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# Appendix A

## Collective Organization of Labor in the Public Sector

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and Jeffrey Zax

Between 1960 and 1980 the public sector in the United States experienced a dramatic spurt in unionism, which changed it from one of the least organized to one of the most heavily organized parts of the economy. What is the current extent of public sector organization in this country? Has the dramatic spurt leveled off or been reversed? How do organized public sector workers and jurisdictions differ from unorganized workers and jurisdictions?

These basic questions are not easy to answer. Unlike the private sector where the National Labor Relations Act (NLRA) and Railway Labor Act (RLA) provide standardized federal-level criteria for defining the existence and activities of unions, there are vast differences in public sector labor laws across states, occupations, and time which lead to considerable differences in the meaning of public employee "unionism" or "bargaining." For example, some state laws prohibit employees from striking and provide no alternative mechanism for resolving bargaining impasses. Other laws permit the right to strike or provide dispute resolution mechanisms, such as mediation, fact-finding, or arbitration. Still others outlaw public employee bargaining altogether. Federal policy permits federal employee bargaining, but in most cases not over wages. While collective bargaining resulting in written

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contracts exists in all such environments—even where the state law outlaws bargaining—these differences in labor laws radically alter the meaning of public sector “unionism.” Moreover, in contrast to private sector unions, many public sector labor organizations have dues-paying members who are not covered by bargaining agreements.

To deal with these problems and to develop a better picture of union organization in the public sector, this appendix presents a comprehensive analysis of the basic quantitative data on collective organization in the public sector. Section I describes the major institutions involved in public sector labor relations. Section II assesses the sources of data on public sector unionism and contrasts the levels and trends in the public sector unionization from these sources. Section III summarizes information on organization by level of government, occupation, and type of labor law. Finally, section IV considers differences in the characteristics of organized and unorganized workers and jurisdictions and explores the relationship between unionism and selected economic outcomes.

## **I. Organizations and Institutions Involved in Public Sector Labor Relations**

As in the private sector, three types of institutions are involved in labor relations in the public sector: labor organizations, management organizations, and governmental agencies that oversee the unionization and collective bargaining process.

### **Labor Organizations**

Table 1 records the membership in labor organizations with a large representation in the public sector in 1982–85, using data from the Bureau of National Affairs (BNA), the *Union Sourcebook*, and information obtained directly from largely private sector unions on their public sector membership. The majority of public sector workers who are members of labor organizations are in organizations serving well-defined groups of public employees. In jurisdictional terms, many are more like craft than industrial labor organizations, being organized along occupational lines (i.e., separate unions for postal workers, teachers, police, fire fighters, and nurses). Membership includes an exceptionally large number of white-collar workers, even if one excludes teachers. Some public sector labor organizations, such as unions of federal employees outside the postal service or federal authorities, cannot legally sign agreements covering wages and fringe benefits; while some state and local government employees cannot legally enter into a collective bargaining agreement of any kind.<sup>1</sup>

**Table 1** The Public Sector Unions, 1982-85

	BNA Reported Membership	Sourcebook Reported Membership
<i>Teachers</i>		
American Federation of Teachers	573,644	458,630
National Education Association	1,641,168	1,443,970
American Association of University Professors	62,850	60,590
<i>Public Safety</i>		
International Association of Fire Fighters	162,792	155,930
Fraternal Order of Police	160,000	150,000
<i>State and Local Government</i>		
American Nurses Association	160,357	170,000
American Federation of State, County, and Municipal Employees	950,000	934,370
Assembly of Government Employees	250,000 <sup>a</sup>	341,000
<i>Primarily Private Sector</i>		
Service Employees International Union (1986) including National Association of Government Employees which joined Service Employees in 1982	450,000 <sup>a</sup>	—
Teamsters (1985)	150,000 <sup>a</sup>	—
Laborers (1985)	85,000 <sup>a</sup>	—
<i>Federal Non Postal</i>		
American Federation of Government Employees	210,000	212,850
National Federation of Federal Employees	52,000	33,420
National Treasury Employee's Union	55,000	46,040
Postal and Federal	20,000	18,420
<i>Postal Unions</i>		
American Postal Workers Union	248,000	244,560
National Association of Letter Carriers	175,000	214,460

Sources: Bureau of National Affairs (1984, 13-43) and Troy and Sheflin (1985), unless otherwise noted.

Note: Numbers are rounded to nearest thousand.

<sup>a</sup>Estimates on the public sector membership in Service Employees International, Teamsters, Laborers, and Assembly of Government Employees are from union officials.

Finally, some public sector labor organizations only serve as a kind of intermediate affiliation. For example, the International Brotherhood of Police Officers (IBPO) members actually paid dues to the National Association of Government Employees (NAGE) with whom IBPO was affiliated until 1982. After 1982, IBPO members were affiliated with Service Employees International Union (SEIU) since NAGE was absorbed by SEIU. There are also umbrella organizations at the national

level. For example, many municipal police who are already members of local- and state-level labor organizations may also belong to the International Union of Police Associations (IUPA)—an AFL-CIO affiliate that was chartered after the International Conference of Police Associations had dissolved over the issue of AFL-CIO affiliation (U.S. Bureau of Labor Statistics 1980, 51). Clearly, there may not be a straightforward answer to the question: “To what labor organization do you belong?” for the organized public employee.

### Management Organizations

In government jurisdictions below the state level, managers also belong to state-level organizations. Municipal leagues, in particular, will often be involved in labor relations activities by collecting and disseminating data on pay and employment practices across local jurisdictions, sponsoring conference activity, and lobbying on behalf of management in state legislatures. According to information supplied by the International City Managers’ Associations, all states except Hawaii have a Municipal League, such as the Alabama League of Municipalities or the Vermont League of Cities and Towns, and a City Managers Association, such as the Colorado Sector of the International City Management Association or the Tennessee City Management Association. In addition, separate organizations exist for specific classes of management officials. In Massachusetts, for example, there are separate state associations for city mayors, chief financial officers of municipalities, and towns’ selectmen. Furthermore, there are regional associations for managers that span several states.

### Government Agencies

States that regulate public sector collective bargaining have set up state public employment relations boards (PERBs) or similar organizations. These agencies are generally patterned closely after the National Labor Relations Board (NLRB), but in addition they often devote considerable time and effort to mediation, fact-finding, and arbitration of collective bargaining impasses. At the federal level, the key institutions in regulating labor relations are the Federal Labor Relations Authority (FLRA) and the Federal Services Impasses Panel. The FLRA determines units for purposes of representation, supervises elections, and judges charges of unfair labor practices, much as the NLRB does in the private sector. In addition, the FLRA also rules on disputes over which issues are subject to bargaining. The Federal Services Impasses Panel has the role of resolving disputes when negotiations break down. It can impose settlements when the federal union and governmental agency are unable to reach agreement, thereby providing the equivalent

of compulsory arbitration in the federal sector (Levitan and Noden 1983).

## II. Economy-Wide Estimates of Public Sector Unionism

There are four basic sources of data on organization in the public sector.

1. *Directory of National Unions and Employee Associations* (Bureau of Labor Statistics). Until 1981 the U.S. Bureau of Labor Statistics (BLS) gathered data on union membership from a questionnaire to national unions, employee associations, and AFL-CIO state organizations. The questionnaire asked for the “annual average dues-paying members” of the relevant organization as well as other data, including estimated membership by state and industry, and, in some years, numbers covered by collective bargaining agreements. From 1958 to 1968, the BLS data covered national and international “unions” only; in 1968, associations of professionals and of state public employees “believed to be engaged in collective bargaining or representational activities” were included in the BLS survey.

The Bureau of National Affairs (BNA) published the results of the 1981 BLS survey and conducted its own independent survey of labor organizations in 1983. These two BNA publications do not report separate statistics for the public sector. (They do, however, publish data for individual labor organizations, as presented in table 1, and evaluate the membership in those organizations with a large number of public employees.)

The BLS data have several drawbacks for gauging the extent of public sector organization. First, the survey excludes independent municipal and local government unions. If local government employees are not members of any of the national or international unions surveyed, they are not counted. The BLS estimated that in 1978 there were 235,000 local government employees who were members of such independent unions or associations (BLS 1980, 57)—or 3.9 percent of the total number of organized government employees estimated for the organizations that were surveyed by the BLS. This, however, is probably a considerable underestimate of the total number of members in unaffiliated labor organizations in 1978 given the crudeness of BLS’s procedure to derive this figure.<sup>2</sup> As the BLS’s reported public sector figures never include the estimates of such members in its totals of organized public employees, these figures underreport the level of membership.

A second major drawback with the BLS estimates is that the figures on public sector organization are derived from a question asking union

officials for the "approximate percentage of all union members" in various industries. Officials' approximations of the percentage of their members in the government sector is a potentially sizeable source of error whose direction is unclear.

Third, errors could occur because the figures are reported by unions who may exaggerate their own strength; indeed, Thieblot's comparison of the numbers reported by unions to the BLS and to the AFL-CIO convention (on which they pay per capita dues) between 1965 and 1975 showed differences of 20 percent (Thieblot 1978). Such exaggeration may be particularly common in situations involving jurisdictional disputes between unions. For example, Thieblot reports that both the American Federation of Teachers and the National Education Association claimed New York's 200,000 teachers as members from 1972 to 1976.

Fourth, the BLS's distinction between "union" and "association" does not reflect a difference between bargaining and nonbargaining labor organizations. Specifically, membership of every labor organization is counted exclusively as either association or union membership. For example, the Fraternal Order of Police (FOP) is an "association," while the International Association of Fire Fighters (IAFF) is a "union." However, largely attributable to the differences in state collective bargaining laws, both the FOP and the IAFF have members who are and are not covered by collective bargaining agreements.

Finally, the BLS reports increased public sector membership over time as new labor organizations are added to the universe surveyed, not just because more employees joined a fixed number of organizations. (See for example note 3 of table 4 in BLS 1979, 57). The year that BLS adds an organization to the survey does not necessarily correspond to the initial charter of the organization, nor to the onset of bargaining within that organization.

Despite these drawbacks, the BLS surveys cover a large number of labor organizations and a lengthy time period. For many years they are the only basis for national estimates of unionization in the United States.

2. *Union Sourcebook* (Troy and Sheflin 1985). While the *Union Sourcebook* parallels the BLS survey in some respects and therefore suffers from some of the same limitations, it differs in other ways. The principal difference is that, in an attempt to provide "a consistent, objective basis for membership determination," Troy and Sheflin derive their figures largely from standardized, annual financial reports as required under the Labor Management Reporting and Disclosure Act of 1959 (LMRDA). The *Sourcebook* uses the ratio of total dues reported

by a union to a full-time member's dues rate to measure "the average annual, dues-paying, full-time equivalent membership."

There are two problems with this methodology. First, since unions do not report the proportion of dues paid by public as opposed to private sector workers, it is necessary to estimate the number of organized government workers who are members of predominantly private sector unions. Troy and Sheflin appear to use the unpublished "approximate percentage" estimates given in the 1979 BLS *Directory of National Unions* (1980) and apply those same percentages to the entire 1962–83 period. As described below, this fails to capture the growth in the share of certain unions' ranks coming from the public sector. Notable among these, the Service Employees International Union (SEIU) over the 1978 to 1983 period changes from a predominantly private sector union to a predominantly public sector union.<sup>3</sup>

The second problem is that labor organizations that are interstate in scope do not file financial records under LMRDA. In the *Sourcebook* an estimate of organized municipal employees who are not counted in the ranks of reporting unions is "derived by extending the percentage that such organizations represented of total union membership for a single year (obtained from a BLS survey of such organizations) to the years 1962–82" (Troy and Sheflin 1985, 3-3). From a review of the separate membership series reported in the *Sourcebook* for municipal and local organizations between 1962 and 1984 (Troy and Sheflin 1985, B-11), it appears that this means that the *Sourcebook* uses the same underestimate of unaffiliated local government membership from BLS Bulletin no. 1702 (1971), described above. In each year from 1962 to 1980, the total number of unaffiliated municipal and local members is approximately 5.6 percent of the total number of public sector members (Troy and Sheflin 1985, 3-20 and B-11). Again, this probably causes an underreporting of overall membership in state and local government. A conservative estimate of the magnitude of the underreporting of state and local government membership is 263,000 in 1982.<sup>4</sup> Moreover, if state and local government membership outside the surveyed unions was growing at a different rate from that in the surveyed unions, the growth rate in public sector membership is also biased.

In comparing the BLS and *Sourcebook* methods, there are reasons to expect that *Sourcebook* estimates of total membership in labor organizations in the government might be above or below BLS membership estimates. On the one hand, the *Sourcebook* estimates should be below BLS estimates since the *Sourcebook* reports "full-time equivalent" members and the BLS simply reports members. However, the *Sourcebook* identifies a significantly larger number of labor organizations than does the BLS—presumably through the LMRDA files—

which would cause *Sourcebook* figures to exceed those of the BLS. Finally, as with the BLS data, the *Sourcebook's* distinction between "association" and "union" membership does not reflect a difference in bargaining and nonbargaining organizations.

3. *The Current Population Survey (CPS)*. The CPS asks household respondents about the union status and collective bargaining coverage of persons in the household. Until 1976 the question was limited to unionization per se: "on this job, is . . . a member of a labor union?" In 1977, the phrase ". . . or employee association" was added to the question. Beginning in 1978, an additional question asked whether household members who did not belong to a union or association were covered by a collective bargaining agreement: "On this job, is . . . covered by a union or employee association contract?" From 1978 to 1981, "don't know" was considered a valid response; after 1981, respondents could not answer "don't know."

The major disadvantages of these data are: (1) the household respondent may not be fully aware of the union, association, or coverage status of other household members; (2) precise definitions of "union" and "association" are not given to respondents; (3) in no year can the extent of "union" membership be compared to the extent of "union or association" membership; (4) until 1983 it was not possible to determine the breakdown of public sector workers between state, local, and federal public employees outside of public administration; and (5) the coverage question is asked only of workers who are not members of unions or employee associations, which fails to account for the fact that in the public sector dues-paying members of labor organizations may not be covered by a collective bargaining agreement.

The CPS data have two advantages. They are obtained from a rigorous survey design—a particularly desirable feature when estimating the proportion of public employees who are members; and they contain diverse measures on individuals' demographic characteristics and economic status, so that personal correlates of unionism can be measured.

4. *Survey of Governments (SOG)*, conducted by the U.S. Bureau of the Census. The Census Bureau has collected labor relations data by function of employee from: "a canvass of all State governments . . . all local governments which reported 50 or more full-time employees in the 1977 Census of Governments"; a subsample of the small governmental units that reported less than fifty employees; and data from the 1977 Census of Governments for unsurveyed small governments (U.S. Bureau of the Census 1980, 5).

The SOG is the only source that recognizes some of the features that distinguish public sector labor relations from private sector labor relations. It distinguishes coverage by contracts from membership in other types of "organizations"<sup>5</sup> that do not necessarily bargain. It does not erroneously assume that membership implies bargaining as the CPS

does; nor does it assume that a given labor organization must be exclusively a "union" or exclusively an "association" as the BLS and *Sourcebook* do. In addition, it asks about "bargaining units" in the city,<sup>6</sup> numbers of contractual agreements, and "memoranda of understanding."

There are three basic problems with the SOG. First, the distinctions among different kinds of public sector labor organizations are not as detailed as would be desired. "Membership" in organizations that bargain for formal contracts is not assessed—only coverage; furthermore, it is not possible to obtain separate contract coverage estimates for specific functions or occupations within municipalities—only for the municipality.<sup>7</sup> Second, the SOG contains no information on the federal government. Third, employers' estimates of the degree to which their employees are members of labor organizations may be inaccurate. As reported with the analysis of SOG data tapes in section III, this appears to be an important source of error that tends to understate the level of organization in the public sector.

### Economy-Wide Estimates

Table 2 records measures of public sector unionism from the aforementioned sources. Different measures can be contrasted at a point in time and over time. Taking differences at a point in time within any survey source, union and association membership invariably exceeds union membership. In the BLS and *Union Sourcebook*, this simply reflects the fact that a larger number of labor organizations are included once "associations" are considered. For the CPS, individuals reported significantly more membership in "unions or associations" in 1977 (33.4 percent) than in "unions" in the previous year (25.8 percent).

Comparing coverage and membership, the CPS figures show that many nonmembers are covered by collective bargaining agreements: coverage is always about ten percentage points above membership figures. Since the CPS asks the coverage question only of nonmembers, however, this does not imply that coverage exceeds membership. Many union members could be *not* covered. By examining the SOG data on state and local governments, it is clear that, in fact, this is the case. Specifically, in 1982, when the SOG collected membership and contract coverage data for the same "all worker" population, membership (37.5 percent) exceeded contract coverage (34.8 percent) at the state and local levels. If, two plus percentage points of the 39.5 percent of all workers "represented" by bargaining units in 1982 are actually nonmembers, then total membership would exceed "bargaining unit coverage." Unfortunately, as the SOG does not calculate membership in organizations that bargain contracts, it is not possible to give a precise estimate of the extent of "membership without contracts."

**Table 2** Alternative Estimates of the Percent of "Organized" Public Sector Employees, Economy-Wide Estimates<sup>a</sup>

Year	Survey of Governments			Current Population Survey		
	(1) Bargaining Units	(2) Covered by Contracts	(3) Full-time Workers- Unions and Assoc.	(4) Union Member	(5) Union and Assoc.	(6) C-B Coverage
1950						
1956						
1957						
1958						
1959						
1960						
1961						
1962						
1963						
1964						
1965						
1966						
1967						
1968						
1969						
1970						
1971						
1972			50.4			
1973			—	22.7		
1974	31.4		51.5	24.8		
1975	34.9	26.0	49.9	25.1		
1976	35.8	27.7	49.8	25.8		
1977	37.0	29.4	47.8		33.4	
1978	37.9	31.1	48.1		34.1	44.1
1979	38.0	31.5	47.9		36.6	46.6
1980	38.4	32.1	48.8		35.8	46.0
1981	—	—	—		34.5	46.4
1982	39.5	34.8	45.7(37.5) <sup>b</sup>		—	—
1983					37.5	45.6
1984					35.4	44.2
1985					35.8	43.1
1986					36.0	

Sources: Columns (1)–(3), U.S. Bureau of the Census, *Survey of Governments, Labor-Management Relations in State and Local Government* (various years, table 1). Columns (4)–(6), U.S. Bureau of Labor Statistics, *Current Population Survey* (various years, computer tapes). Columns (7)–(8), U.S. Bureau of Labor Statistics (1979). Columns (9)–(10), Troy and Sheflin (1985, appendix table A and table 3.91).

<sup>a</sup>Survey of Governments' figures do not cover employees of the federal government.

<sup>b</sup>All workers.

Table 2 (continued)

Year	Bureau of Labor Statistics		Union Sourcebook	
	(7)	(8)	(9)	(10)
	Union Member	Union and Assoc.	Union Member	Union and Assoc.
1950		12.3		
1956	12.6		11.1	
1957			10.7	
1958	13.2		10.6	
1959			10.5	
1960	12.8		10.8	
1961			10.6	
1962	13.8			24.3
1963				25.1
1964	15.1			26.0
1965				26.1
1966	15.9			26.1
1967				27.0
1968	18.2	32.6		27.3
1969				26.9
1970	18.5	32.5		32.0
1971				33.0
1972	18.4	33.9		35.4
1973				37.0
1974	20.6	37.7		38.0
1975				39.6
1976	20.3	39.4		40.2
1977				38.1
1978	23.4	39.4		36.7
1979				36.4
1980				35.1
1981				35.4
1982				35.1
1983				34.1
1984				33.1
1985				
1986				

Turning to the federal government, it appears that the extent of coverage by bargaining agreements (agreements severely limited in scope by Executive Order no. 10988) exceeds membership. Burton (1979) estimates that total membership was 1,332,000 in 1976—or 48.7 percent of federal government employment, while the number of employees of the executive branch and the postal service who were covered by agreements was 1,639,000.<sup>8</sup> “Coverage” in the federal sector, however, has not always exceeded membership. For example, in 1968, there were 1,391,000 members, but only 1,176,000 covered employees in the executive branch and postal services (Burton 1979). The dramatic increase in coverage by agreements from 1968 to 1976 is attributable to the growth in the percentage of employees in exclusive representation units that became covered by labor agreements.

Finally, for the current level of the membership “density or penetration rate” in the public sector, the SOG reports that 37.5 percent of all state and local government workers were members in 1982. The CPS estimates that the same percentage of all government workers (including those in the federal government) were members in 1983. Since the *Union Sourcebook* reports that among federal workers (included in the SOG data), 38.0 percent and 37.1 percent were members in 1982 and 1983, respectively,<sup>9</sup> we judge that 37.5 percent is a good estimate for the level of membership in the entire government sector in 1982–83. In 1982, the level of the “membership density rate” (37.5 percent) exceeded “contract coverage” (34.8 percent) but was below the level of “bargaining unit representation” (39.5 percent) at the state and local level, while at the federal level, “agreement coverage” rates surpass membership rates. Examination of trends over time also suggests that membership rates for the state and local sector may also soon be surpassed by all “coverage rate” figures.

### Trends

While there is reasonable consistency in estimated membership and coverage in the 1980s among sources, figures in earlier years differ among surveys, producing some disagreements over trends. As can be seen in table 2, during the 1960s and through the early 1970s, the various measures show steady increases in union or union and association density in the public sector.<sup>10</sup> Thereafter, disagreements emerge. The BLS union and association membership series shows a leveling off between 1976 and 1978. The CPS membership series shows continued growth through 1979 and irregular declines and advances thereafter. In 1986, 36.0 percent of all public employees were members according to the CPS—approximately the same penetration rate for 1979. By contrast, SOG data show that state and local level membership of full-time workers declined from a high-water mark of 51.5 percent in 1974, to

48.8 percent in 1980 to 45.7 percent by 1982. The *Sourcebook* also records a drop in public sector membership from a peak of 40.2 percent in 1976 to 33.1 percent in 1984.

Which of these trends is more likely to be correct—the individual-based CPS and union-based BLS figures, or the dues-based *Sourcebook* or employer-based SOG figures? Our analysis suggests that, at the minimum, the drop in the *Sourcebook* figures overstate any possible drop in membership. First, the *Sourcebook* assumption that predominantly private sector unions have had a fixed share of their members coming from the government sector appears incorrect, as unions such as the Laborers, Teamsters, and especially the SEIU have had increases in the share of their membership from government ranks. Adjusting for the increase in public sector membership of these three unions would increase overall public sector density by about two percentage points at the end of the series—or about 30 percent of the decline reported in the *Sourcebook* between 1975 and 1984.<sup>11</sup>

Whether the remainder of the decline represented in the *Sourcebook* is correct or due to the growth in labor organization members in local government not represented in LMRDA financial statistics is difficult to tell. As for the decline in the SOG data, our analysis in section III indicates that some of the decline is due to reporting errors by employers. Still, we suspect that the decline in membership density is real for specific occupations and levels of government. For example, the *Sourcebook* reports a decline in teacher union membership, which seems reasonable in light of our analysis of state and local government figures.

While we are unable to satisfactorily resolve the inconsistency between the CPS and *Sourcebook* series, we stress that even if membership density is declining, *collective bargaining continues to increase in the government sector*. For example, the SOG series on state and local bargaining unit representation and contract coverage grows steadily through 1982. On net, there seems to be a decline in “nonbargaining members” and an increase in “covered nonmembers.”

### III. New Estimates of Public Sector Unionization

As noted, the most extensive estimates on public sector organization by level of government (other than the federal level) are collected in the SOG. Data for all labor organizations including “associations” cover the period from 1972 to 1982; there are data specifically on bargaining units and on contractual agreements from 1977 to 1982. (Again, in the SOG, bargaining units include units that “meet and confer” with their government employers.) It is not possible to identify which functions of employees in different government jurisdictions are covered by contractual agreements from the SOG data files, but only the total

number of employees covered by contracts across all functions. However, the SOG does identify which functions have employees in associations or in bargaining units. For municipalities and townships for a given function of employees, the presence of an association or bargaining unit probably means that most employees in that function are "covered" by the activities of that local public employee organization. However, at higher levels of government, it is less likely that all employees in a given function are covered by the activities of an existing organization or bargaining unit. Therefore, we will estimate "function-specific" figures only for municipalities and townships.

SOG-based estimates of public employee density for "organizations," "bargaining units," and "contractual agreements" by level of government are given in panels A, B, and C of table 3, respectively. The figures in panel A give the percentage of full-time employees who are members of any employee organization or association. Across the various levels of government, municipalities and townships are more organized than the column (1) average for all levels of government, while counties, special districts, and states are consistently below the column (1) average. The decline in school district membership from 1980 to 1982 underlies much of the decline in the overall public sector "membership density" reported in table 2.

The bargaining unit figures in panel B give the percentage of full-time and part-time employees in the bargaining units. Unlike membership, bargaining unit coverage increases for nonfederal public employees between 1977 and 1982. The biggest increase in bargaining unit coverage occurs for state employees, while the highest coverage level is found among municipalities and school districts. Because the bargaining unit statistics include part-time employment while association statistics do not, it would be incorrect to attribute differences between the figures in panel A and panel B across the various levels of government strictly to changes over time in the percentage of all associations that engage in bargaining unit activities. Importantly, for all levels of government, bargaining unit representation was either increasing or, at a minimum, stable between 1977 and 1982.

Finally, panel C of table 3 reports the percentage of full-time and part-time employees covered by contractual agreements for the different levels of government. Since those "bargaining unit" employees that engage only in "meet and confer" discussions with their employers without negotiating a contractual agreement are excluded from the numerator of these percentages, these figures are consistently below those in panel B. For all state and local government employees, there has been an even greater increase in the percentage of employees covered by contractual agreements than in the percentage covered by bargaining units. Between 1977 and 1982, the percentage covered by contractual agreements increased by 5.4 percentage points from 29.4

**Table 3** Estimates of Membership in Associations or Unions by Level of Government, Survey of Governments Data

Year	(1) Economy- Wide	(2) State	(3) County	(4) Municipal	(5) Township	(6) Special District	(7) School District
<i>Panel A: Percent of Full-Time Public Employees Who Are Members of Associations or Unions, 1972-1982</i>							
1972	50.4	40.8	39.0	54.4	51.6	33.2	62.1
1975	49.9	39.6	38.1	52.9	56.4	28.9	63.4
1976	49.6	38.2	36.6	53.5	57.1	37.3	64.2
1977	47.8	37.7	34.6	53.1	58.9	34.9	59.9
1978	48.1	38.1	34.5	53.8	58.5	36.5	60.3
1979	47.9	38.7	34.1	53.5	56.1	35.9	59.9
1980	48.8	40.5	34.9	53.9	58.6	37.8	60.2
1982	45.7	37.4	35.1	52.7	62.4	36.4	53.8
<i>Panel B: Percent of All Public Employees Who Are Represented by Bargaining Units, 1977-1982</i>							
1977	37.0	24.8	30.1	44.1	39.0	29.2	46.4
1978	37.9	24.8	30.3	46.7	34.0	30.1	48.2
1979	38.0	25.8	30.9	45.6	35.6	28.9	48.5
1980	38.4	26.7	31.4	46.1	36.8	30.6	48.2
1982	39.5	31.0	31.9	48.9	38.9	31.5	46.1
<i>Panel C: Percent of All Public Employees Covered by Contractual Agreements, 1977-1982</i>							
1977	29.4	21.3	18.4	34.3	37.0	25.1	37.7
1978	31.1	21.5	19.1	36.9	32.5	25.1	41.6
1979	31.5	21.8	20.3	37.7	33.8	24.4	42.5
1980	32.1	22.1	19.6	38.7	35.4	24.0	42.7
1982	34.8	28.1	26.4	41.8	37.7	25.1	41.2

Source: U.S. Bureau of the Census, *Survey of Governments, Labor-Management Relations in State and Local Governments* (various years, table 1).

percent to 34.8 percent—an 18.4 percent increase, with especially dramatic gains for state, county, and municipal employees. Only for special district employees, where the percentage covered by contractual agreements is 25.1 percent in both 1977 and 1982, is there no increase over this period.

Overall, table 3 shows that *the more one focuses on the process of collective bargaining leading to actual contracts and the less one includes other sorts of employee organizations that do not bargain, the more it becomes evident that public employee "unionism" continued to grow even through the early 1980s.*

### New Estimates

For the six functions for which data are collected (police, fire, sanitation, streets and highways, public welfare, and hospitals), we

estimated separate figures for organization membership, bargaining unit coverage, and the percentage of *departments* (rather than employees) that have an organization or a bargaining unit present. In these calculations, we assumed that if more than 10 percent of the employees in the function are members of an association or covered by a bargaining unit, then the municipal department for that function has an association or bargaining unit. While this may be a misleading assumption in some situations (e.g., for hospital workers who cover a wide range of occupations), it should provide reasonable estimates of the extent to which departments are “organized.” By comparing survey responses for the same municipal function over several years, we are able to examine the consistency of responses for a given municipal function at one point in time across the range of unionization questions and for a given municipal function over time for the same unionization question.

Our analysis turned up two kinds of questionable patterns that we investigated through telephone interviews: (1) municipal functions report a bargaining unit but no employee organization in a given year; and (2) municipal functions report losing and often regaining an “organization” or “bargaining unit” over time. Of the 9,984 municipal functions that report employment in each of the eight surveys between 1972 to 1982, 334 indicated that a bargaining unit was present, but that they had *no* labor organization! We interviewed representatives for approximately 20 percent of these municipal functions and found that in each case “organizations” were indeed present. The error generally stemmed from respondents interpreting the bargaining unit and organization questions as mutually exclusive.

Tables 4 and 5 report estimates of unionization with and without various adjustments for the survey error. Panel A of table 4 records the percentages of all municipal *functions* that have some kind of labor organization. The only adjustment for the survey response error that we make in the data for 1972–82 is to reclassify the organization data for the 334 municipal functions in those years when they report a bargaining unit but no organization. Panel B of table 4 shows the percentage of full-time employees—rather than the percent of departments—who are members of an organization. The data reported on the lines for 1972–82 are completely unadjusted; that is, for the 334 municipal functions that report a bargaining unit but no organization in some years, we did not adjust the reported number of full-time employees who are members.

In terms of trends, the unadjusted percentage of full-time employees in municipalities and townships who are members declines from 65.0 percent in 1972 to 62.1 percent (table 4, panel B), but this does not reflect a decline in the percentage of municipal (or township) functions in which an organization is present. As shown in table 4, panel A, all

functions except hospitals (which is based on only 104 observations) experience an increase in the percentage of "organized departments" from 1972 to 1982.<sup>12</sup> The decline in unadjusted organization membership also does not reflect any decline in bargaining unit activity in municipal and township functions. As shown in table 5, there has been an *increase* in the percent of functions with bargaining units present and in the percent of full-time employees represented by bargaining units between 1977 and 1982, the years for which SOG bargaining unit data are available. Only the employee-based figure for sanitation workers shows a decline in bargaining unit representation between 1977 and 1982. As for the difference between association membership (table 4, panel B) and bargaining unit representation (table 5, panel B), the smallest differences are for the highly organized protective service employees. For the four nonprotective service functions, a considerable number of dues-paying members are not represented by a bargaining unit.

#### Survey Error in the Decline in Membership Density

The only unionization series in these SOG local government data that declines is the percent of full-time employees who are members of any kind of association or organization. We investigated the possibility that the decline in the percentage of employees in organized departments that are dues-paying members was due to organized departments becoming unorganized and found a surprising number of city functions that report losing (and regaining) an organization or bargaining unit. The small percentage changes between any two years for any function in the table 4 organization figures or the table 5 bargaining unit figures mask a much greater degree of loss of union status reported by individual functions over time. Specifically, 20.8 percent of the 9,984 municipal function observations report some pattern of losing (and regaining) an association over the 1972–82 period. For the bargaining unit responses for the 1977–82 period, 10.6 percent of the 9,984 municipal functions reported losing a bargaining unit in one or more years.

To investigate these patterns of switching, we conducted telephone interviews that provided information on 258 cases which reported losing an organization or bargaining unit among its employees.<sup>13</sup> With 2,073 instances of organization loss and 1,057 instances of bargaining unit loss reported in the 9,984 SOG observations, the 258 telephone interviews account for 8.2 percent of all cases that report loss of some form of unionism. Importantly, out of the 258 governments telephoned, *in no case was the loss of an organization or a bargaining unit an accurate reflection of the labor relations history in the municipal function.*<sup>14</sup> Those interviewed were confident about one of two points: either they had never had an organization or bargaining unit present, or they had never lost such unionization.

**Table 4**      **Estimates of Employee Organization in Municipalities and Townships, by Function, Survey of Governments, 1972–82**

Year	(1) All Municipal and Township (Six Function Total) (N = 9,984)	(2) Police (N = 3,208)	(3) Fire (N = 1,936)	(4) Sanitation (N = 1,615)	(5) Streets and Highways (N = 3,007)	(6) Welfare (N = 114)	(7) Hospitals (N = 104)
<i>Panel A: Percent of Municipal Functions with Organizations—Adjustment A*</i>							
1972	40.5	41.2	53.9	36.0	34.7	23.7	28.8
1975	45.3	46.9	56.5	40.1	40.6	28.9	27.9
1976	47.8	49.8	57.7	43.2	43.0	33.3	34.6
1977	48.9	51.5	59.0	42.3	44.3	32.5	34.6
1978	49.1	51.7	58.7	42.5	45.4	22.8	29.8
1979	49.9	52.7	59.4	43.2	46.0	23.7	29.8
1980	51.0	54.4	60.2	43.3	47.3	28.9	29.8
1982	52.3	56.3	61.1	44.3	48.2	35.1	27.9
1982 ADJ B*	63.7	67.3	73.9	57.5	57.7	49.1	44.2
1982 ADJ C*	59.4	63.1	73.5	52.2	53.8	44.0	27.9

*Panel B: Percent of Full-Time Municipal Employees Who Are Members of Organizations —Unadjusted*

1972	65.0	64.4	78.0	54.5	49.9	76.0	65.6
1975	65.5	65.9	78.6	57.8	47.5	76.6	63.8
1976	66.1	65.9	78.8	59.6	51.5	76.4	61.5
1977	65.1	65.1	79.3	53.9	52.2	71.4	62.7
1978	61.3	60.6	74.1	49.4	51.2	71.3	58.5
1979	59.6	59.4	72.4	48.2	47.4	70.0	56.7
1980	60.3	59.8	73.0	50.5	49.0	71.8	54.9
1982	62.1	62.5	73.2	52.5	52.1	71.9	54.8
1982 ADJ B*	74.8	74.2	91.8	62.5	62.4	80.6	65.6
1982 ADJ C*	70.0	69.7	91.2	58.5	58.2	77.4	54.8

\*Notes on adjustments used in table 4:

ADJ A: The presence of a bargaining unit implies the existence of an employee organization within any municipal or township function.

ADJ B: The given unionization measure is assumed to continue to exist in subsequent years after it is first reported by a municipal or township function. This leads to an overestimate of the extent of unionization.

ADJ C: A certain percentage of municipal or township functions that are assumed to be unionized according to ADJ B are treated as nonunion to correct for the overestimate caused by the ADJ B procedure. See text for a discussion of how data from telephone interviews were used to construct ADJ C.

**Table 5**                      **Estimates of Bargaining Unit Representation in Municipalities and Townships, by Function, Survey of Governments, 1977–82**

Year	(1) All Municipal (N = 9,984)	(2) Police (N = 3,208)	(3) Fire (N = 1,936)	(4) Sanitation (N = 1,615)	(5) Streets and Highways (N = 3,007)	(6) Welfare (N = 114)	(7) Hospitals (N = 104)
<i>Panel A: Percent of Municipal Functions with Bargaining Units—Unadjusted</i>							
1977	28.0	40.4	43.6	7.1	16.9	7.0	24.0
1978	32.5	46.1	49.4	9.1	20.9	6.1	25.0
1979	33.8	47.7	51.1	9.3	22.2	6.1	24.0
1980	36.2	49.1	52.5	12.4	26.1	7.0	24.0
1982	35.0	49.3	51.4	10.8	23.7	7.0	23.1
1982 ADJ B*	43.1	54.6	57.9	20.6	34.8	14.9	29.8
1982 ADJ C*	41.4	53.6	56.3	18.4	32.6	14.6	28.2
<i>Panel B: Percent of Full-Time Municipal Employees Who Are Represented by Bargaining Units—Unadjusted</i>							
1977	44.1	52.5	60.9	22.0	31.7	38.8	23.9
1978	49.6	58.5	66.2	31.0	53.5	1.1 <sup>a</sup>	22.6
1979	49.8	59.2	67.1	29.4	47.7	4.6 <sup>a</sup>	25.4
1980	51.3	58.8	69.3	28.6	58.8	1.1 <sup>a</sup>	25.1
1982	51.5	64.0	69.7	20.8	44.9	4.5 <sup>a</sup>	28.6
1982 ADJ B*	62.0	67.9	74.5	44.1	60.1	75.5	30.8
1982 ADJ C*	59.4	67.2	73.3	38.9	57.6	72.8	30.3

\*See notes for table 4 for explanation of ADJ B and ADJ C.

<sup>a</sup>The sharp decline in public welfare bargaining unit membership figures after 1977 is strictly a result of New York City reporting virtually no bargaining unit representation from 1978 to 1982.

These responses led us to consider two rules for recoding the data: (1) turn union-losing cases into strictly nonunion observations; or (2) turn union-losing cases to unionized observations following the year in which unionization is first reported. Adopting the first rule would underreport unionization, while the second would overreport unionization. To minimize these biases, we identified six different patterns of union losing in the longitudinal organization and bargaining unit data.<sup>15</sup> For the 258 interviews, we calculated the percentage of cases in each of the six switching categories that would be miscoded if the first and second recoding rules were adopted. In all six switching categories for organization and bargaining unit data, the 1982 unionization status of the 258 municipal functions is more accurately captured by changing nonunion observations to union observations after the initial report of unionization. Only for one switching pattern (0's → 1's → 0's in the organization data) was the percentage of municipal functions miscoded equal under the two recoding rules.<sup>16</sup> The percentages of all departments with an organization or bargaining unit present in 1982 after making this recoding adjustment are given in each panel of tables 4 and 5 in the row headed "1982, ADJ B."

Given the nature of this adjustment, the percentages in the row "1982, ADJ B" will overestimate the degree of unionization at the end of the period, while the figures in the "1982" row line underestimate unionization according to our telephone interviews. We make one final adjustment to the "1982, ADJ B" figures to account for the overreporting of unionization caused by the recoding rule. Specifically, for the cases contacted by telephone, we calculate the percentage of times that we incorrectly changed an observation to unionized when the telephone interviews actually reported no unionization. These percentages are calculated within each of the six switching categories for each of the six functions—a total of thirty-six "function-switching category" cells. Finally, these percentages are applied to the total number of observations in the thirty-six cells in the data set.

This final adjustment is listed in the row "1982, ADJ C" in each panel of tables 4 and 5. Overall the adjustments that we make based on our telephone interviews indicate that municipal and township functions are *more highly unionized* than the SOG data indicate because of reporting errors by local government officials. Specifically, we calculate that another 7.1 percent of all municipal functions have an organization of some kind present in 1982 beyond the percentage reported in the 1982 SOG data tapes. For bargaining units, our calculations cause an adjustment of 6.4 percentage points. After these adjustments are made, the percentage of full-time employees who are members of an organization in municipalities and townships (table 4, panel B) *no longer declines* between 1972 and 1982.<sup>17</sup> Still, this series does not show the

kinds of increases between 1977 and 1982 that the bargaining unit representation figures indicate.

Can survey response error account for all the decline shown in the SOG data on organization membership density? As we have not analyzed the school district responses to the SOG, which showed the greatest fall, we can make no definitive statement. However, if the pattern we uncovered in which employers erroneously report no organization present, apparently because they interpreted contract coverage as precluding organization, it may very well be that response error underlies not only the drop in membership density for municipalities but also for school districts and, thus, overall organization membership density.

### CPS Data

Estimates of the percentage of workers who are members or who are covered by collective bargaining agreements in the CPS data are given in table 6 for various occupations and for workers in public administration. We use the May CPS surveys to tabulate these figures, using the sample weights indicated in CPS surveys; for 1984 we also report figures from the 12-month CPS file in table notes. The CPS membership figures in panel A provide additional support for the adjustments made to the SOG data. Specifically, between 1978 and 1984, all categories report increases in organization membership. Taking the CPS and SOG data together, it appears that in the late 1970s and early 1980s membership density for public sector labor organizations has been fairly stable.<sup>18</sup>

As with the SOG bargaining-unit representation figures and contract coverage figures, the CPS coverage statistics reveal a generally increasing pattern for specific occupations. Changes in employment in different occupations produce a rough stability in total coverage among all CPS government workers. Again, for estimates of the level of coverage, we place greater weight on the SOG estimates in various tables, since the CPS does not allow for noncoverage of dues-paying members.<sup>19</sup>

### Coverage and the Law

Clear patterns link our estimates of public sector organization to the legal environment governing public sector labor relations. Table 7 presents SOG data for the four functions with a large number of departments at the municipal level—police, fire, sanitation, and streets and highways—and shows higher levels of organization and bargaining in states with more favorable bargaining laws.<sup>20</sup> The law categories are based on laws that apply to the given employee group, as described in the NBER Public Sector Labor Law Data Set (Valletta and Freeman, Appendix B, this volume). Consider first police and fire, the two func-

**Table 6** CPS Estimates of Union Membership and Collective Bargaining Coverage of State and Local Government Employees, 1978–84, by Function

	1978	1979	1980	1981	1983 <sup>a</sup>	1984 <sup>b</sup>
<i>Panel A: Union Membership</i>						
Total	0.33	0.37	0.36	0.34	0.39	0.37
Local Police	0.50	0.57	0.55	0.49	0.53	0.69
Local Fire Fighters	0.74	0.74	0.76	0.76	0.69	0.85
Teachers	0.55	0.61	0.59	0.60	0.67	0.65
Total Public Administration	0.32	0.37	0.33	0.31	0.39	0.36
State Public Administration	0.31	0.33	0.26	0.24	0.37	0.38
Local Public Administration	0.33	0.39	0.37	0.34	0.41	0.36
<i>Panel B: Collective Bargaining Coverage</i>						
Total	0.43	0.47	0.47	0.46	0.46	0.45 <sup>c</sup>
Local Police	0.63	0.64	0.64	0.56	0.56	0.77
Local Fire Fighters	0.82	0.78	0.82	0.87	0.76	0.92
Teachers	0.71	0.75	0.74	0.74	0.75	0.75
Total Public Administration	0.41	0.46	0.42	0.42	0.44	0.44
State Public Administration	0.40	0.43	0.35	0.38	0.42	0.47
Local Public Administration	0.41	0.47	0.45	0.44	0.45	0.42

Source: Tabulated from the U.S. Bureau of Labor Statistics, Current Population Survey, May 1978–84. All estimates are calculated using sampling weights indicated in the CPS surveys.

<sup>a</sup>Union and coverage questions were not asked in 1982.

<sup>b</sup>Comparable figures from the 12-month CPS file are, in order: 0.37, 0.62, 0.81, 0.63, 0.36, 0.33, 0.38.

<sup>c</sup>Comparable figures for 1984 collective bargaining coverage from the 12-month CPS file are, in order: 0.45, 0.70, 0.86, 0.75, 0.43, 0.41, 0.45.

tions with the highest organization density. Twenty-nine state laws for fire fighters have some kind of duty-to-bargain provision; twenty-seven states have this type of bargaining right for their local police, generally with compulsory interest arbitration rather than the right to strike, or some impasse resolution mechanism other than interest arbitration. Among these protective service workers, those in states with arbitration mechanisms are the most likely to be in associations or covered by a bargaining unit. Interestingly, even where bargaining is legally prohibited, some police and fire fighters (as well as employees in other functions) have bargaining units.

**Table 7** Estimates of Public Sector Organization and Coverage in Associations and Unions, by Function and Nature of Bargaining Law, Survey of Governments, 1982

Bargaining Law	(1) Number of States	(2) Number of Municipal Departments	(3) Number of Full-Time Employees
<i>Panel A: Police</i>			
1. Strikes Permitted	1	18	623
2. Arbitration	14	1,122	108,847
3. Duty-to-Bargain	12	813	89,729
4. Bargaining Permitted	11	530	49,275
5. No Provisions	8	485	37,896
6. Bargaining Prohibited	4	239	19,852
<i>Panel B: Fire Fighters</i>			
1. Strikes Permitted	1	14	484
2. Arbitration	17	560	57,446
3. Duty-to-Bargain	11	577	56,107
4. Bargaining Permitted	13	484	36,076
5. No Provisions	5	184	14,747
6. Bargaining Prohibited	3	116	11,055
<i>Panel C: Sanitation Workers</i>			
1. Strikes Permitted	8	150	6,152
2. Arbitration	5	112	1,759
3. Duty-to-Bargain	11	500	29,367
4. Bargaining Permitted	12	308	11,986
5. No Provisions	9	295	11,150
6. Bargaining Prohibited	5	249	15,590
<i>Panel D: Streets and Highways</i>			
1. Strikes Permitted	8	453	12,056
2. Arbitration	5	284	6,712
3. Duty-to-Bargain	11	1,046	37,902
4. Bargaining Permitted	12	509	15,326
5. No Provisions	9	430	12,425
6. Bargaining Prohibited	5	284	13,900

For sanitation workers and streets and highways employees, the ranking of bargaining unit coverage across the law categories is similar to the ranking observed for police and fire fighters. Various kinds of duty-to-bargain states tend to have higher levels of bargaining unit coverage than do states without such provisions. Among states with duty-to-bargain provisions, states with arbitration provisions have the highest or second highest percentage of sanitation workers and streets and highways workers covered by a bargaining unit.

Table 7 (continued)

(4)	(5)	(6)	(7)
Percentage of Depts. with Assoc.	Percentage of Employees Who Are Members in Associations	Percentage of Depts. with Barg. Units	Percentage of Employees Represented by Barg. Units
0.500	0.547	0.500	0.546
0.850	0.856	0.817	0.943
0.621	0.616	0.538	0.579
0.281	0.504	0.202	0.454
0.293	0.425	0.213	0.292
0.096	0.211	0.029	0.156
0.429	0.700	0.429	0.694
0.820	0.924	0.770	0.947
0.704	0.708	0.610	0.616
0.370	0.582	0.258	0.537
0.554	0.315	0.429	0.296
0.155	0.302	0.017	0.184
0.713	0.868	0.227	0.299
0.598	0.733	0.143	0.694
0.676	0.797	0.154	0.135
0.260	0.259	0.075	0.229
0.271	0.428	0.064	0.269
0.116	0.172	0.020	0.078
0.603	0.665	0.391	0.382
0.592	0.574	0.412	0.690
0.671	0.720	0.313	0.705
0.244	0.364	0.112	0.194
0.267	0.466	0.074	0.444
0.099	0.086	0.004	0.007

Similar figures on public employee organization by collective bargaining law were also tabulated using the CPS data files. These figures, presented in table 8, are consistent with the SOG data: coverage is higher, group by group, under more favorable legal environments. The CPS data show that a large number of teachers and other local employees, who are covered by contract, work in states where bargaining is prohibited. As the CPS implicitly assumes that all members are covered, we suspect that a relatively large proportion of the members

in bargaining-prohibited environments are in fact not covered by collective bargaining contracts. While the SOG and CPS data indicate that public sector unionism is more common where laws are more favorable, they also reveal that organization and collective bargaining exist in all legal environments. As a result of these legal differences, the nature

**Table 8** State and Local Public Sector Collective Bargaining Coverage, by Function and Nature of Bargaining Environment, 1984

Bargaining Law	Number of States	Number of Workers	Percentage Covered
<i>State Employees</i>			
Strikes Permitted <sup>1</sup>	6	226,890	0.58
Arbitration <sup>2</sup>	5	61,789	0.71
Duty to Bargain	13	861,575	0.52
Bargaining Permitted <sup>3</sup>	10	604,459	0.31
No Provision	8	400,959	0.23
Bargaining Prohibited	8	730,528	0.13
<i>Local Police</i>			
Strikes Permitted <sup>1</sup>	1	620	1.0
Arbitration <sup>2</sup>	14	112,773	0.89
Duty to Bargain	12	119,705	0.72
Bargaining Permitted <sup>3</sup>	11	28,075	0.29
No Provision	8	42,836	0.58
Bargaining Prohibited	4	24,117	0.18
<i>Local Fire Fighters</i>			
Strikes Permitted <sup>1</sup>	1	373	0.93
Arbitration <sup>2</sup>	17	38,262	0.93
Duty to Bargain	11	49,470	0.87
Bargaining Permitted <sup>3</sup>	13	24,027	0.74
No Provision	5	18,966	0.88
Bargaining Prohibited	3	5,067	0.48
<i>Teachers</i>			
Strikes Permitted <sup>1</sup>	8	215,749	0.88
Arbitration <sup>2</sup>	5	32,396	0.90
Duty to Bargain	18	897,742	0.85
Bargaining Permitted <sup>3</sup>	12	556,951	0.58
No Provision	3	43,862	0.47
Bargaining Prohibited	4	253,456	0.48
<i>Other Local</i>			
Strikes Permitted <sup>1</sup>	8	457,848	0.49
Arbitration <sup>2</sup>	5	39,494	0.44
Duty to Bargain	11	2,118,444	0.54
Bargaining Permitted <sup>3</sup>	12	441,967	0.15
No Provision	9	814,481	0.27
Bargaining Prohibited	5	859,274	0.13

**Table 8** (continued)

Bargaining Law	Number of States	Number of Workers	Percentage Covered
	<i>Total</i>		
Strikes Permitted <sup>1</sup>	—	901,563	0.79
Arbitration <sup>2</sup>	—	284,172	0.61
Duty to Bargain	—	4,046,936	0.62
Bargaining Permitted <sup>3</sup>	—	1,655,479	0.36
No Provision	—	1,321,104	0.28
Bargaining Prohibited	—	1,872,442	0.18

Sources: BLS Current Population Survey, 1984 (weighted); Valletta and Freeman (appendix B, this volume).

<sup>1</sup>This category includes states that have a duty-to-bargain provision and allow strikes, typically under very limited circumstances.

<sup>2</sup>This category includes states that have both a duty-to-bargain provision and a final and binding arbitration mechanism which is mandatory at a certain point in the impasse, either automatically or at the request of one of the parties.

<sup>3</sup>This category includes states which have "meet and confer," "right to present proposals," or "bargaining permitted" provisions.

of unionism and labor-management relations that does exist in the different legal environments will be extremely different.

#### **IV. Comparison of Organized and Unorganized Workers and City Functions**

Are the characteristics of unionized workers or city functions markedly different from nonunion workers or functions? How do public sector union workers differ from private sector union workers? Are union/nonunion differences in characteristics of workers greater in the public than in the private sector? In this section we present some simple comparisons of workers and cities to answer these questions.

Table 9 compares the characteristics of union and nonunion workers in the CPS in 1984 and, for purposes of contrast, the characteristics of union and nonunion private sector workers as well. The data show:

- (1) that public sector unionists have higher wages than their nonunion peers, though with a smaller percentage advantage than unionists have in the private sector;
- (2) that in the government as well as in the private sector, unionists have markedly lower wage dispersion than do nonunion workers;
- (3) that in the public sector union members are modestly older than nonunion members, whereas in the private sector they are 4.5 years older on average, indicating in part the greater inability of

**Table 9** Comparison of Characteristics and Economic Position of State and Local Public Sector Workers, by Unionization, vs. Private Sector Workers (1984, employed workers only)

	State and Local Public Sector		Private Sector	
	Union	Nonunion	Union	Nonunion
Sample Size	9,159	15,608	21,238	120,446
Economic				
Part-Time	0.041	0.194	0.053	0.177
Hourly	0.315	0.429	0.848	0.587
Hourly Wage <sup>1</sup>	8.63	6.18	9.93	5.87
Usual Weekly Earnings	406.34	303.29	404.33	298.42
Usual Weekly Hours	40.37	36.14	39.93	37.42
Usual Hourly Earnings <sup>2</sup>	9.76	7.83	9.74	7.38
Dispersion <sup>3</sup>	41.3	59.1	41.4	65.0
Demographic Characteristics				
Age	40.91	39.22	39.52	35.07
% < 34	0.289	0.387	0.363	0.536
% > 55	0.125	0.145	0.129	0.101
Experience	20.26	19.42	21.69	16.40
% < 15	0.379	0.436	0.348	0.544
% > 36	0.111	0.143	0.165	0.111
% College Grads	0.541	0.413	0.086	0.223
% HS Grads	0.947	0.909	0.813	0.865
% Female	0.525	0.569	0.271	0.486
% White	0.845	0.854	0.847	0.896
% Black	0.120	0.110	0.119	0.074
% South	0.152	0.365	0.183	0.309
% West	0.273	0.243	0.231	0.230
% Married	0.732	0.671	0.730	0.596
% Veteran	0.419	0.365	0.406	0.287
Occupation				
% White Collar	0.689	0.692	0.227	0.556
Professional	0.526	0.424	0.063	0.202
Clerical	0.139	0.223	0.093	0.176
Sales	0.005	0.010	0.049	0.142
Technical	0.020	0.035	0.022	0.035
% Blue Collar	0.311	0.308	0.773	0.444
Craft	0.046	0.044	0.262	0.113
Machine	0.006	0.007	0.223	0.075
Handlers	0.047	0.055	0.202	0.082

Source: Tabulated from BLS Current Population Survey, 1984 (unweighted).

<sup>1</sup>For hourly workers only.

<sup>2</sup>Calculated as usual weekly earnings divided by usual weekly hours for all workers.

<sup>3</sup>Dispersion is measured by the coefficient of variation of usual hourly earnings.

<sup>4</sup>Calculated as (age - education - 5).

- private sector unions to organize new plants and younger employees;
- (4) that in the public sector over half of union members are college graduates (reflecting in large part organization of teachers) with union employees better educated than nonunion employees, while union members are markedly less educated than nonunion members in the private sector;
  - (5) with respect to women, in the public sector but not in the private sector, unions have organized roughly a proportionate share of female and male workers.

In sum, very few of the union/nonunion differentials in table 9 are similar in the private and public sectors. In fact, the only characteristics that show similar union/nonunion differentials between the sectors are region, where the proportion of all union workers in the South is markedly below the proportion of all nonunion workers in the South in both sectors, and characteristics associated with a more stable and permanent group of employees. For example, the proportion of union workers who are married or who are veterans is higher than the comparable proportions of nonunion workers, while the fraction who are part-time workers is markedly lower among unionized employees in both the private and public sector.

Turning to differences between organized and unorganized cities and functions, table 10 compares salary levels and department sizes for departments without organized units, departments with an association but no bargaining unit, and departments with bargaining units. With

**Table 10** Comparison of Pay and Employment in Municipal Functions, by Unionization Status, Survey of Governments Data, 1982

	Unorganized	Association Only	Bargaining Unit
1. Police—Monthly Pay	1352.23	1579.93	1802.84
2. Police—Department Size	43.32	98.40	143.76
3. Fire—Monthly Pay	1432.50	1611.16	1892.44
4. Fire—Department Size	41.65	80.58	131.51
5. Sanitation—Monthly Pay	1114.57	1388.29	1361.38
6. Sanitation—Department Size	28.16	71.89	75.29
7. Streets and Highways—Monthly Pay	1223.89	1490.93	1429.53
8. Streets and Highways—Department Size	20.11	46.48	47.29
9. Public Welfare—Monthly Pay	1170.35	1215.28	1257.28
10. Public Welfare—Department Size	92.28	866.47	469.63
11. Hospitals—Monthly Pay	1164.96	1255.75	1379.49
12. Hospitals—Department Size	410.47	507.40	2702.33

**Table 11** Comparison of Demographic Characteristics of Municipalities, by Unionization Status, Survey of Governments Data

	Unorganized	Association	Bargaining Unit
1. 1970 population	44,517	82,240	138,041
2. Median family income, 1970	\$8,887	\$9,527	\$10,142
3. Median values of owner-occupied single-family housing, 1970	\$15,268	\$16,017	\$18,693
4. Male operatives' median earnings, 1970	\$7,039	\$7,414	\$8,294
5. Persons with more than three years of high-school, 1970 (%)	53.0	57.5	58.5
6. Central cities (%)	26.0	35.8	44.6

few exceptions, the stronger the unionization, the larger and better paid are the municipal departments.

Finally, table 11 presents several demographic characteristics of organized and unorganized municipalities and their citizens. A municipality is classified as unorganized if there are no associations or bargaining units in any function. The association column consists of municipalities that have no bargaining units in any of their functions, but at least one function has an association present. The bargaining unit column consists of municipalities that have a bargaining unit present in one or more of their functions.

The most important fact shown in the table is that larger municipalities have stronger unionization. Municipalities with at least one bargaining unit are over three times larger than municipalities with no organization. Moreover, strong unionization is also associated with wealthier or higher cost cities, as judged by median family income, median housing value, and median earnings of male operatives. Unorganized municipalities have the lowest high-school education rates, and bargaining unit municipalities, the highest. Bargaining unit municipalities are also most likely to be central cities.

## Conclusion

There are significant problems in defining and measuring unionization in the public sector, resulting in occasional contradictory pictures of developments in the area. This appendix has compared the major sources of public sector organization data and explained, where possible, the differences in estimated collective organization across the data sets. It finds that:

1. After nearly two decades of rapid growth, membership density has leveled off and possibly declined. Collective bargaining coverage, however, continues to increase. By the early 1980s, the membership density was approximately 38 percent among all government workers.
2. Organizational density differs significantly by level of government and the function or occupation of employees.
3. Organization is much stronger in areas with more favorable laws than in areas with less favorable laws.
4. Public sector unionists differ significantly in education and occupation from private sector unionists. However, along many dimensions, the differences between union and nonunion employees in the public sector are less pronounced than the differences between union and nonunion workers in the private sector. Organized public sector workers are higher paid and tend to work for larger and wealthier jurisdictions.

## Notes

1. There are other labor organizations below the level of national and international unions to which public employees “belong”—particularly for municipal and other local government employees. For example, local police may bargain with their municipal employers as members of the Fraternal Order of Police (FOP), International Brotherhood of Police Officers (IBPO), Teamsters, AFSCME, or other organizations. Local police may also belong to state-level umbrella organizations that span the membership of individual labor organizations of cities and towns. These organizations, such as the New Jersey Police Benevolent Association (NJPBA) or the Massachusetts Police Association (MPA), are involved in lobbying activities in state legislatures. They may also include independent municipal locals unaffiliated with national labor organizations.

2. First, the figure is derived from BLS Bulletin no. 1702 (BLS 1971) concerning public employee membership in associations during 1968–69—not 1978. Therefore, any growth in such membership between 1969 and 1978 is completely missed. More importantly, the sample from which this figure is derived is far from a universe of all local government employee associations, and no attempt to adjust for the incompleteness of the subsample is made in the BLS estimate. Specifically, this association survey was mailed only to associations in municipalities that reported having an association in a separate International City Managers Association (ICMA) survey, which itself was an incomplete survey of municipalities. Moreover, any organization of local employees that referred to themselves as a “union” were intentionally deleted from the sample. It certainly cannot be assumed that these union members were all included in some national or international union surveyed by the BLS. Ultimately this survey of local government “associations” covered only 662 local associations in only 438 cities—and it intentionally excludes members of “unions”; 235,000 of the 264,366 members in these 662 associations are the basis of the BLS

estimate. Apparently, the BLS excluded the membership of the Fraternal Order of Police and two nurses unions to arrive at their estimate of 235,000 "unaffiliated" members. The magnitude of the underestimate can be illustrated by considering the fact that the U.S. Bureau of the Census (1974) reports that even just among full-time state and local government employees, 4,319,941 were organized in 1972, only three years after the date of BLS Bulletin no. 1702. While it is unknown how many of the over four million organized public employees in 1972 were captured in the BLS survey of national and international unions, the crudeness of the BLS estimate and the potential for extreme undercounting of these workers are clear.

3. The actual percentage breakdown of SEIU members in the government is not reported for the 1979 BLS *Directory*, so the estimate used by Troy and Sheflin to calculate the number of SEIU members who are government employees is not known precisely. However, the 1979 BLS *Directory* does report that 65 percent of SEIU's members were in private sector service industries (BLS 1980, 106) so that the percentage that Troy and Sheflin apply to SEIU membership figures is at most 35 percent. For this particular union, and presumably others as well, applying a fixed 1979 percentage to calculate the number of government employees in certain unions will underestimate the number of organized government employees after 1979 and overestimate the number of organized government employees before 1979. For example, the percentage of SEIU members coming from the government was 30 percent in 1977 (BLS 1979, 117-18)—not the fixed (approximately) 35 percent figure used by Troy and Sheflin. According to the Research Department of SEIU, its total membership in 1986 was 850,000 with 450,000 members from the public sector—or 52.9 percent of its total membership. Their 450,000 public sector members, however, include members gained through mergers and absorption with such unions as the National Association of Government Employees (NAGE).

4. The Survey of Governments (SOG) reports that in 1982 there were 4,645,000 organized full-time employees and 4,868,000 organized employees on full-time or part-time schedules in 1982 (see U.S. Bureau of the Census 1982). In contrast, Troy and Sheflin estimate 4,382,000 organized full-time equivalents in 1982 at the state and local levels. Furthermore, based on our telephone interviews with municipalities that reported switching back and forth between union and nonunion status in the SOG, we believe that the membership figures reported in SOG publications for local governments are underestimates of the actual levels of membership (see discussion in section III accompanying tables 4 and 5).

5. It defines an "employee organization" as: "Any organization . . . which exists for the purpose in whole or in part of dealing with the employer concerning grievances, personnel policies and practices, labor disputes, wages, rates of pay, hours of employment, or work."

6. A bargaining unit is defined as: a "group of employees recognized as appropriate for representation by an employee organization for the purpose of collective bargaining or other discussions."

7. The question on "bargaining units" (which refers to units that have contracts or that engage in "meet and confer" discussions) also seems to be a "coverage-type" question, since it specifically asks for the number of employees "represented" by the organizations. Still, it is possible that this language could be interpreted as a membership question. The employee organization question clearly asks for the number of employees who are "members" of an organization, but through 1980, this question—unlike the contract and bargaining unit questions—referred only to full-time employees.

8. These two groups accounted for 99.3 percent of all federal employment in 1976. The 1,639,000 membership figure is the sum of 1,060,000 employees in the executive branch "under agreement" and 579,000 postal employees in "exclusive units" (Burton 1979, 18).

9. Troy and Shefflin's (1985) estimates for the federal sector appear to be somewhat below those assembled earlier by Burton (1979). For 1976, Burton estimates 1,332,000 out of 2,733,000 federal employees (or 48.7 percent) were members, while Troy and Shefflin estimate 1,133,000 of 2,682,000 federal employees (or 41.5 percent) were members in the same year. Since 1976, the membership penetration rate in the federal government seems to have declined.

10. For these early years, the individual BLS series covers fewer organizations than does the *Sourcebook*, but the trends in the BLS series are likely to be more accurate as they are not affected by the imprecise extrapolations used in the *Sourcebook* to gauge membership in independent municipal organizations and membership of government employees in predominantly private sector labor organizations.

11. This is obtained by comparing 1985 figures on public sector membership of these three unions in table 1 with 1975 figures reported by Stern (1979). Between 1975 and 1985, SEIU representation in the public sector rose by 270,000; Teamsters representation grew by 50,000, and Laborers by 5,000, giving a total growth of 325,000 for those unions. This is 2.03 percent of 16 million public sector employees used as the base for the public sector density for 1984 in the *Sourcebook* (table 3.91).

12. The percentages in table 4, panel A are very similar whether or not the 334 municipality functions that report a bargaining unit but no organization are classified as having an organization.

13. Only when telephone respondents indicated that they were familiar with the labor relations history of the municipal function in question was information collected from a municipal representative. Usually, such an employee in the municipality could be identified after several telephone calls.

14. Occasionally, we interviewed a representative of municipal management who indicated that he or she completed the SOG survey in some but not all survey years, so that changes in the respondent to the SOG survey is at least one of the reasons for the measurement error on the SOG unionization data.

15. Letting zero reflect nonunion status, and one reflect union status, these six patterns are: (1) 1's  $\rightarrow$  0's; (2) 1's  $\rightarrow$  0's  $\rightarrow$  1's; (3) 1's  $\rightarrow$  0's  $\rightarrow$  1's  $\rightarrow$  0's; (4) 0's  $\rightarrow$  1's  $\rightarrow$  0's; (5) 0's  $\rightarrow$  1's  $\rightarrow$  0's  $\rightarrow$  1's; (6) 0's  $\rightarrow$  1's  $\rightarrow$  0's  $\rightarrow$  1's  $\rightarrow$  0's. As one might expect, there are fewer instances in those categories characterized by more frequent switching.

16. There were 498 municipality-function observations that reported this pattern of switching in their organization data over time; 78 of these cases were contacted; 39 reported that employees belonged to an organization in 1982, and the other 39 reported that no type of organization had ever existed among employees in the given function.

17. When we extend adjustment B to the employee-based figures in panel B of tables 4 and 5, we assume that for those municipality-function-years, when we reclassify nonunion status as unionized, the percentage of full-time employees who are members of an organization or who are represented by a bargaining unit equals the average of the year before and the year after the reclassified municipality-function-year observation. If these adjoining years are also being reclassified, we go to the nearest adjoining year that is not being reclassified. When we reclassify these percentages for observations in 1982, we use the percentage from the most recent year that is not being reclassified.

18. The CPS figures call into question the decline in membership among teachers reported in the unadjusted SOG data in table 3, panel A, between 1980 and 1982. Since we conducted no interviews with school districts, we do not know how much of the decline in membership in table 3, panel A, column (7), is a result of reporting errors by school district managers.

19. CPS figures, therefore, would tend to overestimate coverage. For example, for police and fire fighters in 1978, 1979, and 1980 (the only direct points of comparison between function-specific SOG and CPS estimates), the CPS collective bargaining contract coverage figures in table 6, panel B, exceed the SOG bargaining unit representation figures in table 5, panel B. This is true even though the SOG figures specifically include meet and confer arrangements as bargaining units in the numerator of their percentages. Furthermore, part-time workers who are less likely to be unionized are excluded from the SOG calculations.

20. The only adjustments applied to the original data on the 1982 SOG data tapes are to assume that an "association" exists in all cases where a "bargaining unit" is reported.

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