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FOR IMMEDIATE RELEASE

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**A 10% INCREASE IN UNIONIZATION BY 2016 COULD RAISE
THE NUMBER OF DECENT JOBS IN THE U.S. BY 2.5 MILLION**

AMHERST, MA, September 1, 2009 – A report released today by the Political Economy Research Institute (PERI) at the University of Massachusetts demonstrates that without significant changes to the U.S. labor market, the economy will be no better at creating *decent* jobs in 2016 than it was in 2006. This disconcerting projection contradicts a popular assumption that the jobs of the future will be better than the jobs of today.

“Creating Decent Jobs in the United States: The Role of Labor Unions and Collective Bargaining” by Assistant Research Professor Jeannette Wicks-Lim demonstrates that unions are a powerful tool for reversing this trend. When workers bargain collectively, low quality jobs—including many of the occupations projected to have the largest job growth by 2016—come much closer to achieving a decent job standard. Thus, a significant rise in the proportion of unionized workers would meaningfully raise the number of decent jobs in the U.S. (A decent job is defined as one that pays over 200% of the poverty line for a small family and provides health and retirement benefits; or one that pays at least \$22 per hour without benefits.)

“Many of us have a hopeful image of the kind of jobs people in the U.S. will be working at in ten and twenty years,” says Wicks-Lim. “We imagine jobs that pay enough for families to live on securely, what I call ‘decent jobs.’ But the truth is that, barring any change in the way we do business in this country, that’s not what the future is going to look like. Instead we are likely to find that just as many ‘jobs of the future’ will not pay the bills as today’s jobs. Increased unionization is the one clear path to change that. Those jobs we envision in our ideal future? Those are union jobs.”

The study also shows that the current state of knowledge on the economic impact of unions provides no strong evidence that higher unionization rates lead to higher rates of unemployment. It remains unproven that the better pay that unions achieve for workers raises business costs excessively and thereby reduces the availability of jobs.

A 10% rise in union representation would add about 2.5 million decent jobs to the U.S. economy by 2016. Without such an increase in unionization, the proportion of decent jobs in the U.S. economy will rise only slightly, from 34.8% in 2006 to 35.2% by 2016. Barring efforts by workers to change the conditions under which they work, 65% of U.S. workers will not have a decent job in 2016.

To encourage the creation of decent jobs, policies that make it easier for workers to join unions must be pursued. An important example is the Employee Free Choice Act (EFCA). The EFCA would promote a supportive environment for collective bargaining. This would give unions greater potential to improve the pay and benefits of future jobs, and thereby create more decent jobs as the economy recovers.

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“Creating Decent Jobs in the United States: The Role of Labor Unions and Collective Bargaining” is available online at www.peri.umass.edu.

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