

UNION PERSEVERANCE: **Taking the Pulse of America's** **Union Workers**

Survey Executive Summary



Written by

**The
Economist**

Intelligence
Unit

Unions have spearheaded milestone achievements in workers' rights that have historically inspired loyalty and influenced workers' positions about the role the labor movement can play in their lives. The steady decline of union membership since the 1950s, however, raises questions about the role of unions and the future of American workers.

Unions face mounting pressures as anti-union legislation undermines collective bargaining efforts, and workers struggle with stagnant wages and economic shifts. Yet the economy is changing still, and a younger generation—the millennials—now comprises the largest share of the labor force. These younger workers have had wide-ranging effects on the workplace, and they are changing the environment in which unions operate today.

A survey of U.S. union members

SURVEY STATS

1,573 ACTIVE UNION MEMBERS

REPRESENTING

15

DIFFERENT INDUSTRIES FROM ACROSS THE U.S.

Recognizing these challenges and areas for progress The Economist Intelligence Unit (EIU) sought to better understand the dynamics that define the landscape of American union workers today and in the years ahead. In research conducted in September 2016 and sponsored by Prudential, we surveyed 1,573 active U.S. union members aged 18 and over, working in 15 different industries.

The survey sample includes members of the millennial, Generation X and baby boomer generations. The respondents are about 58% male, and nearly half have earned or are in the process of completing a four-year college degree or higher. Nearly 90% work full-time, approximately two-thirds have been union members for ten years or more, and slightly more than half live in suburban areas.

The survey resulted in three overarching findings: (1) there is a generational disconnect among union members; (2) millennials have higher expectations of unions and the overall workplace; and (3) unions can improve engagement by offering training and taking new approaches to meet member needs. How unions and the society at large respond will determine the future prospects for both union and non-union workers.

A generational disconnect

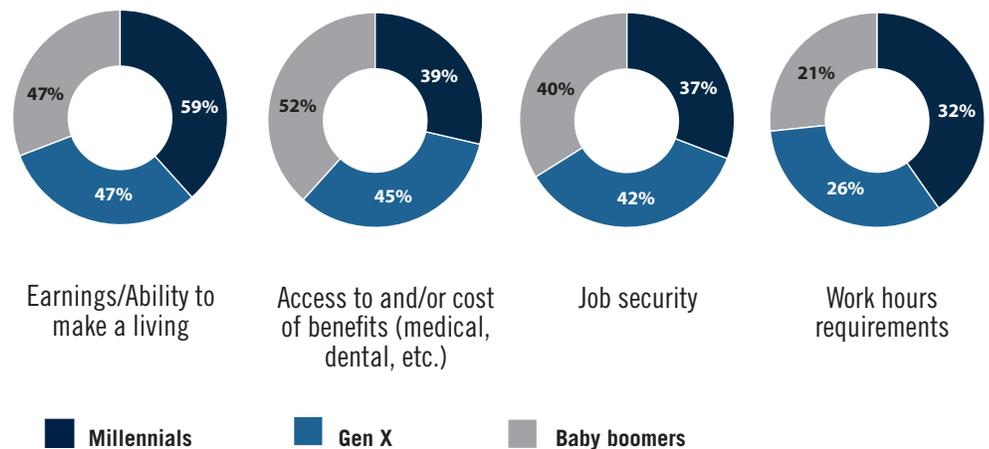
As unions seek to maintain and expand membership and cope with other economic and technological changes, the survey findings reveal dissatisfaction among millennials, as well as contrasts between younger and older workers.

This includes such areas as feeling personally invested in their work and general job satisfaction. For example, only 27% of younger workers say they have a strong sense of pride in their work, while 53% of boomers do. And a mere 24% of millennials say they are satisfied with their job, versus 31% of boomers. This dissatisfaction exacerbates turnover and the need to seek job alternatives, especially when wages are inadequate to make a good living or provide security.

“I don’t think employers over the past 15 or 20 years have been as loyal to their employees,” says Marc Perrone, president of United Food and Commercial Workers International Union. “And, therefore, the thought process is that if the employers aren’t going to be loyal to me—if they’re not going to make sure that I have a retirement package or healthcare or those things provided for me—I don’t think that I feel as loyal to them either.”

The survey also confirms that younger workers are more concerned about low wages and their ability to make a living (59%) than their older counterparts (47%). At the same time, they are less concerned about access to and/or cost of benefits such as medical and dental coverage (39% vs 52%).

Which of the following aspects of your work life are you personally most concerned about today? (% of respondents)



Source: The Economist Intelligence Unit survey, 2016

Economic insecurity breeds dissatisfaction

While younger workers may be more worried about low wages and less about benefits, Damon Silvers, policy director and special counsel at the AFL-CIO,

describes the general sense of economic insecurity hitting younger and older, union and non-union, workers alike.

“Working people right now face profound challenges, but they’re not really working people’s challenges alone,” he says. “We are at a time when, for a generation, most Americans have not benefitted in a meaningful way from the economic growth that’s occurred and the rising labor productivity of our workforce. So people go to work, create more wealth, and find that their incomes and their economic security are either flat or deteriorating.”

“Working people right now face profound challenges, but they’re not really working people’s challenges alone”

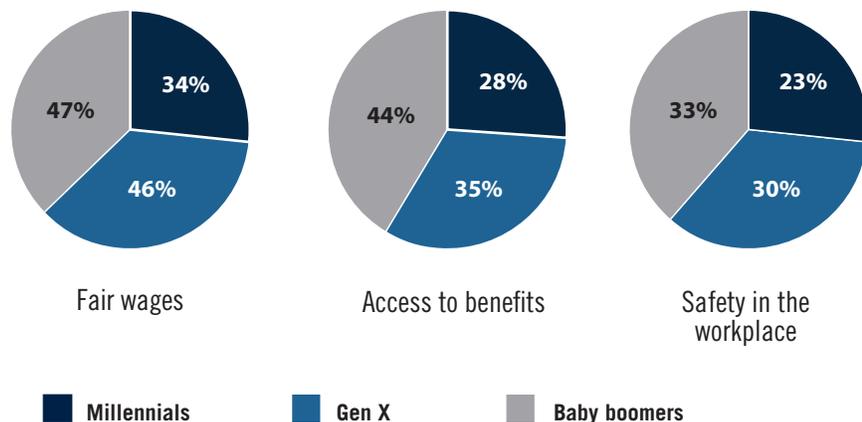
Damon Silvers, policy director and special counsel at the AFL-CIO

Recognizing this reality, one might expect that unions would represent a clear path to change. Yet the survey finds that younger workers are generally less satisfied with union accomplishments. They also raise doubts about unions’ ability to improve the welfare of American workers today and in the future. Only 34% of younger members credit unions for being at the forefront of fair wages versus 47% of older workers. And only 28% of millennials cite unions for creating access to benefits, compared with 44% of boomers.

This dissatisfaction may be hastened by stagnant wages as unions have declined in influence, and it underscores the challenge that union leadership faces in securing their position in the years ahead.

Steve Early, a long-time union organizer and author, believes that millennials’ expectations have largely been shaped by “adverse employment trends” such as outsourcing and the shifting of full-time workloads to independent contractors.

In which of the following areas do you believe that unions have been at the forefront of driving progress? (% of respondents)

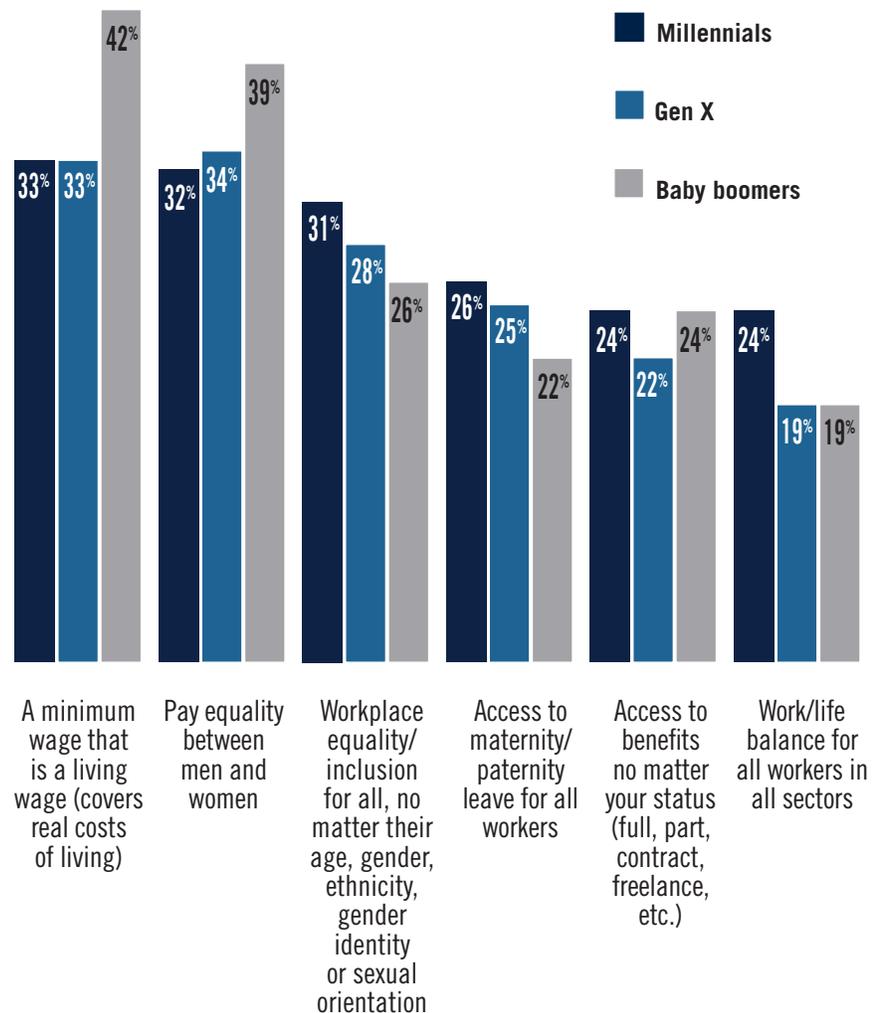


Source: The Economist Intelligence Unit survey, 2016

Many may be satisfied with the resulting flexibility of part-time or freelance work, he notes, but “this casualization of labor, this contingent workforce that they’re now part of, doesn’t come with a steady income.” Nor he adds, does it often come with pensions, health insurance, paid time off, sick leave or other benefits.

Intriguingly, while the threat of automation and other technological change has been a source of growing public discussion, only 21% of those surveyed see it as a serious obstacle to accessing job opportunities. That makes sense to Mr. Silvers. “The idea that technology is going to make good jobs impossible is a red herring,” he says. The real issue is workers having bargaining power, so that increasing productivity leads to rising incomes for all rather than spurring “dangerous economic and social imbalances” when the wealth is highly concentrated.

Thinking of the next ten years, which of the following workplace ideals do you believe future generations will achieve? (% of respondents)



Source: The Economist Intelligence Unit survey, 2016

Opportunities to expand membership

Despite the challenges younger workers face, they are more hopeful than baby boomers (31% versus 26%) that workplace equality and a better work/life balance (24% versus 19%) can be achieved during the next decade. This represents an opportunity for union expansion. Making progress in areas where millennials are less hopeful—such as achieving a livable minimum wage and pay equality between men and women—improves the ability of unions to expand their ranks.

“The labor movement continues today to be by far, after the U.S. military, the largest provider of job training in the country”

Damon Silvers, policy director and special counsel at the AFL-CIO

However, these efforts require responding to changing work and workplace trends, such as the rise of temporary and part-time employment. The rise of the gig economy and temporary workforce over the last decade—everything from Uber drivers to healthcare workers to home-based digital workers—creates challenges for unions to engage potential members. So does the mindset that accepts temporary work and the lack of benefits as the norm.

“When you’re by yourself and you’re on your own and you don’t have a family yet, I think that it’s easier to have a temporary job,” notes Mr. Perrone. “It makes things so much simpler for you. But when you have a family and children to take care of and commitments, I think that you’re forced into making some hard decisions about full-time work.”

Mr. Perrone underscores the importance of treating part-timers like full-timers. For nurses, restaurant and retail workers and others, unions have responded by fighting for health insurance, retirement security and wages that are equal to what a full-time worker earns for the same work. But Mr. Perrone also recognizes the challenge of organizing telecommuting or home-based labor. “Trying to organize somebody who happens to be working from their home is difficult,” he says, noting the difficulty of tracking down hundreds of workers in different locations.

One area where union focus and worker goals align is in providing training and related skill development. Notes Mr. Silvers: “The labor movement continues today to be by far, after the U.S. military, the largest provider of job training in the country.”

For example, says Mr. Early, “Construction unions have apprenticeship programs that enable tens of thousands of young people and increasingly people of color to learn skills as carpenters, plumbers, pipe fitters and electricians.” When this work is unionized, he explains, these apprentices

gain skills and learn safe work practices, thereby decreasing the dangers of construction worksites.

Nonetheless, Mr. Silvers warns that the challenge inherent in bolstering job training is that it depends on business involvement: “Too many businesses in the United States would rather have their workforce go untrained than have that workforce have an independent voice.”

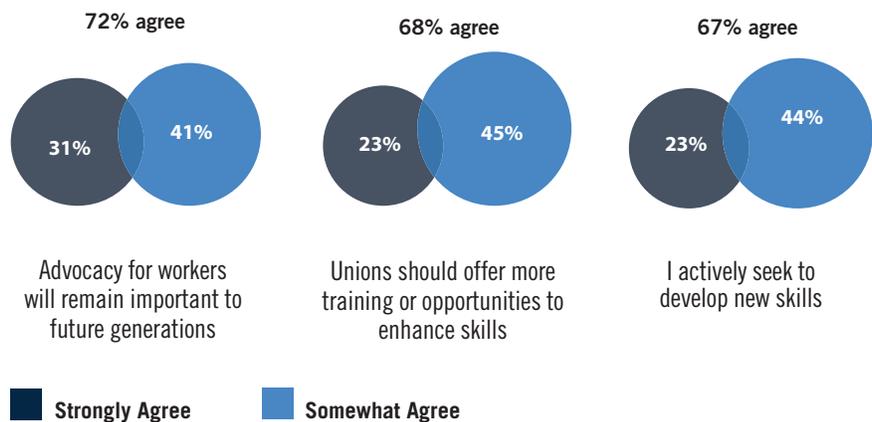
Pivoting to the future depends on new strategies and greater engagement

Looking ahead, there is a strong consensus (72%) that advocating for workers will remain important for future generations, as will unions offering more training or other skill-enhancing opportunities (68%).

In light of the need to expand their ranks and enhance their bargaining power, what kinds of new models and approaches will position unions to meet these objectives? One answer may be found in the “Fight for 15” campaign to raise the minimum wage to \$15.

Started in 2012 by fast-food workers in New York City seeking a raise in hourly wages and union rights, it has spread to hundreds of cities and a wide range of low-paid workers, including nursing home and health aides, airport workers and retail employees. This effort has drawn backing from

To what extent do you agree or disagree with each of the following statements? (% of respondents)



Source: The Economist Intelligence Unit survey, 2016

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Valarie Long, Executive Vice President of the SEIU

unions such as the Service Employees International Union (SEIU), city governments, state and national political leaders, and non-profit groups.

“What’s exciting about the ‘Fight for 15’ movement is the diversity of the young people involved and the number of people of color and immigrant backgrounds,” says Mr. Early. And in their push for better wages, they are drawing on the traditional model of labor organizing: conducting protests, generating publicity that connects workers from different industries, and calling for state and local labor law changes.

Valarie Long, executive vice president of the SEIU, says, “We don’t know what the form of workers’ collective voice, in addition to [that of] traditional unions, will be 20 years from now.” Still, “we have to be open to thinking about different ways of joining voices across aisles, across organizations, across communities, across movements, because it’s only that way that we actually win.”

Key investments to address workers’ needs

Mr. Silvers sums up where unions should focus their attention: “Building real, effective bargaining power is the core challenge in the workplace, which is where unions begin.” His view aligns with survey respondents who recognize that advocacy for workers will continue to be critical in the years ahead.

The larger challenge, he adds, is including working people’s views in policy and making the necessary investments and economic decisions that will allow the U.S. to prosper in the decades. His list of investments offers a virtual template for the coming years: “Rebuilding our infrastructure, making higher education and job training accessible and affordable to all Americans, universal childcare, and retirement and healthcare security.”

Several of these point directly to the personal concerns and ideals of union members in the survey, and indeed of many Americans today. These outcomes will require increasingly motivated civic engagement, and if successful, workers as a whole will benefit from a more optimistic future.

This article was written by The Economist Intelligence Unit and sponsored by Prudential. For more information call Prudential Retirement® at 800-353-2847 or visit TaftHartley.PrudentialRetirement.com.

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