



THE STATE OF THE UNIONS 2020

A Profile of Unionization in Chicago, in Illinois, and in the United States

September 7, 2020

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Research Report

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EXECUTIVE SUMMARY

Millions of workers have been exposed to historic levels of economic hardship during the novel coronavirus disease (COVID-19) pandemic. While the labor movement has historically provided reliable pathways into good, middle-class jobs with health care coverage, union membership has gradually waned across America.

Today, Illinois' union membership rate is 13.8 percent- the 13th-highest union density among the 50 U.S. states. However, over the last decade, total union membership has declined in Illinois, in the Chicago region, and in the United States- by 8.6 percent, 8.5 percent, and 1.0 percent respectively.

- There are approximately 72,000 fewer union members in Illinois today than there were in 2010.
- There are approximately 46,000 fewer union members in the Chicago metro area today than there were in 2010.

Preliminary data suggests that the June 2018 *Janus v. American Federation of State, County, and Municipal Employees, Council 31, et al.* Supreme Court decision that allowed state and local government employees to “free ride” may have affected public sector union membership.

- In Illinois, total public sector union membership has fallen by 6.8 percent since 2017, the year before the Supreme Court decision.
- Still, nearly half of all public sector workers are unionized in both Illinois (45.8 percent) and the Chicago metro area (45.4 percent), exceeding the national public sector average (33.6 percent).
- Education and health services workers comprise more than one-third of Illinois' unionized workforce- the most of any occupational category.
- Just 8.9 percent of workers in Illinois' private sector are union members.

Union membership is influenced by a number of factors and declines have hit certain demographic groups particularly hard.

- African Americans, military veterans, men, middle-aged workers, and workers with master's degrees are more likely to be union members.
- Workers in the public sector, in construction occupations, and in the transportation and utilities industry are statistically more likely to be union members.
- However, African Americans and women have seen the steepest drops in union membership rates over the past decade.
- Except for those with associate's degrees, workers of every level of educational attainment have experienced declines in union membership.

Workers deemed essential during the COVID-19 pandemic are more likely to be union members.

- The unionization rate of pre-K through 12 teachers and special education teachers is 63.5 percent.
- The unionization rate of construction workers is 46.4 percent.
- The unionization rate of truck and delivery drivers is 25.3 percent.
- The unionization rate of registered nurses is 13.8 percent.
- The unionization rate of all workers in essential industries is 19.4 percent.

Labor unions increase incomes by lifting hourly wages- particularly for middle-income workers.

- In Illinois, unions raise worker wages by an average of 10.7 percent.
- The state's union wage effect is the 11th-highest in the nation.
- The union wage differential for the median worker is 11.0 percent, reducing inequality in Illinois.

The COVID-19 pandemic has been a stark reminder that working people keep Illinois' economy functioning. The workers propping up the economy were largely hourly employees who are protected most by union representation. As Illinois recovers from unprecedented job losses, the labor movement will be essential in protecting and rebuilding the state's middle class. As Illinois and the nation recover from unprecedented job losses, the labor movement will continue to play a key role in rebuilding the middle class. However, recent membership declines suggest that it will have fewer resources available to do this important work.

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INTRODUCTION

Gallup, which has conducted public opinion polls around the world since 1935, has concluded that one of its most important findings is that “what the whole world wants is a good job” (Blanchflower, 2019; Clifton, 2015). A defining attribute of a good job is that it provides financial security, with a family-supporting income that covers food, water, shelter, security, leisure time, and the other basic necessities of life. While wages and salaries matter, access to quality health care coverage, the ability to retire with dignity, a schedule with stable and predictable hours, opportunities for professional development and career advancement, and a connection with a sense of purpose are all characteristics of a good job.

As the country endures an economic loss on par with the Great Depression, the role of worker organizations in protecting employees from “bad” jobs and material deprivation has never been more important. Before the novel coronavirus disease (COVID-19) brought the economy to a halt, face-to-face employees- who are pillars of the economy and who provide life-saving support for millions of Americans- worked with little safeguards. Too few earned middle-class wages. Only some had health care benefits and most had no retirement income at all. First responders, long-term care facility aides, grocery clerks, and warehouse workers had become essential. However, despite being deemed “essential,” many were not valued enough to be able to take even a single sick day off with pay. Low-wage hourly workers with high school degrees employed in the retail, hospitality, and food and beverage industries are precisely the types of workers for whom unions have the highest positive impacts, as demonstrated by decades of research.

The country’s economic performance, brought on by both the public health response to the pandemic and a lack of federal relief to support state and local governments, has shed light on structural inequalities that exist in Illinois and across the United States. While both union and nonunion workers have lost jobs at an unprecedented pace, those without unions have been largely dependent on government support and food banks to survive. The shocking reality of tens of millions of people filing for unemployment has revealed the consequences of leaving workers without workplace representation.

While economic pain has occurred for people of all socioeconomic backgrounds, workers of color have long been overrepresented in the lowest-paying service and domestic occupations where unionization rates are low (Solomon et al., 2019). These workers, especially African Americans, have made up a disproportionate share of people who have lost their jobs during the COVID-19 pandemic (Manzo & Bruno, 2020). Further, people of all races with no more than high school education have been most vulnerable to job loss and reduced hours. When they were separated from employment, an estimated 13 million workers lost their health coverage during the worst public health crisis since the 1918 flu pandemic (EPI, 2020). The COVID-19 pandemic has exposed vast inequities in access to good jobs and health care (Relman, 2020).

Good jobs rely on institutions that enable employment to lift people into the middle class. In America, the labor movement has historically provided reliable pathways into good, middle-class jobs. On average, union households earn between 10 percent and 20 percent more than nonunion households- an income premium that has been consistent since the 1930s (Farber et al., 2018). Additionally, the U.S. Department of Labor reports that 95 percent of union workers have access to health care coverage and 94 percent have access to retirement plans compared with just 68 percent health care access and 67 percent retirement plan access for nonunion workers (BLS, 2019). As a result, two-thirds of Americans (64 percent) approve of labor unions (Jones, 2019).

Union membership, however, has gradually waned across America. Almost one-in-four U.S. workers (23 percent) were members of labor unions in 1980. Four decades later, only one-in-ten workers (10 percent) are unionized (Hirsch & Macpherson, 2020). A significant driver of the decline in union density has been the assault on worker organizing rights across the United States. In the last decade, five states (Indiana, Michigan, Wisconsin, West Virginia, and Kentucky) passed so-called “right-to-work” legislation and many more passed laws restricting public sector collective bargaining (Manzo & Bruno, 2017; Bruno, 2015). Additionally, the 5-4 Supreme Court decision in *Janus v. American Federation of State, County, and Municipal Employees, Council 31, et al.*, overturned four decades of precedent and allowed public sector

workers to “free ride” and receive services, benefits, and representation from unions for free without paying anything for them in the form of dues or fair-share fees (Manzo & Bruno, 2018).

As union membership has declined, economic inequality has worsened. The decline of organized labor accounts for between one-fifth and one-third of the growth in inequality across the United States (Western & Rosenfeld, 2011). The lack of good jobs, due to worsening economic inequality, exposed millions of workers to historic levels of economic hardship during the COVID-19 pandemic. In the years leading up to the COVID-19 recession, unions representing essential workers and hourly workers have been weakened, eroding the bargaining power of police officers, firefighters, nurses, construction trade workers, teachers, manufacturing workers, and retail cashiers.

This report, conducted by researchers at the Illinois Economic Policy Institute, the University of Illinois Project for Middle Class Renewal, and the University of California, Irvine, analyzes the course of unionization in Illinois, in the Chicago metropolitan statistical area (MSA), and in the United States from 2010 to 2019, the year before the COVID-19 recession. It is the seventh annual report of its kind for union members in the Chicago area and in Illinois, following the September 2019 release of *The State of the Unions 2019: A Profile of Unionization in Chicago, in Illinois, and in America* (Manzo et al., 2019). The report tracks unionization rates and investigates union membership across demographic, educational, sectoral, industry, and occupational classifications. The study subsequently evaluates the impact that labor union membership has on worker wages in Illinois and across the United States. The report concludes by recapping key findings.

DATA AND LIMITATIONS

This report utilizes data from the *Current Population Survey Outgoing Rotation Groups* (CPS-ORG). The CPS-ORG is collected, analyzed, and released by the U.S. Department of Labor Bureau of Labor Statistics (BLS). CPS-ORG data reports individual-level information on 25,000 respondents nationwide each month. The records include data on wages, unionization, hours worked, sector, industry, and occupation, as well as other demographic, geographic, education, and work variables. The data was extracted from the user-friendly Center for Economic and Policy Research Uniform Data Extracts (CEPR, 2020).

The 10-year dataset from 2010 to 2019 captures information on 3,122,068 individuals aged 16 to 85 in the United States. These observations include 1,842,056 persons with a job, of whom 180,665 reported that they were union members. Survey responses include information from 54,984 employed individuals in Illinois. In 2019, respondents with at least one job totaled 4,741 in Illinois, 3,245 in the Chicago MSA, and 173,146 nationwide. “Chicago MSA” workers are defined as only those who live in the Illinois component of the Chicago-Naperville-Elgin metropolitan statistical area (i.e., no Indiana or Wisconsin residents are included).

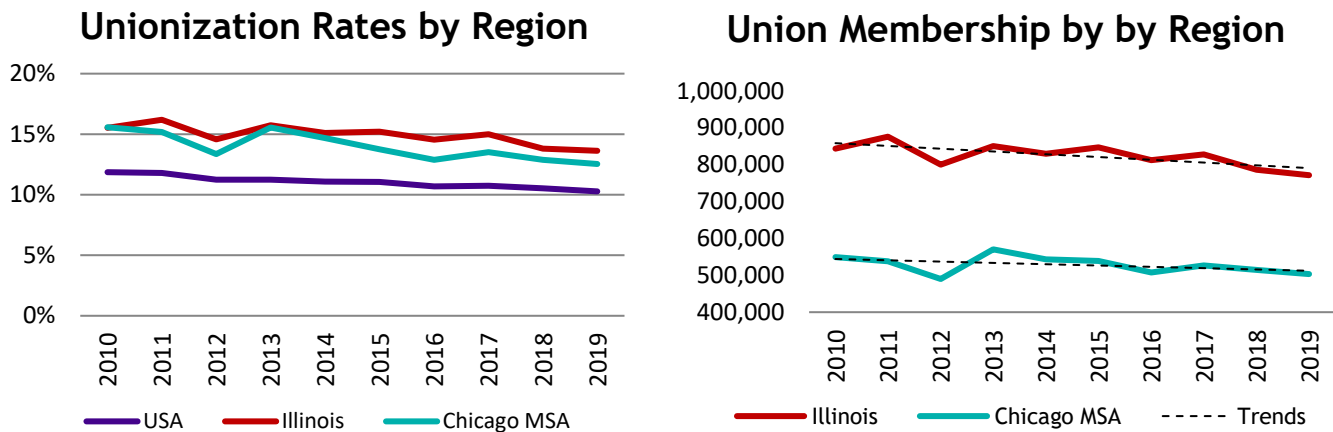
Analytic weights are provided by the Department of Labor to match the sample to the actual U.S. population 16 years of age or greater. These weights adjust the influence of an individual respondent’s answers on a particular outcome to compensate for demographic groups that are either underrepresented or overrepresented compared to the total population. The weights are applied throughout the analysis.

There are limitations to the CPS-ORG dataset. First, the data reports a worker’s state of residence rather than state of employment, so the results may be biased by workers who live in one state but work in another (e.g., living in Illinois but working in Missouri) and vice-versa. CPS-ORG data is also based on household survey responses. Certain individuals such as undocumented workers may also be underreported if they are more difficult to reach by survey officials. Finally, every surveyed worker does not reply to the union membership question. For example, in 2019, union membership data was only available for 4,320 of the 4,741 surveyed workers (91.1 percent) in Illinois. While this does not impact unionization *rates*, estimates are likely underreported for both total union workers and total nonunion employees.

UNIONIZATION RATES AND TRENDS

Since 2010, unionization has declined in Illinois, the Chicago metropolitan area, and the United States (Figure 1). The total union membership rate was 15.5 percent in Illinois, 15.6 percent in the Chicago region, and 11.9 percent nationwide in 2010. Ten years later, the unionization rate has fallen across all regions. Illinois' rate has fallen to 13.6 percent, the Chicago area's rate has fallen to 12.5 percent, and the United States' rate has fallen to 10.3 percent. The gradual decline in the unionization rate has translated into a decrease of about 72,000 union members in Illinois since 2010 (8.6 percent) and 46,000 union members in the Chicago metropolitan area since 2010 (8.5 percent), contributing to the national decline in union members over that time (Figure 2).

FIGURE 1: UNIONIZATION RATES AND TOTAL UNION MEMBERSHIP BY REGION, 2010-2019



Unionization rates in both Illinois and the Chicagoland area have decreased since the *Janus v. AFSCME* Supreme Court case. In the year prior to the decision, Illinois had a unionization rate of 15.0 percent. Just 18 months after the decision, the state's union membership rate fell to 13.6 percent. Illinois' union membership rate is now lower than at any other point during the past decade, with the state losing about 57,000 total union members over the last two years. The Chicago metropolitan area lost about 24,000 union members within that time. Still, Illinois has the 13th-highest unionization rate among the 50 U.S. states (Hirsch & Macpherson, 2020). On a year-by-year basis, Illinois' union membership rate has ranged from 3.3 to 4.5 percentage points higher than the nation, meaning that there are between 32.0 and 40.2 percent more union members in Illinois than the rest of the nation on a per-capita basis (Figure 2).

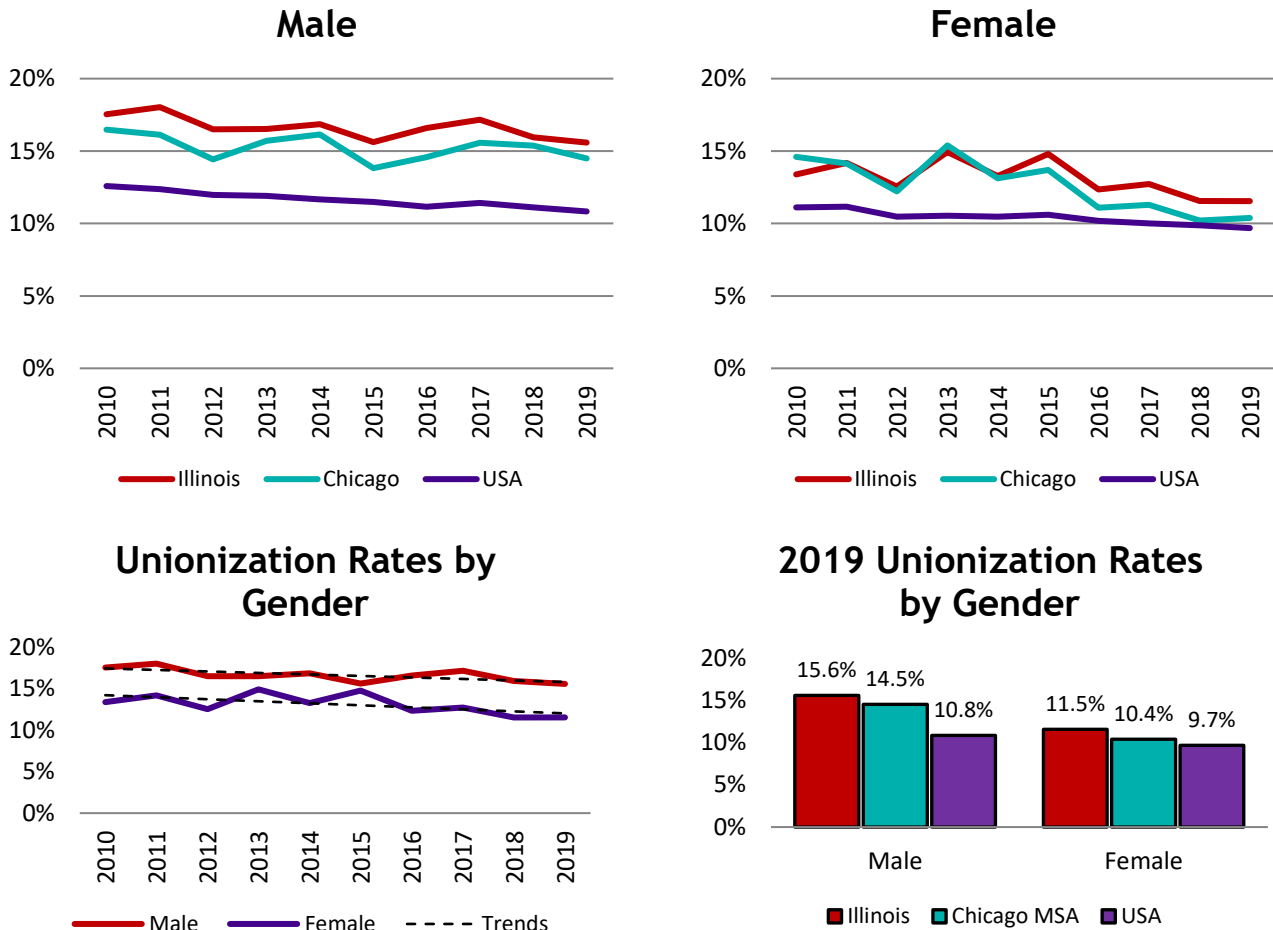
FIGURE 2: TOTAL UNION MEMBERS AND OVERALL UNIONIZATION RATES BY REGION, 2010-2019

Year	Illinois		Chicago MSA		USA	
	Members	Rate	Members	Rate	Members	Rate
2010	843,807	15.5%	549,528	15.6%	14,715,061	11.9%
2011	875,891	16.2%	537,637	15.2%	14,754,673	11.8%
2012	800,434	14.6%	490,023	13.4%	14,349,358	11.2%
2013	850,557	15.7%	570,390	15.5%	14,515,755	11.2%
2014	829,757	15.1%	543,428	14.7%	14,569,936	11.1%
2015	846,984	15.2%	539,036	13.8%	14,786,281	11.1%
2016	812,397	14.5%	508,058	12.9%	14,549,634	10.7%
2017	828,066	15.0%	526,875	13.5%	14,811,525	10.7%
2018	785,966	13.8%	514,629	12.9%	14,740,188	10.5%
2019	771,465	13.6%	503,086	12.5%	14,566,657	10.3%
Average	824,532	14.9%	528,269	14.0%	14,635,907	11.0%

UNIONIZATION BY DEMOGRAPHICS

The unionization rate for employed men in Illinois has fallen from an estimated 17.5 percent in 2010 to 15.6 percent in 2019, a drop of 1.9 percentage points (or 10.8 percent in relative terms) (Figure 3). The male unionization rate has also decreased in both the Chicago region and the nation as a whole. Since 2010, male union density has dropped by 2.0 percentage points in the Chicago area and by 1.8 percentage points in the United States. Similarly, the unionization rate of employed women has also declined in Illinois (1.9 percentage points), the Chicago region (4.2 percentage points), and nationwide since 2010 (1.4 percentage points).

FIGURE 3: GRAPHS OF UNIONIZATION RATES BY GENDER, 2010-2019



African Americans are the most unionized racial or ethnic identity group (Figure 4). The unionization rate for black and African American workers is 16.8 percent in Illinois, 16.1 percent in the Chicago MSA, and 10.9 percent in the United States. In comparison, white union density is 14.9 percent in the state, 13.8 percent in Illinois’ largest metropolitan area, and 10.7 percent across the nation. Respective unionization rates for Latinx workers are also lower, at 10.4 percent, 10.9 percent, and 8.9 percent.

All racial and ethnic identity groups have seen declines in unionization since 2010, with the largest decline impacting African Americans (4.8 percentage point decline in Illinois) (Figure 5). In the Chicago area, trends have mostly mirrored the overall state labor market, with people of color seeing the largest percentage point drops in union membership.

FIGURE 4: UNIONIZATION RATES BY RACIAL OR ETHNIC IDENTIFICATION BY REGION, 2019

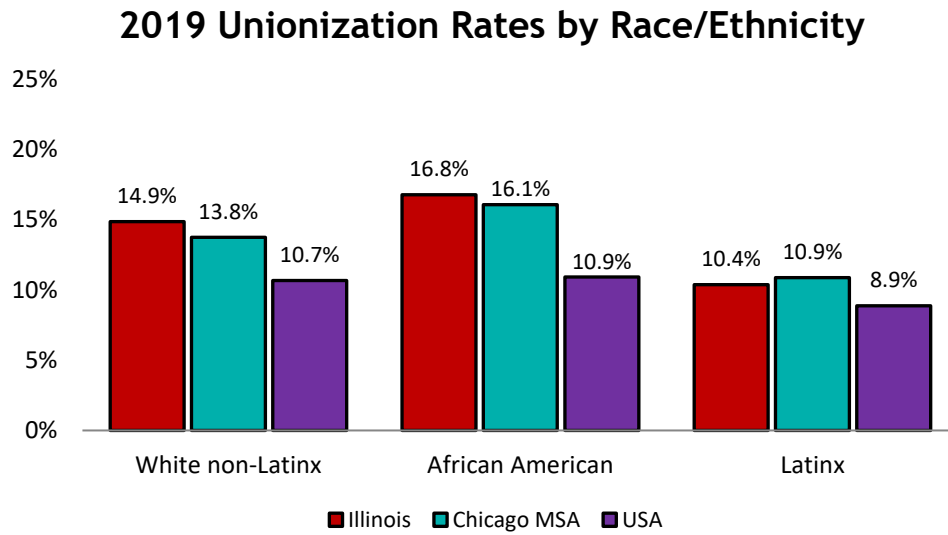
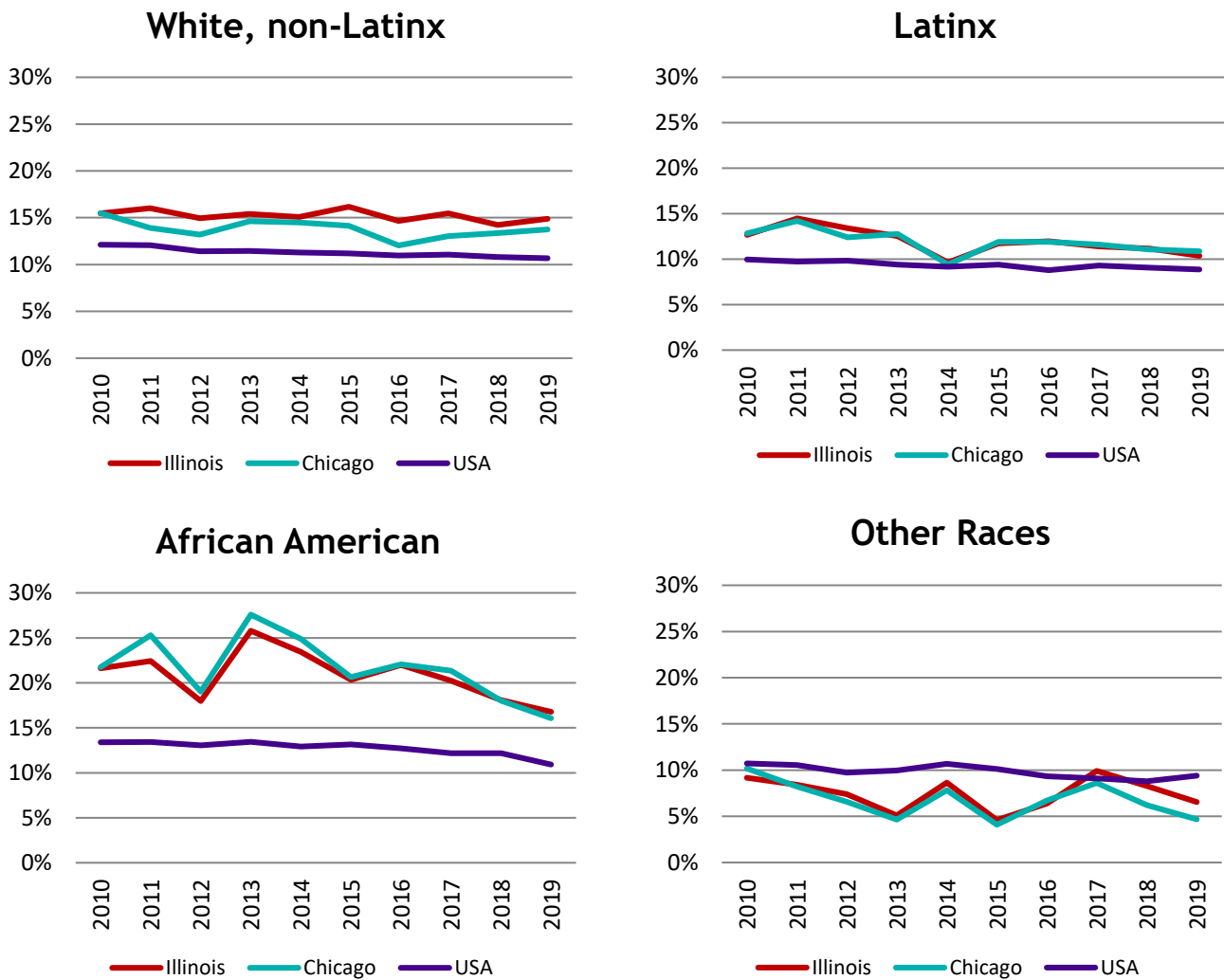
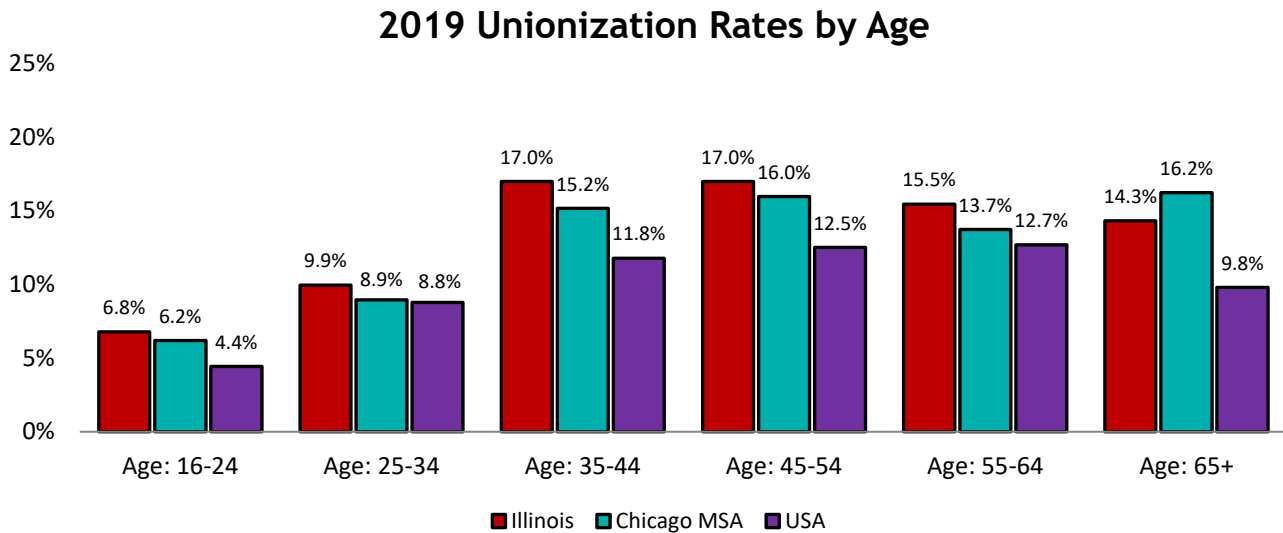


FIGURE 5: GRAPHS OF UNIONIZATION RATES BY RACIAL OR ETHNIC IDENTIFICATION, 2010-2019



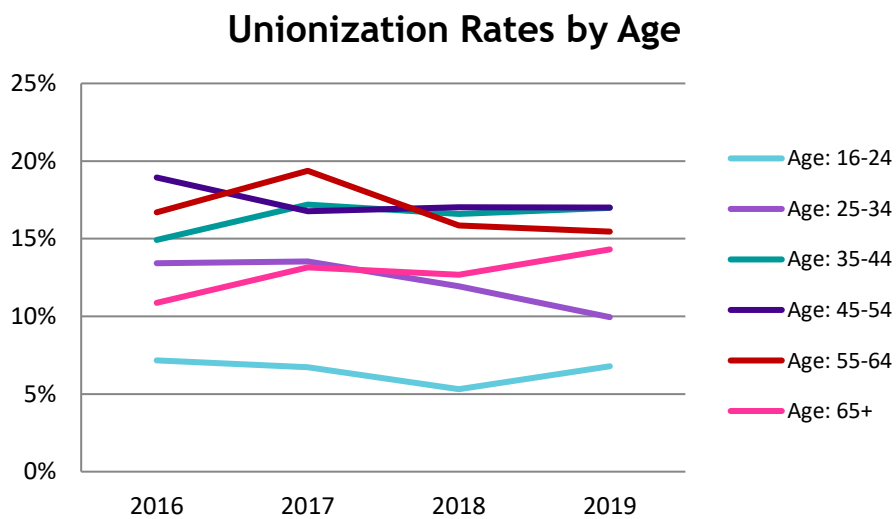
Unionization rates are much higher for middle-aged workers and older workers than for young workers (Figure 6). For example, unionization rates are relatively high for workers between the ages of 35 and 44 years old and 45 and 54 years old. Of workers in these age cohorts, 17.0 percent are unionized in Illinois. By contrast, for young workers aged 16 to 24 years old, unionization rates are 6.8 percent or lower for Illinois, the Chicago MSA, and the nation.

FIGURE 6: UNIONIZATION RATES BY AGE GROUP BY REGION, 2019



Unionization rates have only recently increased for some age groups in Illinois. From 2018 to 2019, the unionization rate of young workers and older workers saw increases. Those 16 to 24 years old saw a 1.5 percentage points increase in unionization over the year, while those 65 years or older saw a 1.6 percentage point increase from 2018 to 2019. Unionization rates remained fairly steady for all other age cohorts over the last year, except for a 2.0 percentage point decline for those aged 25 to 34 years old (Figure 7).

FIGURE 7: ILLINOIS UNIONIZATION RATES BY AGE GROUP, 2016-2019



Union membership varies across other demographic classifications as well (Figure 8). Among the most unionized groups are military veterans. About one-in-four employed veterans are unionized in Illinois (22.5 percent) and in the Chicago metropolitan area (29.0 percent). For the United States, approximately 14.9

percent of employed veterans are members of unions. The unionization rate for married workers, foreign-born workers, and native-born and naturalized citizens are all above the national average in Illinois and in the Chicago MSA. Native-born and naturalized citizens are more likely to be union members than foreign-born workers in Illinois, Chicago MSA, and the nation.

FIGURE 8: UNIONIZATION RATES OF SELECT DEMOGRAPHIC VARIABLES BY REGION, 2019

2019 Unionization Rates by Demographic

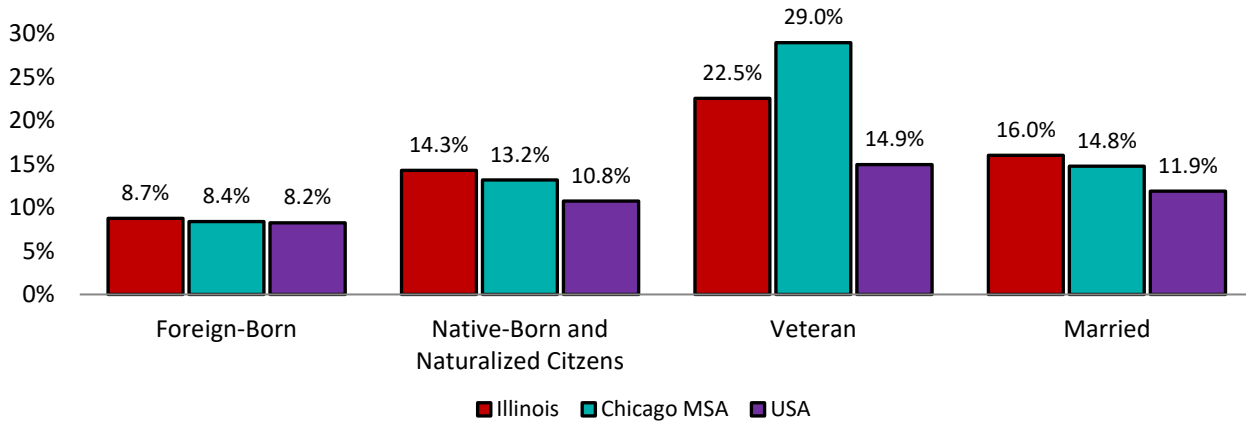
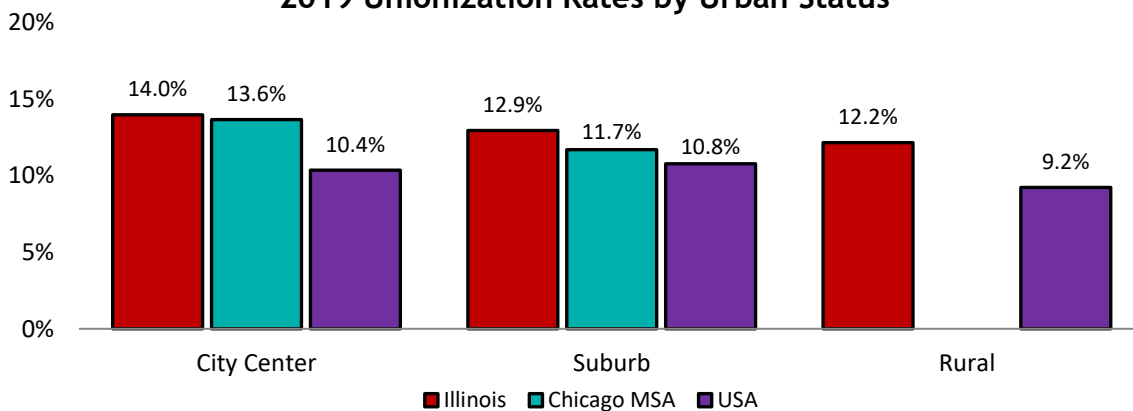


Figure 9 reveals that geographic distance from an urban core can be a factor in union membership. In the Chicago area, workers who reside in the City of Chicago are more likely to be unionized (13.6 percent) than those who live in the suburbs (11.7 percent). In Illinois overall, 14.0 percent of urban workers are members of unions, 12.9 percent of suburban workers are unionized, and 12.2 percent of rural workers belong to unions. The comparable figures for the United States are respectively 10.4 percent, 10.8 percent, and 9.2 percent.

FIGURE 9: UNIONIZATION RATES BY URBAN STATUS BY REGION, 2019

2019 Unionization Rates by Urban Status



UNIONIZATION BY EDUCATION

Workers with master’s degrees are the most unionized educational group (Figure 10). On average, 17.3 percent of master’s degree holders across the nation are union members. Approximately 21.8 percent of master’s degree holders are unionized in Illinois and 18.0 percent are unionized in the Chicago area. Workers with associate’s degrees are the second-most unionized educational group, at 17.0 percent in Illinois, 16.5 percent in the Chicago MSA, and 11.1 percent in the United States. Workers with high school

degrees and workers with professional or doctorate degrees comprise the two least-unionized educational groups in Illinois, with only 8.7 percent of both groups belonging to unions. Except for workers with professional and doctorate degrees, unionization rates are higher in Illinois than the national average across all levels of educational attainment.

FIGURE 10: UNIONIZATION RATES BY EDUCATIONAL ATTAINMENT OR STATUS BY REGION, 2019

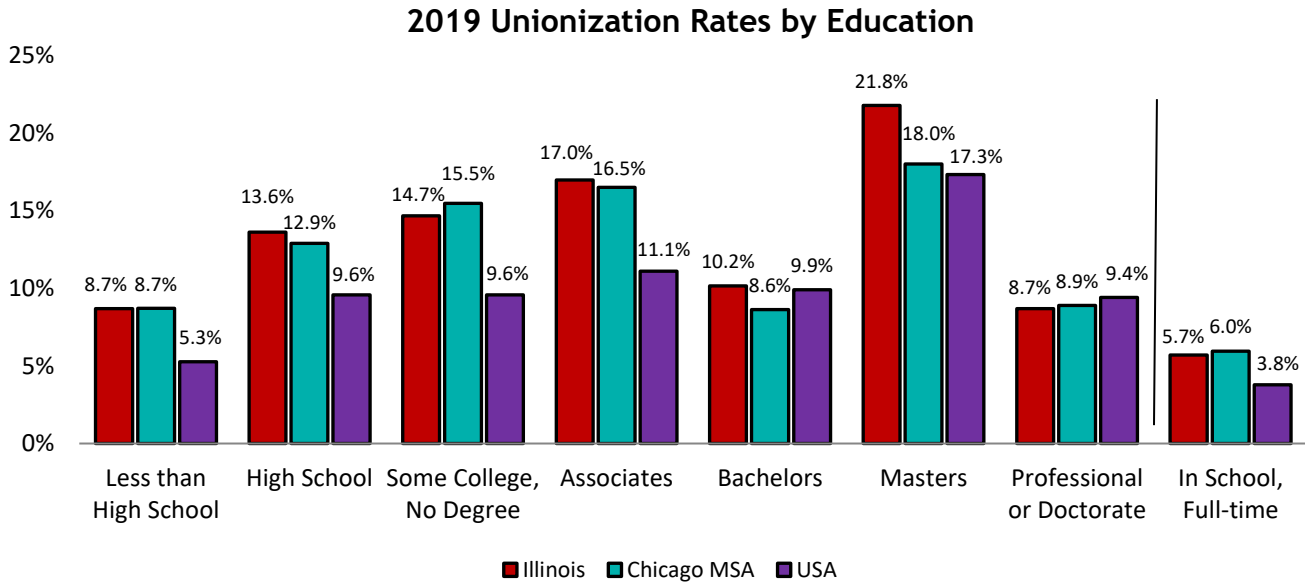


Figure 11 compares the three-year averages of union membership rates by educational attainment groups in Illinois for 2014 through 2016 and 2017 through 2019. The three years are grouped together to increase statistical significance. Across the seven educational classifications, the union membership rate has decreased in five cases: Workers with high school degrees (-0.5 percentage points), with some college but no degree (-0.3 percentage points), with bachelor’s degrees (-1.9 percentage points), with master’s degrees (-2.8 percentage points), and with professional or doctorate degrees (-3.1 percentage points). However, unionization increased for individuals with associate’s degrees (2.0 percentage points) and for those without high school diplomas or their equivalents (0.1 percentage points).

FIGURE 11: CHANGE IN UNIONIZATION RATES BY EDUCATION, THREE-YEAR AVERAGES, 2014-2019

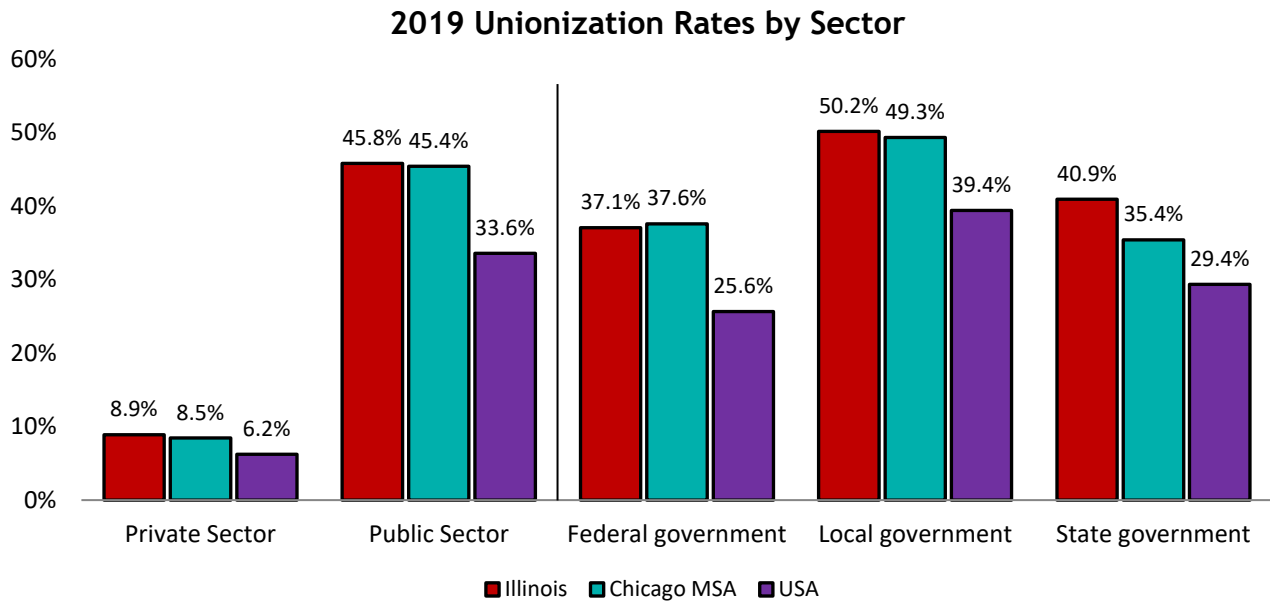
Variable	Illinois		
	2014-16	2017-19	Change
Less than High School	10.0%	10.1%	+0.1%
High School	15.1%	14.6%	-0.5%
Some College, No Degree	14.7%	14.4%	-0.3%
Associates	16.9%	18.9%	+2.0%
Bachelors	12.1%	10.2%	-1.9%
Masters	24.2%	21.5%	-2.8%
Professional/Doctorate	12.1%	8.9%	-3.1%

UNIONIZATION BY SECTOR, INDUSTRY, AND OCCUPATION

While fewer than one-in-ten private sector workers is now a union member in Illinois (8.9 percent), the Chicago MSA (8.5 percent), and the United States (6.2 percent), unionization rates are significantly higher for public sector workers (Figure 12). About half of all public sector workers are unionized in both Illinois (45.8 percent) and the Chicago region (45.4 percent), as are about one-third nationwide (33.6 percent).

Across all regions studied, the most unionized public sector group is local government employees, with about five-in-ten of these workers belonging to a union in Illinois (50.2 percent) and the Chicago MSA (49.3 percent).

FIGURE 12: UNIONIZATION RATES BY SECTOR OR LEVEL OF GOVERNMENT BY REGION, 2019



Public sector unions experienced losses in Illinois from 2010 to 2019 (Figure 13). In 2010, union membership rates were 50.2 percent for public sector workers and 9.5 percent for private sector workers. Today, the union membership rate for public sector workers is 4.4 percentage points lower, at 45.8 percent. By contrast, private sector unionization has declined by 0.6 percentage points. Annual data suggest that the June 2018 *Janus v. American Federation of State, County, and Municipal Employees, Council 31, et al.* Supreme Court decision may have affected union membership in Illinois. Between 2017 and 2019, which is one year prior to the decision and one year after the decision, total employed union members in Illinois' public sector fell from more than 358,000 members to fewer than 334,000 members, a decrease of 6.8 percent.

FIGURE 13: UNIONIZATION RATES BY SECTOR BY REGION, 2010-2019

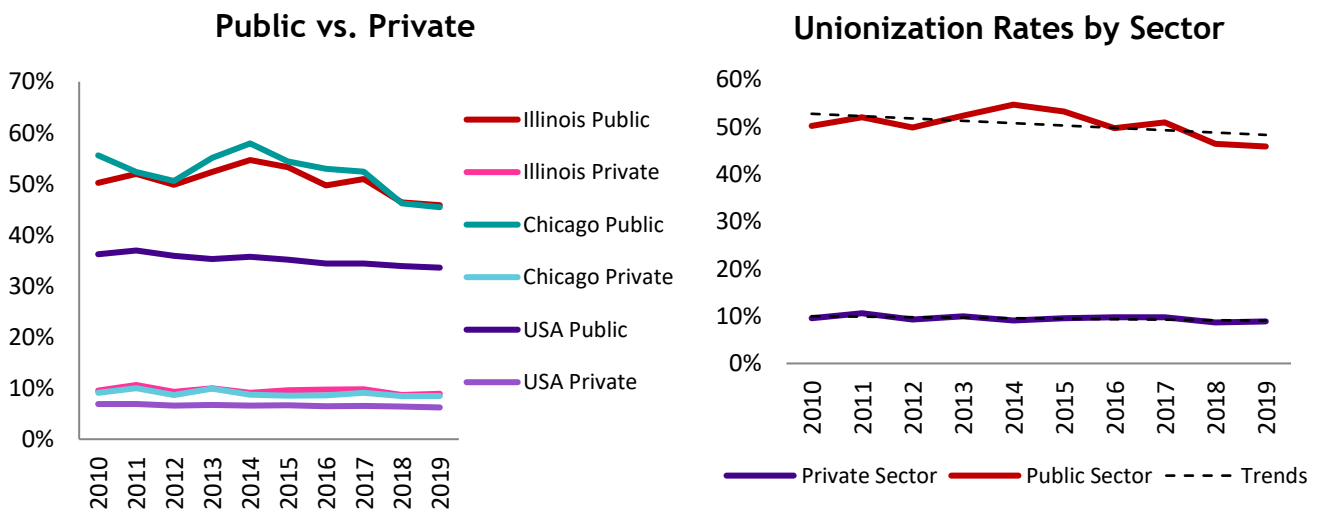
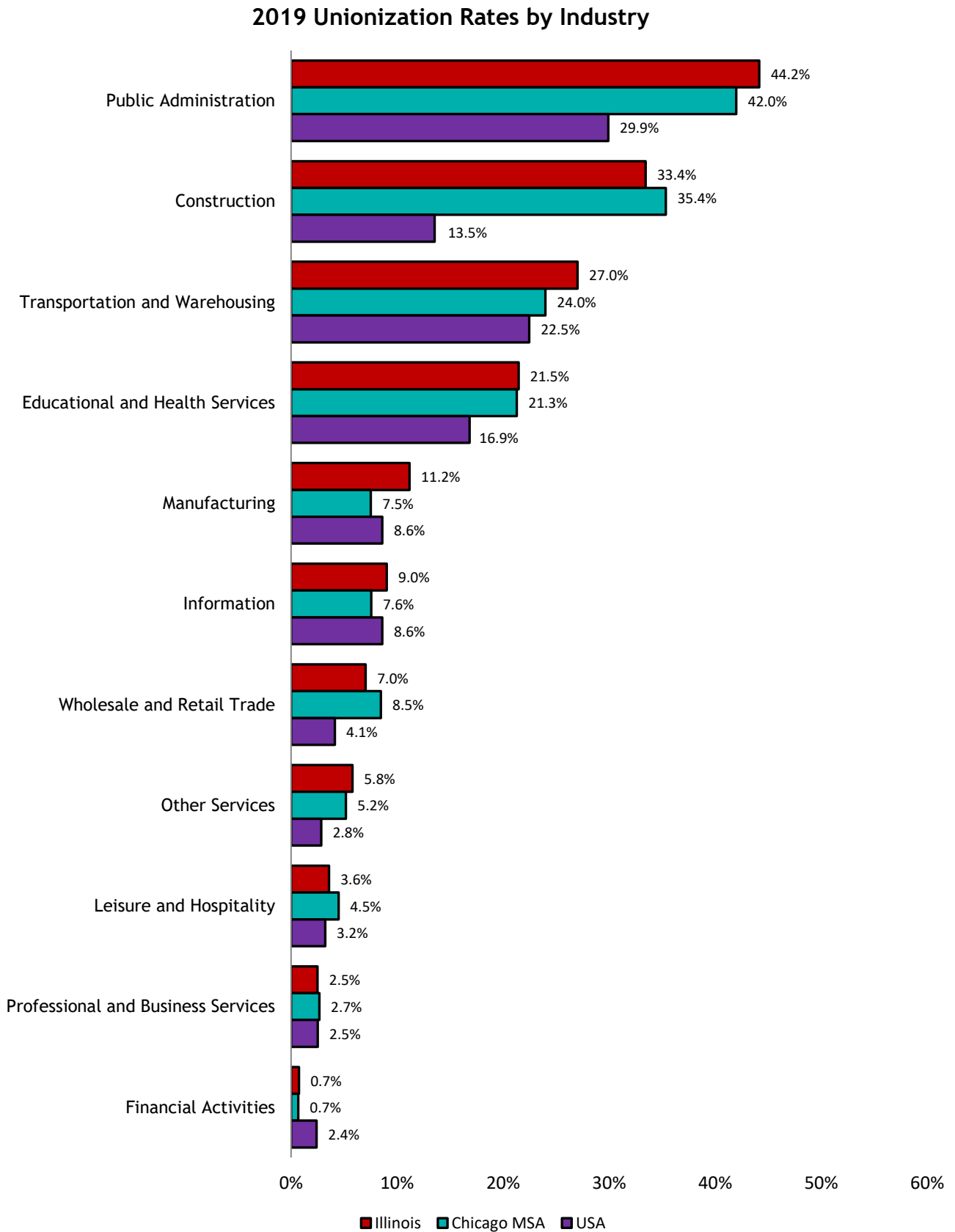


FIGURE 14: UNIONIZATION RATES BY INDUSTRY BY REGION, 2019



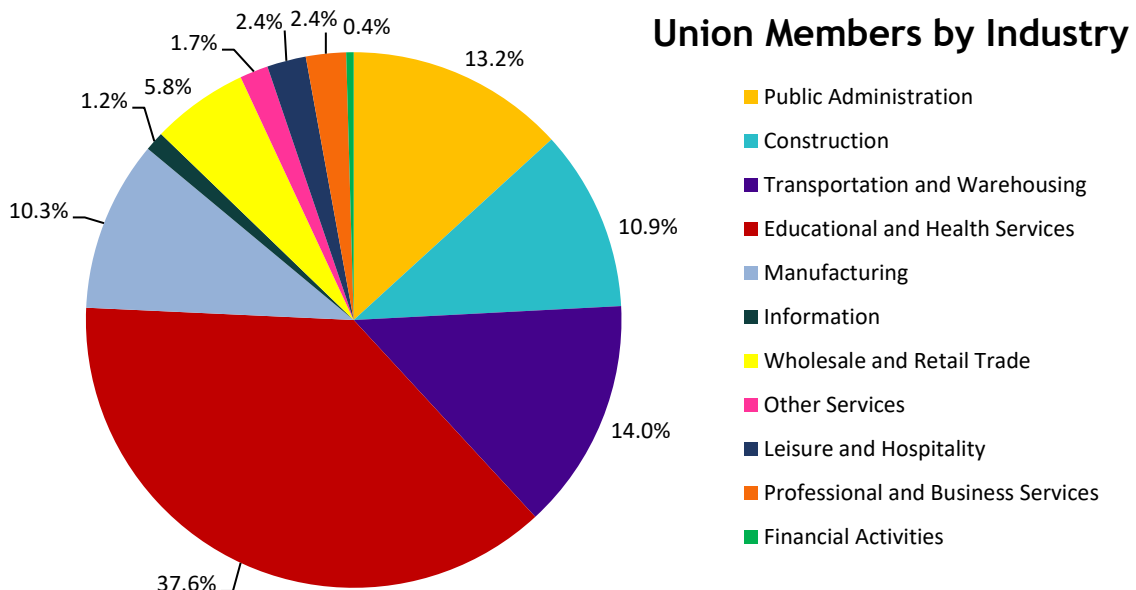
Union membership varies significantly by industry (Figure 14). The top four industries by unionization rates in Illinois are public administration (44.2 percent), construction (33.4 percent), transportation and warehousing (27.0 percent), and the combined educational and health services industry (21.5 percent). The manufacturing workforce, associated historically as a leader in industrial unionization, is now only 8.6 percent organized nationally, 7.5 percent in the Chicago region, and 11.2 percent across Illinois. The least-unionized industries generally are professional and business services and financial activities.

FIGURE 15: ILLINOIS INDUSTRY UNIONIZATION RATES, EMPLOYMENT, AND UNION MEMBERS, 2019

Illinois (2019)	Unionization Rate	Total Employment	Total Union Members	Total Sample
Public Administration	44.2%	231,000	100,000	176
Construction	33.4%	253,000	84,000	199
Transportation and Warehousing	27.0%	399,000	108,000	299
Educational and Health Services	21.5%	1,351,000	290,000	1,045
Manufacturing	11.2%	711,000	80,000	554
Information	9.0%	100,000	9,000	77
Wholesale and Retail Trade	7.0%	641,000	45,000	490
Other Services	5.8%	228,000	13,000	171
Leisure and Hospitality	3.6%	506,000	18,000	373
Professional and Business Services	2.5%	747,000	19,000	556
Financial Activities	0.7%	468,000	3,000	358

Figures 15 and 16 present industry breakdowns of total union membership in Illinois compared to total employment in the state. In Figure 15, industries are organized in descending order by unionization rate and weighted estimates are rounded to the nearest thousand. Note that the estimates include all *occupations* within an industry. The construction industry, for example, includes white-collar workers who typically are not union members, such as engineers, architects, and office support workers. The top five industries with the most union members in Illinois are educational and health services (290,000 members), transportation and warehousing (107,000 members), public administration (102,000 members), construction (84,000 members), and manufacturing (80,000 members) (Figure 16).

FIGURE 16: COMPOSITION OF ILLINOIS UNION WORKFORCE BY INDUSTRY, 2019



Lastly, Figure 17 depicts unionization rates by occupation. In Illinois, the most unionized occupation groups are construction and extraction occupations such as operating engineers (46.4 percent), installation and repair occupations such as mechanics (23.6 percent), transportation and moving jobs such as truck drivers (19.3 percent), professional and related occupations such as teachers (19.2 percent), and production workers such as welders (17.8 percent). Compared to the nation, unionization rates in these five occupations are significantly higher in Illinois. Union membership in construction and extraction occupations, as an example, is 29.0 percentage points higher in Illinois than the comparable United States average.

FIGURE 17: UNIONIZATION RATES BY OCCUPATION BY REGION, 2019

Occupation (2019)	Illinois	Chicago MSA	USA
Construction and Extraction	46.4%	49.7%	17.4%
Installation, Maintenance, and Repair	23.6%	23.9%	14.2%
Transportation and Material Moving	19.3%	18.4%	14.0%
Professional and Related	19.2%	17.0%	15.4%
Production	17.8%	11.5%	11.7%
Service	12.0%	12.5%	9.3%
Office and Administrative Support	9.9%	11.0%	8.7%
Management, Business, and Financial	3.0%	3.3%	4.3%
Sales and Related	2.7%	2.6%	2.8%

Workers deemed essential during the COVID-19 pandemic are more likely to be union members (Figure 18). The unionization rate of police officers and firefighters is 76.1 percent in Illinois. Pre-K through 12 teachers and special education teachers, including those at public schools and private schools, are 63.5 percent unionized. As noted in Figure 17, fully 46.4 percent of construction and extraction workers are union members. Truck drivers and delivery drivers are 25.3 percent unionized and registered nurses are 13.8 percent unionized. In total, 19.4 percent of all workers in businesses and industries considered essential under Governor JB Pritzker's initial stay-at-home order are union members, 5.8 percentage points higher than the 13.6 percent unionization rate statewide.

FIGURE 18: UNIONIZATION RATES OF ESSENTIAL WORKERS IN ILLINOIS, SELECTED EXAMPLES, 2019

Essential Workers (2019)	Illinois
Police Officers and Firefighters	76.1%
Pre-K through 12 and Special Education Teachers	63.5%
Blue-Collar Construction and Extraction Workers	46.4%
Truck Drivers and Delivery Drivers	25.3%
Registered Nurses	13.8%
<i>All Workers in Essential Industries in Illinois</i>	<i>19.4%</i>

PREDICTING UNION MEMBERSHIP IN ILLINOIS

A statistical model is developed to predict the chances that any given worker is a union member in Illinois, using data from 2017 through 2019. The model, which is detailed in Table A of the Appendix, reports how certain factors statistically increase or decrease one's probability of being a union member. The analysis includes data on nearly 12,000 Illinois workers, and weights are applied to match the sample to the actual Illinois population.

FIGURE 19: PROBABILITY OF BEING A UNION MEMBER IN ILLINOIS, LARGEST FACTORS, 2017-2019

Probability of Union Membership	Illinois Mean
<i>Predictor</i>	<i>Percentage Point Change</i>
<i>Increase likelihood</i>	
Sector: Local government	+21.0%
Sector: State government	+16.5%
Sector: Federal government	+16.3%
Occupation: Construction & extraction	+9.9%
Industry: Transportation & utilities	+8.1%
Industry: Construction	+5.4%
<i>Decrease likelihood</i>	
Education: Professional & doctorate degrees	-6.4%
Occupation: Other services	-6.8%
Occupation: Office & administrative support	-7.4%
Industry: Professional & business services	-7.6%
Occupation: Sales & related	-10.5%
Industry: Financial activities	-11.0%
Industry: Leisure & hospitality	-11.4%
<i>Constant</i>	13.4%
<i>Observations</i>	11,737

Source: CPS-ORG, Center for Economic and Policy Research Uniform Data Extracts, 2017-2019. Only statistically significant variables with a coefficient of ± 5.0 percent or larger are displayed in the figure. Occupation dummies are relative to "production" occupations and industry dummies are relative to "manufacturing." For more, see the Appendix.

Many factors increase the likelihood that an employed person is a union member in Illinois (Figure 19). Relative to workers in the private sector, employment in local government, the largest contributor to an individual's chances of being a union member, raises the probability by 21.0 percentage points on average. State and federal government employment respectively increase the union membership probability by 16.5 percentage points and 16.3 percentage points relative to private sector workers. Employment in construction and extraction occupations lifts the likelihood that a worker is a union member by 9.9 percentage points relative to workers in the manufacturing industry. Working in transportation and utilities and construction both improve the chances of being a union member by between 5.4 and 8.1 percentage points, relative to manufacturing. These industry factors reveal that employment growth in the public sector or through infrastructure investments (which primarily affect construction and transportation and utilities) are likely to increase overall unionization in Illinois.

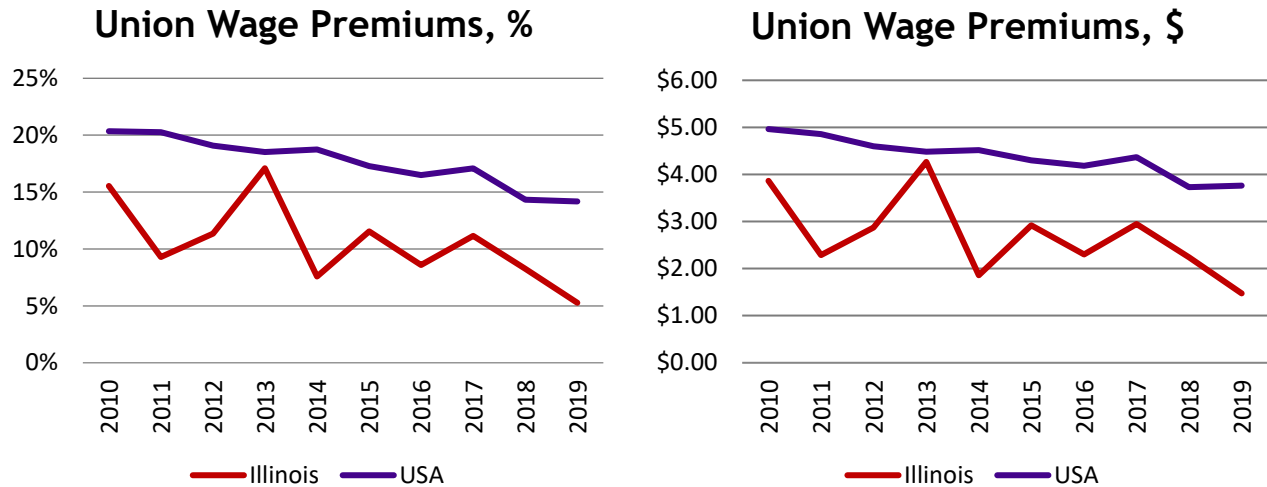
Some occupational and industry factors contribute negatively to the probability that a worker is in a union. Compared to the manufacturing industry, the professional and related services, leisure and hospitality, and financial activities industries reduce the chances by between 7.6 and 11.4 percentage points. Additionally, workers in professional, administrative support, sales, and management and financial occupations are all less likely to be union members than similar workers in production occupations. In addition, having a professional or doctorate degree reduces the likelihood of being a union member by 6.4 percent in Illinois.

WORKER WAGES

Unionized workers earn more than their nonunion counterparts (Figure 20). Figure 20 graphically illustrates the difference between the average union wage and the average nonunion wage in Illinois, the Chicago MSA, and the United States by both percentage gain and actual per-hour dollar difference. The results do not control for other factors that may increase a worker's wages (e.g., education, occupation,

industry, age, etc.). The raw averages show that, regardless of geography and time, union membership has been positively correlated with increased worker wages. Nationwide, union membership continues to raise worker wages by approximately \$3.76 per hour, or by about 14 percent. The gap between union and nonunion wages appears to be smaller in Illinois, which is generally a high-wage state for both union and nonunion workers. As of 2019, Illinois’ union wage difference was \$1.47 per hour.

FIGURE 20: UNION WAGE DIFFERENCES BY REGION, PERCENTAGE AND DOLLAR VALUES, 2010 TO 2019



The data presented in Figure 20 may overstate or understate the union wage effect because union members may be more or less likely to have characteristics associated with higher wages. For example, age, educational attainment, occupation, and geographic location all influence an individual’s hourly earnings. Regression analyses (OLS and quantile regressions) are utilized to control for these and similar factors in order to isolate the independent effect of unionization on wages (Figure 21). For more on the union wage premium regressions, see Table B in the Appendix.

FIGURE 21: WAGES OF UNION AND NONUNION WORKERS BY REGION, 2019

Variable	Illinois		USA	
	Nonunion	Union	Nonunion	Union
Wage	\$27.96	\$29.43	\$26.55	\$30.31
Union Difference, %		+5.3%		+14.2%
Union Difference, \$		+\$1.47		+\$3.76

After controlling for education, demographics, and employment factors, the union wage premium generally aligns with the differences reported in Figures 20 and 21 (Figure 22). On average, unions are found to increase a worker’s per-hour wage by 9.6 percent in the United States. In Illinois, the union wage premium is an estimated 10.7 percent on average, holding all else constant (including occupation and industry). Both results are statistically significant at the 99-percent level of confidence.

FIGURE 22: REGRESSIONS OF UNION WAGE PREMIUMS FOR THE UNITED STATES AND ILLINOIS, 2017-2019

Union Wage Premium: Ordinary Least Squares (OLS) and Quantile Regressions, 2017-2019							
USA		Illinois					
Mean	Mean	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 1%
9.6%***	10.7%***	10.3%***	9.8%***	11.0%***	10.7%***	10.8%***	1.2%
R ² =0.438	R ² =0.445	R ² =0.183	R ² =0.263	R ² =0.306	R ² =0.308	R ² =0.290	R ² =0.164

Three asterisks (***) indicate significance at the 1-percent level. Two asterisks (**) indicates significance at the 5-percent level. Source: CPS-ORG, Center for Economic and Policy Research Uniform Data Extracts, 2017-2019. Statistics are adjusted by the outgoing rotation group earnings weight to match the total population 16 years of age or older. For more, see the Appendix.

A unique analytical tool, called a quantile regression, permits evaluation of the union wage premium across the wage distribution. While union membership is statistically associated with a 10.7 percent increase in the average Illinois worker’s wage, the wage premium is highest at the middle of the state’s hourly income distribution (Figure 23). Over the past three years, union membership has statistically increased hourly earnings by 11.0 percent for the median worker. The bottom 10 percent experience a union wage premium of 10.3 percent while unionization has no discernible effect on the wages of the top 1 percent of workers. The estimates corroborate national findings (Schmitt, 2008). The data strongly indicate that unionization boosts wages most for middle-class workers, contributing to reduced income inequality in the state.

FIGURE 23: UNION WAGE PREMIUMS BY STATE, OLS REGRESSIONS, 2017-2019

Rank	State	Union Premium	Rank	State	Union Premium
--	United States	9.6%	26	Maryland	9.2%
1	Indiana	14.6%	27	Arizona	9.2%
2	Wisconsin	13.3%	28	Minnesota	9.1%
3	Mississippi	12.9%	29	Pennsylvania	9.0%
4	Missouri	12.7%	30	Texas	8.6%
5	Nevada	12.6%	31	Vermont	8.6%
6	Alaska	12.0%	32	Rhode Island	8.3%
7	Utah	11.8%	33	Washington	7.8%
8	Connecticut	11.6%	34	Alabama	7.5%
9	Kentucky	11.3%	35	Oklahoma	7.3%
10	California	10.7%	36	Massachusetts	7.1%
11	Illinois	10.7%	37	Delaware	6.8%
12	New Jersey	10.7%	38	Maine	6.8%
13	Virginia	10.5%	39	Kansas	6.7%
14	Wyoming	10.4%	40	Louisiana	6.6%
15	West Virginia	10.2%	41	New Mexico	6.6%
16	Hawaii	10.2%	42	Arkansas	6.5%
17	Montana	10.1%	43	Ohio	6.4%
18	North Dakota	9.8%	44	District of Columbia	6.4%
19	Idaho	9.8%	45	Nebraska	6.3%
20	Georgia	9.7%	46	New York	5.7%
21	Tennessee	9.6%	47	South Carolina	5.4%
22	New Hampshire	9.6%	48	South Dakota	5.2%
23	Iowa	9.4%	49	North Carolina	4.4%
24	Michigan	9.4%	50	Florida	3.1%
25	Oregon	9.3%	51	Colorado	1.3%

All estimates are significant at the 1-percent level except for the following: Oklahoma, Maine, and New Mexico (which are all significant at the 5-percent level); South Dakota and Florida (which are significant at the 10-percent level), and South Carolina, North Carolina, and Colorado. Source: CPS-ORG, Center for Economic and Policy Research Uniform Data Extracts, 2017-2019. Statistics are adjusted by the outgoing rotation group earnings weight to match the total population 16 years of age or older. For more, see the Appendix.

How does the average Illinois union wage premium of 10.7 percent compare to the union effect in other states? Similar 2017 through 2019 ordinary least squares regression models are run to assess each of the 49 other states plus the District of Columbia against Illinois. The results, reported in Figure 23, lead to the conclusion that the Illinois union wage premium is the 11th-highest in the nation. Additionally, a total of 22 states have union wage premiums that are found to be higher than or at the national average of 9.6 percent. Importantly, a positive union wage premium exists in every state.

CONCLUSIONS

Since 2010, unionization has declined in Illinois, in the Chicago region, and in the United States. There are approximately 72,000 fewer union members in Illinois today than there were in 2010. The June 2018 *Janus v. AFSCME* Supreme Court decision may have contributed to declining union membership, with public sector unionization falling by 5.1 percentage points in Illinois between 2017 and 2019. Still, about half of all public sector workers are unionized in both Illinois and the Chicago metropolitan area.

Workers deemed essential during the COVID-19 pandemic are more likely to be union members. Pre-K through 12 teachers, construction workers, truck drivers and delivery drivers, and registered nurses all have higher unionization rates than the statewide average. In fact, fully 19.4 percent of all workers in businesses and industries considered essential under Governor JB Pritzker's initial stay-at-home order are union members.

Labor unions increase individual incomes by lifting hourly wages- particularly for middle-income workers. Illinois has the 11th-highest union wage premium in the nation. Unions boost wages for all workers and help reduce income inequality in Illinois.

The COVID-19 pandemic has been a stark reminder that working people keep Illinois' economy functioning. The workers propping up the economy are primarily hourly employees who are protected most by union representation. As a result, unions continue to play an important role in communities across Illinois. As Illinois recovers from unprecedented job losses, the labor movement will be essential in protecting and rebuilding the state's middle class.

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Remaining pictures are free pictures from Canva. (2020). Pictures were found searching terms such as, "teacher," "nurse," "worker," and "union." Available at Canva.com.

APPENDIX

TABLE A: PROBIT REGRESSION ON PROBABILITY OF UNION MEMBERSHIP, AVERAGE MARGINAL EFFECTS, ILLINOIS WORKERS, 2017-2019

Prob(Union Member)	Illinois	
	Coefficient	(St. Err.)
Age	0.0061***	(0.0013)
Age ²	-0.0001***	(0.0000)
Female	-0.0200***	(0.0066)
Citizen	0.0378***	(0.0130)
White	0.0136	(0.0135)
African American	0.0261*	(0.0156)
Latinx	-0.0044	(0.0151)
Chicago MSA	0.0017	(0.0087)
Center City	0.0017	(0.0112)
Suburb	0.0017	(0.0098)
Federal government	0.1630***	(0.0169)
State government	0.1648***	(0.0119)
Local government	0.2097***	(0.0090)
Usual hours worked	0.0017***	(0.0003)
Less than high school	0.0062	(0.0144)
Some college, no degree	0.0116	(0.0091)
Associate's	0.0216**	(0.0104)
Bachelor's	-0.0153*	(0.0093)
Master's	0.0229**	(0.0105)
Professional/Doctorate	-0.0645***	(0.0173)
Industry/Occupation Dummies	Y	Y
Constant	0.1343***	(0.0028)
R ²	0.2693	
Observations	11,737	

A probit regression model allows for analysis of the probability of a “binary” yes-or-no variable occurring. In this case, the model reports the (positive or negative) direction of the effect that a factor has on the probability of being a union member and whether the output is statistically significant. To determine the magnitude of statistically significant factors, average marginal effects (AMEs) are generated and reported using the *dydx, margins* command in STATA. Sampling weights to match the sample size to the actual population are applied.

Three asterisks (***) indicate significance at the 1% level, two asterisks (**) indicates significance at the 5% level, and one asterisk (*) indicates significance at the 10% level. Source: CPS-ORG, Center for Economic and Policy Research Uniform Data Extracts, 2017-2019. Sampling weights are applied to the probit model.

TABLE B: OLS AND QUANTILE REGRESSIONS OF THE IMPACT OF UNION MEMBERSHIP ON THE NATURAL LOG OF REAL HOURLY WAGES, 2017-2019

Ln(Real Wage)	(1) USA Mean		(1) Illinois Mean		(2) Illinois Median, Q(.5)		(3) Minnesota Mean	
	Coefficient	(St. Err.)	Coefficient	(St. Err.)	Coefficient	(St. Err.)	Coefficient	(St. Err.)
Union member	0.0960***	(0.0031)	0.1066***	(0.0147)	0.1105***	(0.0169)	0.0905***	(0.0177)
Age	0.0376***	(0.0004)	0.0406***	(0.0022)	0.0367***	(0.0019)	0.0425***	(0.0027)
Age ²	-0.0004***	(0.0000)	-0.0004***	(0.0000)	-0.0004***	(0.0000)	-0.0004***	(0.0000)
Female	-0.1616***	(0.0020)	-0.1679***	(0.0105)	-0.1551***	(0.0107)	-0.1426***	(0.0134)
Veteran	0.0077*	(0.0043)	0.0371	(0.0270)	0.0533**	(0.0247)	-0.0204	(0.0313)
Citizen	0.0611***	(0.0045)	0.0512**	(0.0218)	0.0798***	(0.0250)	0.0270	(0.0331)
Foreign-born	-0.0224***	(0.0037)	-0.0442**	(0.0178)	-0.0433**	(0.0210)	-0.0609**	(0.0288)
White	0.0016	(0.0038)	-0.0213	(0.0213)	-0.0211	(0.0255)	0.0535**	(0.0232)
African American	-0.1224***	(0.0045)	-0.1675***	(0.0254)	-0.1469***	(0.0298)	-0.0744**	(0.0306)
Latinx	-0.0796***	(0.0037)	-0.0954***	(0.0223)	-0.0864***	(0.0262)	-0.0125	(0.0288)
Center City	0.0496***	(0.0025)	0.0830***	(0.0140)	0.0940***	(0.0142)	0.0881***	(0.0177)
Suburb	0.0658***	(0.0022)	0.0900***	(0.0119)	0.0962***	(0.0118)	0.0995***	(0.0130)
Federal government	0.0276***	(0.0063)	0.0352	(0.0342)	0.0203	(0.0300)	-0.0546	(0.0578)
State government	-0.1106***	(0.0044)	-0.0869***	(0.0276)	-0.1007***	(0.0191)	-0.1379***	(0.0316)
Local government	-0.1034***	(0.0039)	-0.1052***	(0.0211)	-0.1075***	(0.0231)	-0.1467***	(0.0268)
Usual hours worked	0.0044***	(0.0001)	0.0060***	(0.0006)	0.0075***	(0.0005)	0.0050***	(0.0008)
Involuntarily part-time	-0.1387***	(0.0050)	-0.0967***	(0.0292)	-0.1021***	(0.0208)	-0.1548***	(0.0371)
Less than high school	-0.1301***	(0.0032)	-0.1077***	(0.0183)	-0.0950***	(0.0155)	-0.0996***	(0.0225)
Some college	0.0344***	(0.0025)	0.0291**	(0.0133)	0.0297**	(0.0137)	0.0117***	(0.0173)
Associate's	0.0796***	(0.0030)	0.0735***	(0.0176)	0.0630***	(0.0177)	0.0904***	(0.0184)
Bachelor's	0.2971***	(0.0028)	0.3073***	(0.0155)	0.3018***	(0.0168)	0.3040***	(0.0195)
Master's	0.4214***	(0.0039)	0.4498***	(0.0196)	0.4779***	(0.0196)	0.4495***	(0.0269)
Professional/Doctorate	0.5594***	(0.0061)	0.6026***	(0.0308)	0.6396***	(0.0341)	0.5742***	(0.0489)
Industry Dummies	Y		Y		Y		Y	
Occupation Dummies	Y		Y		Y		Y	
State Dummies	Y		N		N		N	
Constant	1.5990***	(0.0138)	1.4241***	(0.0744)	1.3765***	(0.1072)	1.5529***	(0.0854)
R ²	0.4376		0.4454		0.3063		0.4731	
Observations	394,908		11,641		11,641		5,833	
Weighted	Y		Y		Y		Y	

Three asterisks (***) indicate significance at the 1% level, two asterisks (**) indicates significance at the 5% level, and one asterisk (*) indicates significance at the 10% level. Source: CPS-ORG, Center for Economic and Policy Research Uniform Data Extracts, 2017-2019. The data are adjusted by the outgoing rotation group earnings weight to match the total population 16 years of age or older.

Ordinary least squares and quantile regression models account for other variables to parse out the actual and unique causal effect that union membership has on hourly wages on average. The analyses control for a host of demographic, work, sector, industry, occupation, and education variables that could also have an impact a worker's wages. In the U.S. model, state indicator variables are included to factor in unmeasured state-specific characteristics. The sample, in all cases, is weighted to match the actual population. Regression (1) compares the impact of union membership on wages for Illinois compared to the nation from OLS analyses, regression (2) provides the median regression as an example of outputs from the quartile regressions for Illinois from Figure 22, and regression (3) uses Minnesota as an example of OLS results from other states.

