support themselves. That starts with good union jobs that pay more than \$10,000 a year more than non-unions ones do on average. Only then will America be the nation it is supposed to be.

An affiliate of the International Brotherhood of Teamsters, Teamsters Joint Council 25 is America's premier labor union for Chicago, Illinois and northwest Indiana.