



*Deunionization in Wisconsin and Metro
Milwaukee: A Statistical Overview*

Marc V. Levine

University of Wisconsin-Milwaukee

Center for Economic Development

Data Brief

February 2016

The past four years have been tumultuous ones for organized labor in Wisconsin. In 2011, the passage of Act 10 all but eliminated collective bargaining rights for public workers in the state. In 2015, Wisconsin became the nation's 25th "right to work" (RTW) state, outlawing contracts between unions and employers that would require non-union employees to pay fees in lieu of union dues in "union shops."

It was widely expected that these anti-union laws would deal crippling blows to organized labor in Wisconsin, and a recently released report by the U.S. Bureau of Labor Statistics revealed that union membership in the state has, indeed, fallen precipitously. Between 2014-15, the percentage of Wisconsin workers who are members of unions plummeted from 11.7% to 8.3%. Historically one of the nation's leading union strongholds, Wisconsin, by 2015, posted union membership rates below the national average.¹

Early reporting speculated on the relative importance of Act 10 or the RTW law in causing the sharp erosion Wisconsin's shrinking union membership, but lacked data to identify conclusively the sectors in which union decline in the state has been most pronounced.² However, the full release of the Census Bureau's "Current Population Survey Outgoing Rotation Group" (CPS-ORG) data files, and the compilation of union membership figures in states from the CPS-ORG in the Hirsch-Macpherson union database,³ permits us to pinpoint the relative magnitude of Wisconsin union membership in both the public and private sectors over the past five years (and earlier).

As the following tables show, union membership in Wisconsin, as in states across the country, has been declining for over 50 years. In 1964, 34% of all Wisconsin nonagricultural workers belonged to unions; by 2015, after 50 years of shrinkage, union density in Wisconsin had fallen to 8.3%.⁴ Chart 1 shows the decline in total union density in Wisconsin between 1983-2015. Charts 2 and 3 break down the long-term

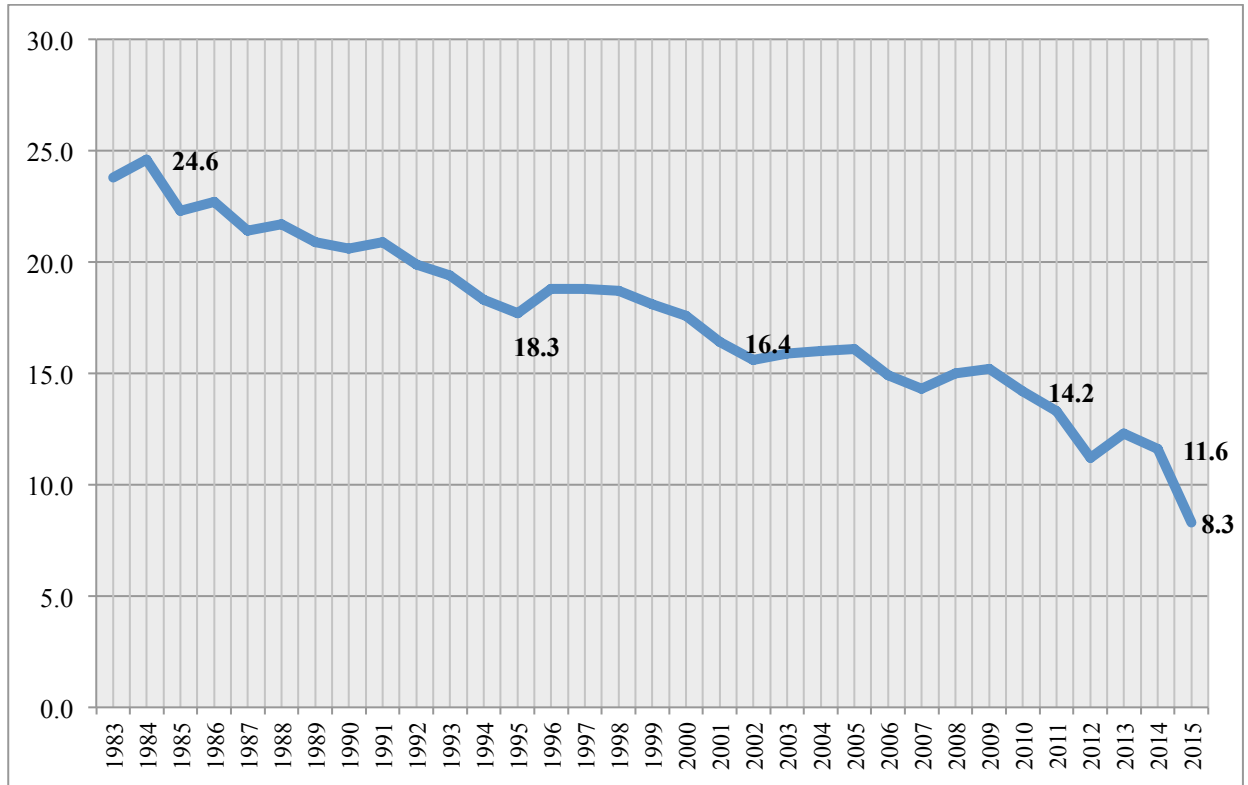
¹ Bureau of Labor Statistics, "Union Members --2015." Accessed at: <http://www.bls.gov/news.release/pdf/union2.pdf>

² Jason Stein, "Union membership in Wisconsin plummets in wake of GOP measures," *The Milwaukee Journal Sentinel*, 28 January 2016.

³ See Barry Hirsch and David Macpherson, "Union Membership and Coverage Database from the CPS." Accessed at: [Unionstats.com](http://unionstats.com).

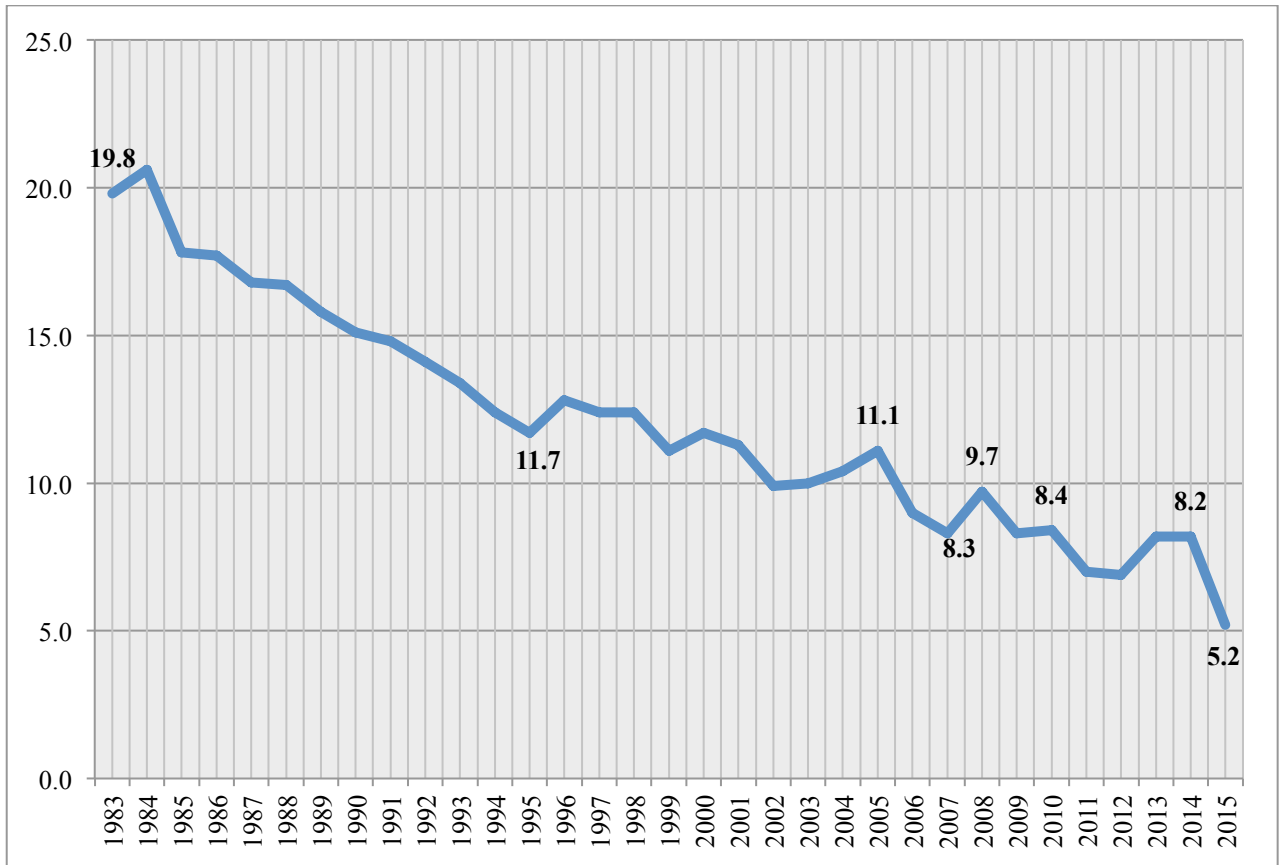
⁴ 1964 state-level union density estimates from: Barry T. Hirsch, David A. Macpherson, and Wayne G. Vroman, "Estimates of union density by State," *Monthly Labor Review*, (2001): 52.

Chart 1:
 Unionization Rates in Wisconsin: 1983-2015
 % of all workers who are union members, various years



trends in Wisconsin for both private-sector and public-sector workers. Private sector union membership has declined almost continuously, with a few annual oscillations, since the early 1980s (the first years for which this data is systematically available). By contrast, public sector unionization in Wisconsin generally grew after 1983, peaking at 57.9% in 1999, and remaining over 50% through 2011 – when the consequences of Act 10 began to be felt. By 2015, the public sector worker unionization rate in Wisconsin had tumbled to 26.1%.

Chart 2:
 Private-Sector Unionization in Wisconsin: 1983-2015
 % of private sector workers belonging to unions



Charts 4 and 5 show unionization rates in two key, historically highly unionized sectors of the Wisconsin economy: manufacturing and construction. Once again, the secular trend of shrinking union density is clear. The unionized percentage of Wisconsin workers in manufacturing has fallen from 36.0% in 1983 to 12.2% in 2015. Between 2014-15, union density in manufacturing fell from 16.9% to 12.2% -- a sizeable decline that may reflect layoffs of union workers, the departure from Wisconsin of unionized firms, or, perhaps, the first signs of the impact of the RTW law enacted in March 2015. Similarly, the Wisconsin construction industry has experienced secular declines in unionization (from 42% to 19% between 1983-2015), as well as the precipitous drop between 2014-15 (from 25.4% to 18.9%).

Chart 3:
Public-Sector Unionization in Wisconsin: 1983-2015
% of public sector workers belonging to unions

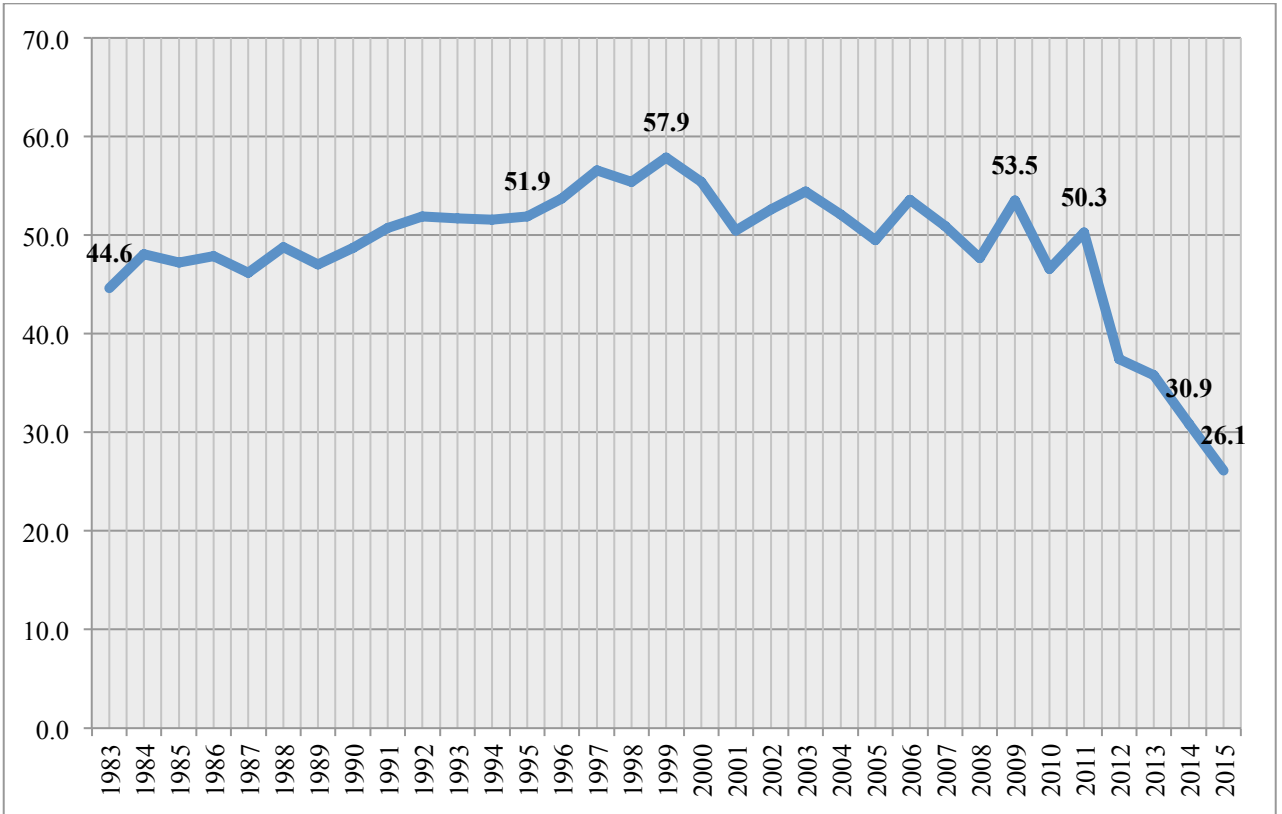


Chart 4:
Unionized Percentage of Wisconsin Manufacturing Workers: 1983-2015

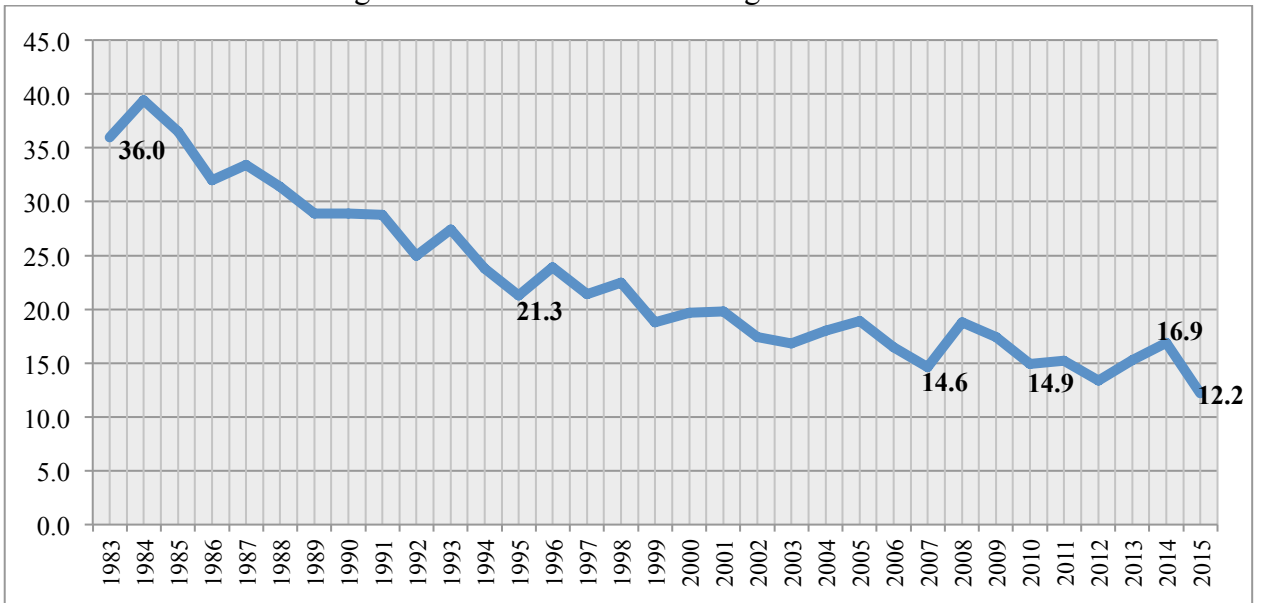
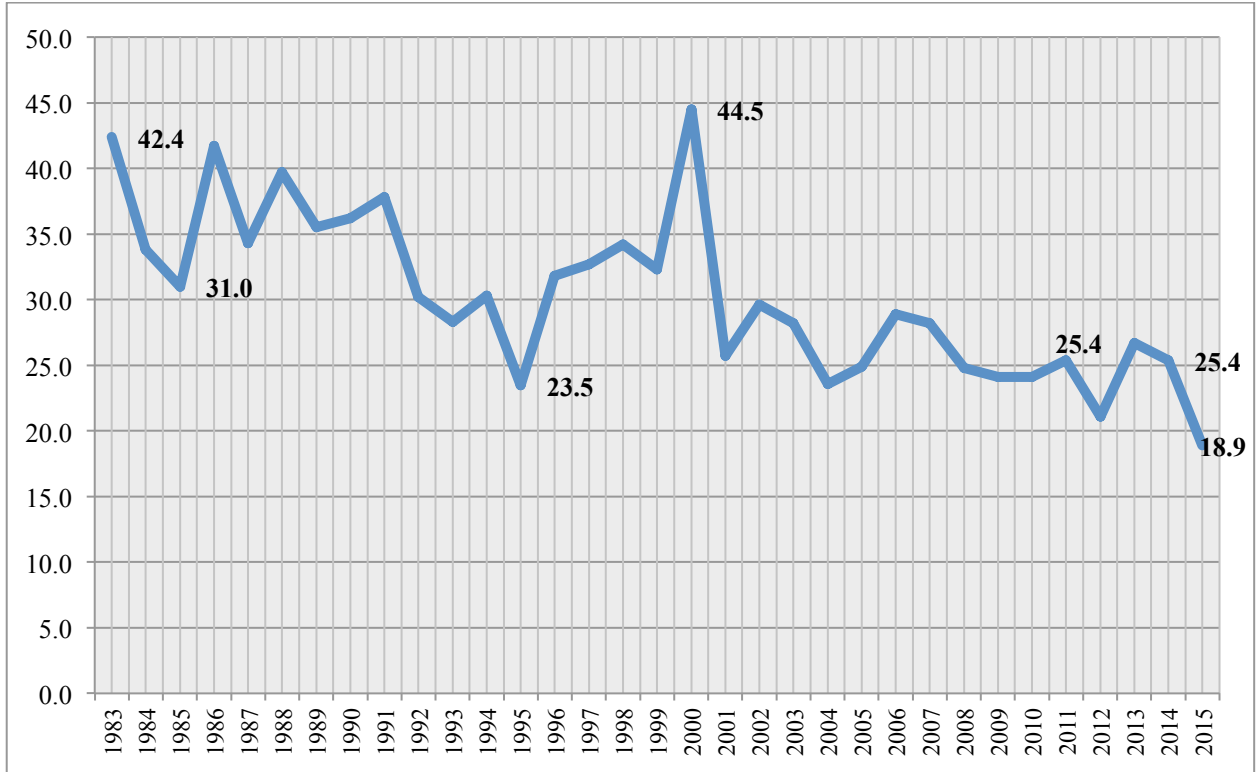


Chart 5:
Unionized Percentage of Wisconsin Construction Workers



Charts 6 and 7 put Wisconsin’s trends in national perspective. Union membership rates in Wisconsin consistently exceeded the national rates between 1983-2010, for both private and public-sector workers. The gap was particularly striking in the public sector: in 1999, for example, 57.9% of Wisconsin’s public workers were union members, compared to 37.3% of public sector workers across the country. And notwithstanding some oscillations in particular years, public sector unionization had been generally stable between 1983-2010 – even growing in a number of years. In the past five years, however, that all has changed: Wisconsin’s rate of public sector unionization trailed the national rate in 2015 by almost 10 percentage points. A similar pattern has occurred with private sector workers. As recently as 2005, Wisconsin’s private sector unionization rate exceeded the national rate by over 3 percentage points; by 2015, the national rate was 1.5 percentage points higher than the Wisconsin rate. Both nationally and in Wisconsin, the rate of private sector unionization has plummeted since 1983. But Wisconsin’s decline has been more pronounced, especially since 2011 and the passage of anti-union legislation in the state.

Chart 6:
Private Sector Unionization Rates: Wisconsin and the US, 1983-2015

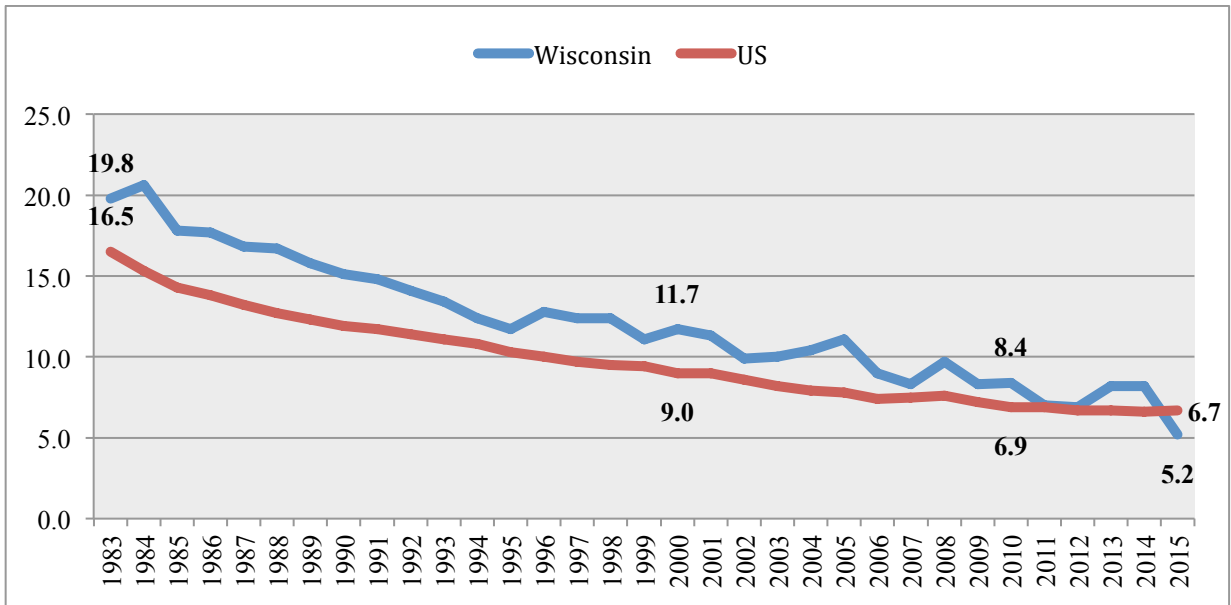
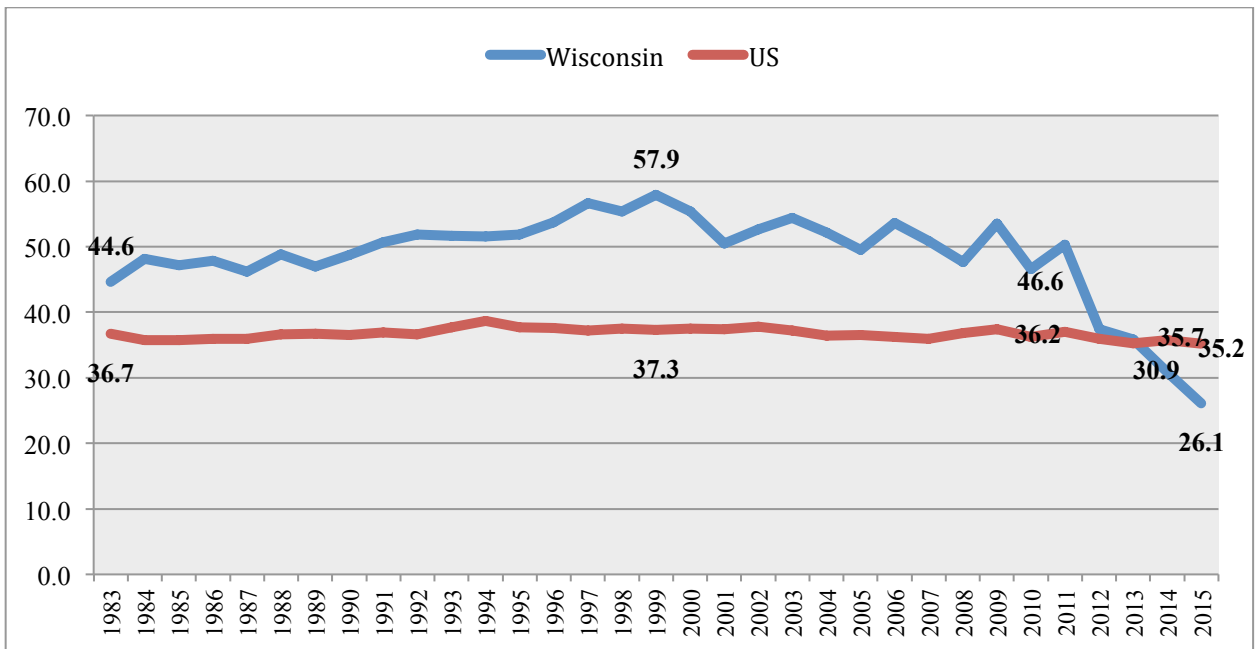


Chart 7:
Public Sector Unionization Rates: Wisconsin and the US, 1983-2015



Trends Since 2010

Although declining unionization in Wisconsin's private sector has been underway since the 1960s, the period since Governor Scott Walker and an aggressively anti-union legislature took office has marked a radical turning point for organized labor in the state. Chart 8 shows, for public, private, and all workers, how precipitously unionization rates in Wisconsin have declined since 2010. By contrast, as Charts 9-12 illustrate, union membership rates nationally have remained relatively stable since 2010 (albeit at significantly lower levels than in the past).

Chart 8:
Declining Unionization in Wisconsin: 2010-2015
% of all workers and % of public and private sector workers union members

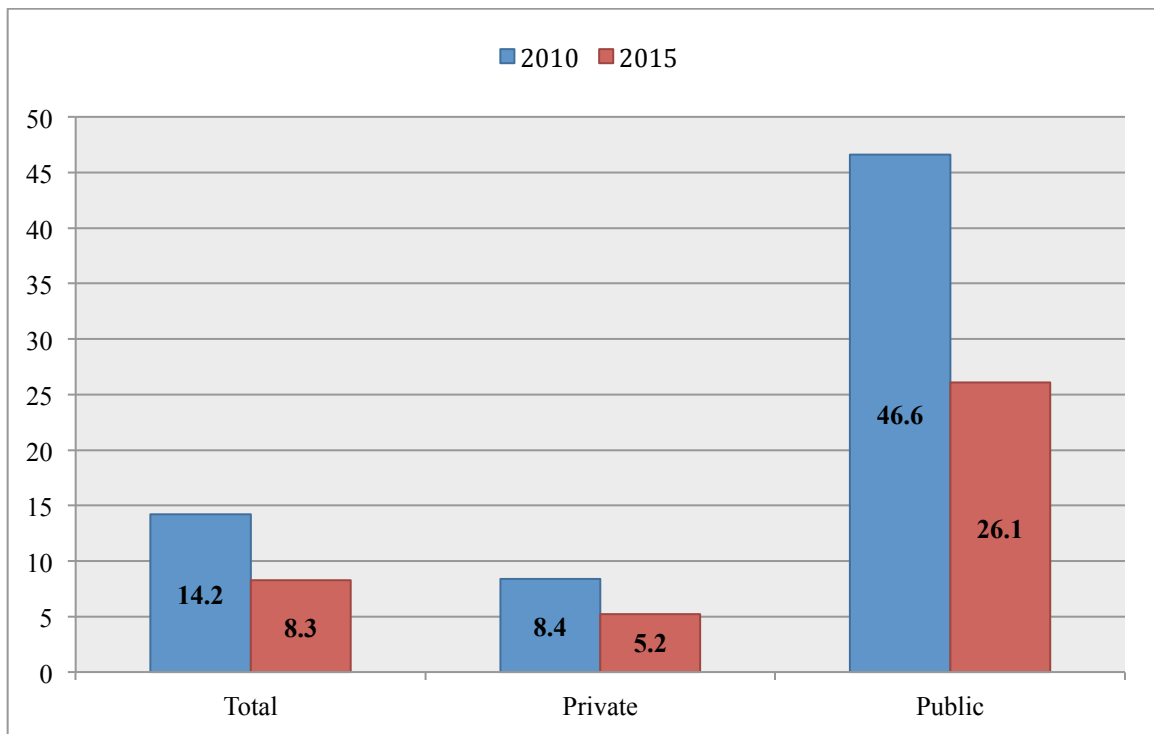


Chart 9:

Percentage of Private Sector Workers Belonging to Unions: 2010-2015
Wisconsin v. the US

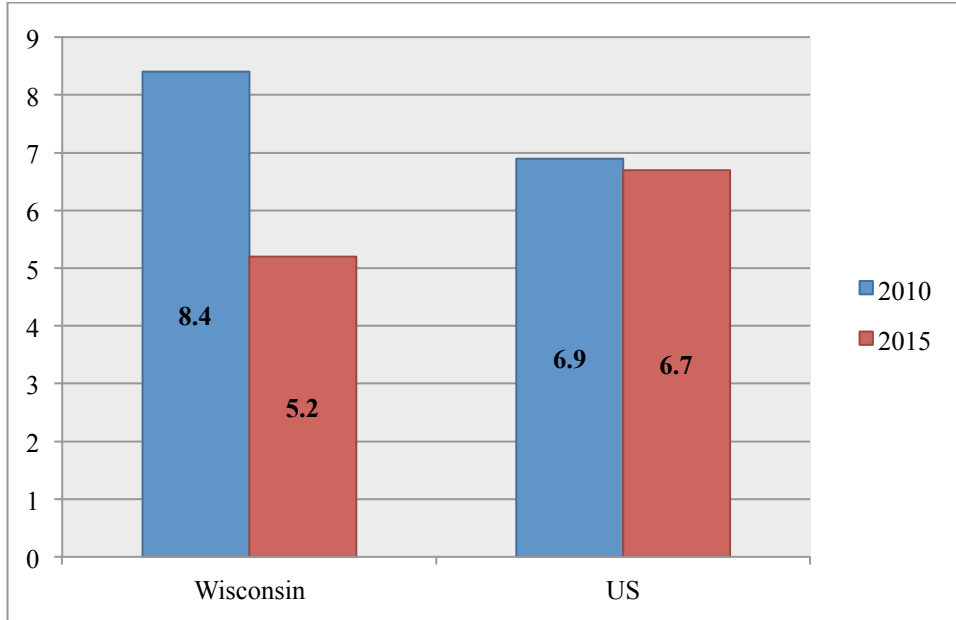
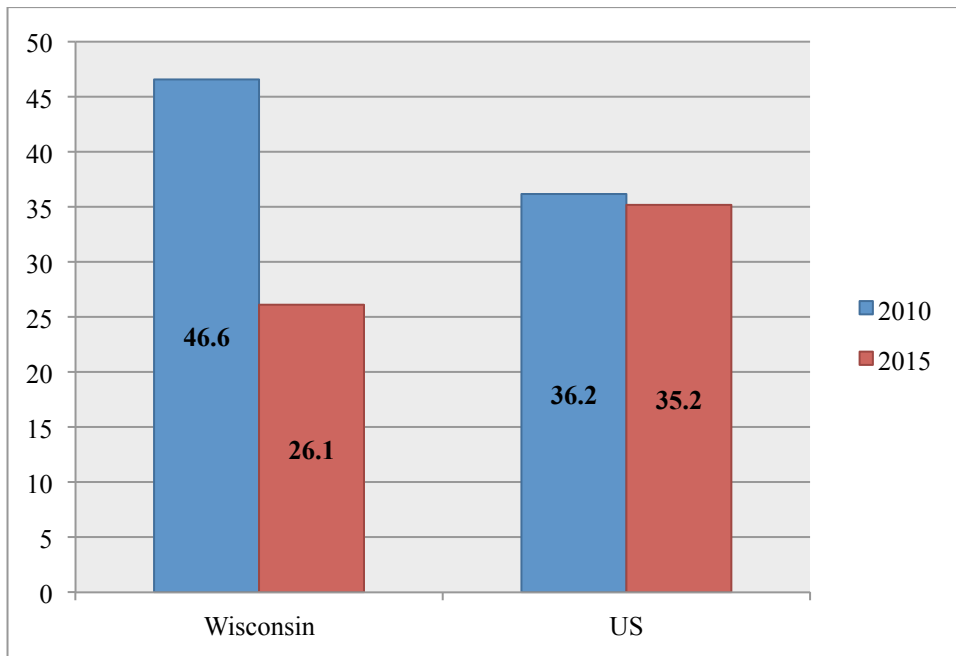


Chart 10:
Percentage of Public Sector Workers Belonging to Unions: 2010-2015
Wisconsin v. the US



Charts 11-12 show, from a different and perhaps more striking angle, how much Wisconsin has diverged from the rest of the country in union membership since 2010.

The number of private sector workers in Wisconsin belonging to unions plummeted 33.1% between 2010-2015; by contrast, there was a slight *increase* (6.4%) in the past five years in the number of private sector workers across the United States who are union members. In the public sector between 2010-2015, Wisconsin saw a massive decline of 41.9% in the number of workers belonging to unions; nationally, the number of unionized public employees declined by a much more modest 4.6%. There is little doubt, especially when matched up against the historical trends as well as recent national data, that the changes in Wisconsin’s labor laws profoundly shrank union membership in the state between 2010-15.

Chart 11:
 Percentage Decline in the Number of Union Members: 2010-2015
 Wisconsin v. the US
 Public and Private Sector Workers

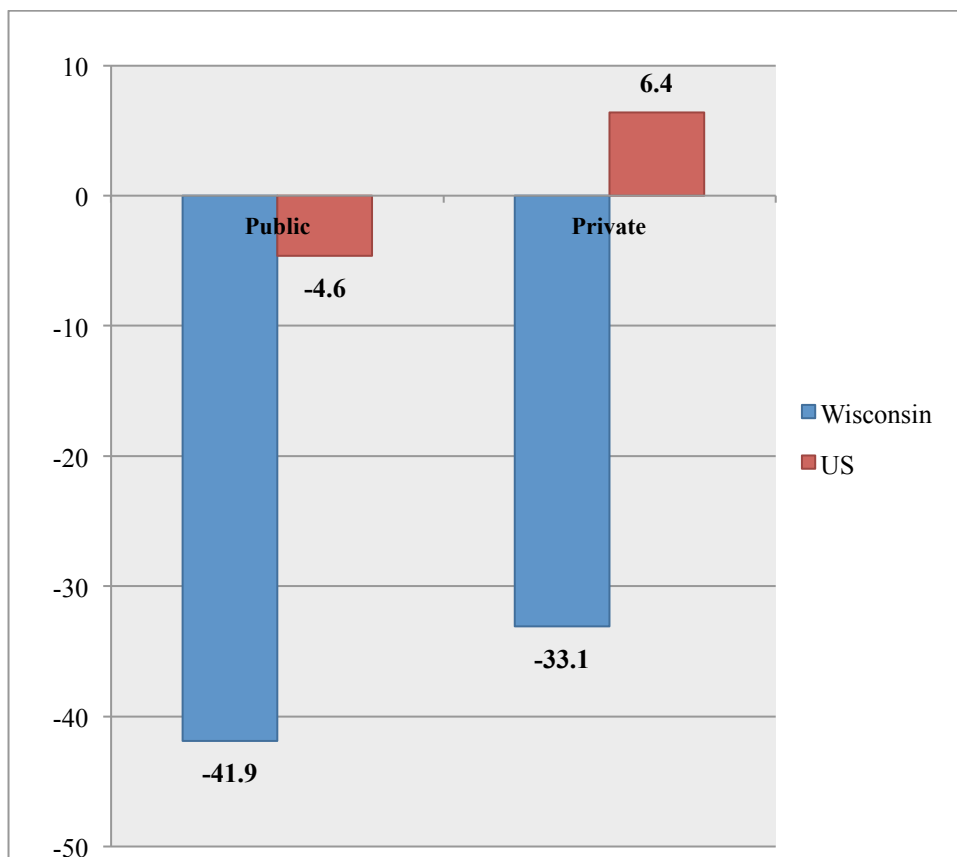
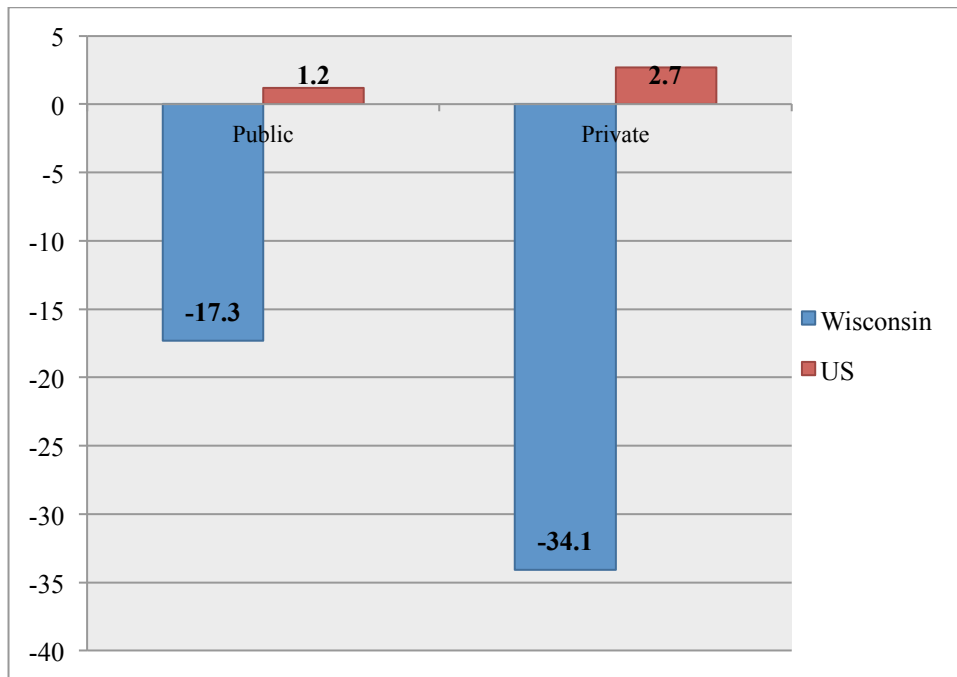


Chart 12 displays changes in the number of union members in Wisconsin and across the US in the past year (2014-2015). Again, the divergence is striking. Nationally, there was a slight increase in the number of union members in both the private and public sectors

between 2014-15. By contrast, in Wisconsin, private sector union membership declined by 34.1% and public sector union membership continued its post-Act 10 vertiginous decline, falling by 17.3% between 2014-15 (and that, of course, on top of the hemorrhaging of public sector union members that had already occurred between 2011-2014). The extraordinary size of the 2014-15 decline in private sector unionization certainly lends plausibility to speculation that perhaps Wisconsin’s new “right to work” law began exerting a negative influence on union membership rates, even in its first partial year on the books. But other factors may have played a role too: layoffs in unionized plants, or corporate relocation to other states or countries of heretofore-unionized jobs in Wisconsin. It will take an in-depth analysis of Wisconsin’s layoffs and plant relocations in 2014-2015 to pinpoint the precise weight of these factors on Wisconsin’s shrinking union membership.

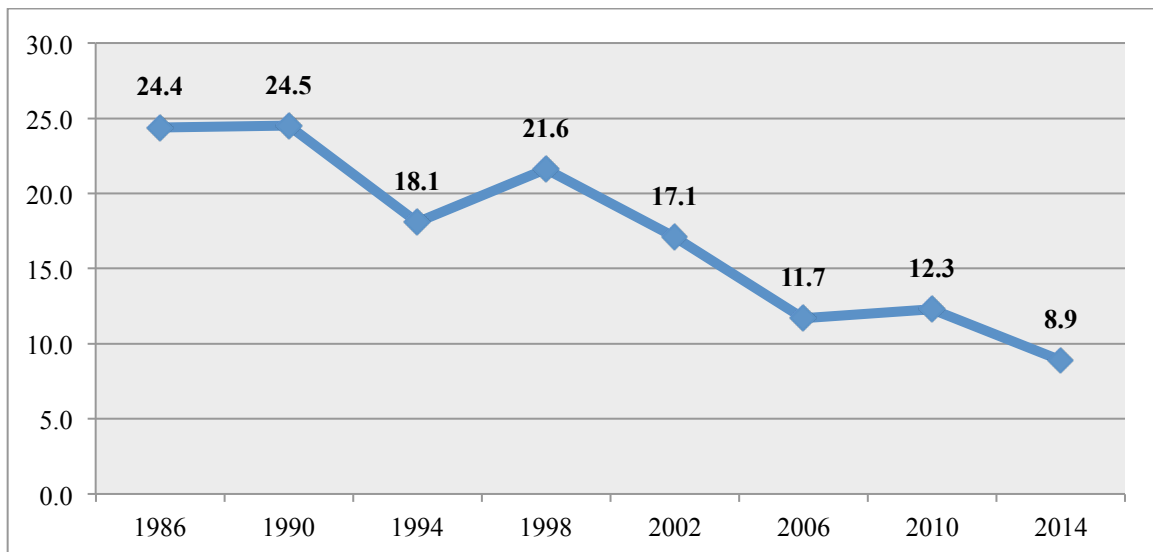
Chart 12:
Percentage Decline in the Number of Union Members: 2014-2015
Wisconsin v. the US
Public and Private Sector Workers



The Deunionization of Milwaukee: 1986-2014

As Wisconsin's largest city and historically its industrial hub, Milwaukee has a long and storied past as a stronghold of organized labor. Yet, as Charts 13-15 show, the same secular trends eroding union membership in Wisconsin have occurred in metropolitan Milwaukee as well over the past 30 years. The percentage of all Milwaukee-area workers who belong to unions declined, in a relatively continuous fashion, from 24.4% to 8.9% between 1986-2014.⁵ Similarly, a secular decline in private sector union membership occurred during these years, reaching 6.1% by 2014. The percentage of public sector employees who were union members, though, was a different story, remaining relatively constant (above 55%) between 1986 and 2010 (peaking in 1998 at 68.1%). The massive decline in public sector unionization occurred after 2010 – unambiguously, a consequence of Act 10. In 2010, the year before Scott Walker and an anti-union majority in the legislature took office, the public sector unionization rate in metro Milwaukee was 59.0%. By 2014, only 30.1% of the region's public employees were union members, half the proportion of four years earlier.

Chart 13:
Percentage of All Workers Who Belong to Unions: 1986-2014
Milwaukee Metropolitan Area



⁵ The most recent data in the Hirsch-Macpherson union membership database for metropolitan areas is for 2014.

Chart 14:
Percentage of Private Sector Workers Who Belong to Unions: 1986-2014
Milwaukee Metropolitan Area

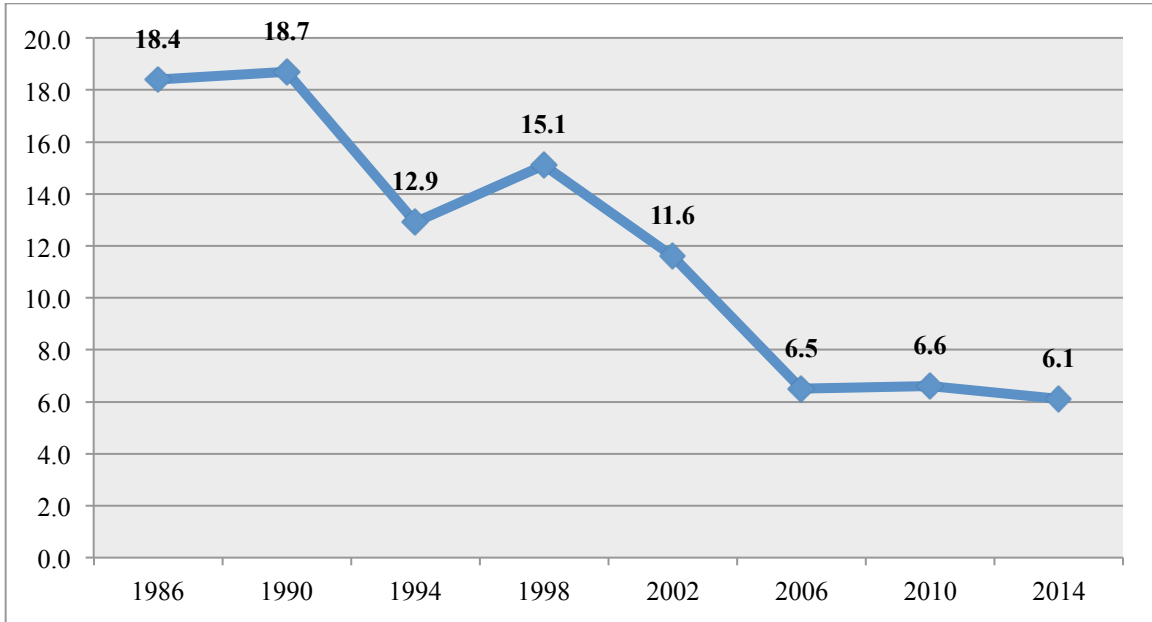
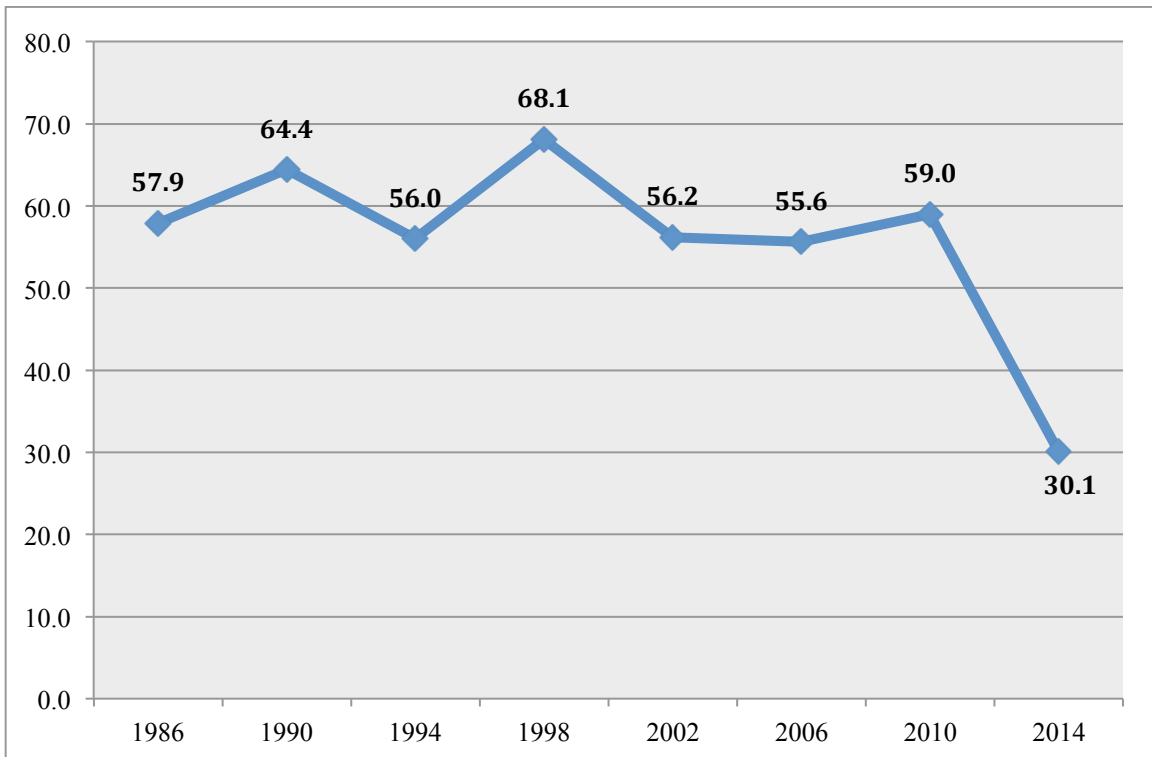


Chart 15:
Percentage of Public Sector Workers Who Belong to Unions: 1986-2014
Milwaukee Metropolitan Area



Conclusion

Unions have been on the defensive in Wisconsin for the past 30 years, and private sector union membership in particular has been shrinking steadily. This is hardly a revelation, or a trend unique to Wisconsin: factors such as globalization, offshoring, corporate anti-unionism, the growth of tenaciously non-union employers (such as Walmart), and a lack of federal government support for unionization have all helped erode the strength of organized labor throughout the United States.

But the militant anti-unionism of Wisconsin's government since 2010 has clearly had a profound impact on union membership in the state. Wisconsin's public sector unions have seen their membership drop by almost 42% in the past five years, compared to just a 5% decline nationally; it is implausible to attribute this divergence to anything but the effects of Act 10. The number of union members in the Wisconsin private sector has declined by over 33% since 2010, while actually increasing slightly across the country. The largest decline since 2010 in the number of unionized private sector workers in Wisconsin occurred between 2014-15, suggesting at least some early impact of the state's RTW law as well as the effects of layoffs and plant closings at heretofore unionized companies. In 1983, Wisconsin posted the 12th highest rate of private sector union membership in the country; by 2015, the state had fallen to 27th. Wisconsin's private sector union density has now shrunk to just 5.2% of the workforce, a level more comparable to Alabama (5.4%) or Mississippi (4.4%) than to New York (15.9%), or Washington (11.0%).

Charts 16-20 show just how profoundly Wisconsin has been transformed from one of America's most unionized states to a distinctly non-union environment. As recently as 2000, Wisconsin's workforce, including both public and private sector workers, was the 10th most unionized among the 50 states. By 2010, Wisconsin's rank had slipped to 17th, most likely a consequence of the disappearance of thousands of unionized manufacturing and construction jobs during the Great Recession. By 2015, after not only the Great Recession, but the impact of Act 10 and the first stages of RTW, Wisconsin's union density ranked just 31st in the United States.

Similarly, Milwaukee's place as a "union city" has faded largely into historical memory. As Chart 21 shows, thirty years ago Milwaukee was the 6th most unionized metropolitan area among the nation's 50 largest metros, with almost one-quarter of the

region's workforce belonging to unions. As recently as 2000, 22% of the region's workers were union members, and Milwaukee ranked 3rd in union density among the 50 largest metropolitan areas. But by 2010, after a decade in which the triple whammy of Chinese import competition,⁶ the Great Recession, and corporate anti-union strategies (including relocations to non-union areas) accelerated the long-term decline of unionized manufacturing in Milwaukee, union density in the region had fallen to only 12%, and Milwaukee's rank among the 50 largest metro areas tumbled to 23rd. And by 2014, in the aftermath of Act 10 and the rising anti-union politics in Wisconsin, Milwaukee had fallen to 28th in union density among the large metros. There is little doubt that soon-to-be released data will show further decline in 2015 – and most likely in the years to follow as organized labor in both Milwaukee and across the state struggles with not only the national and global forces challenging unions, but policies such as Act 10 and RTW that have radically transformed Wisconsin into an anti-union state.

⁶ See David Autor, David Dorn, and Gordon H. Hanson, "The China Syndrome: Local Labor Market Effects of Import Competition in the United States," *American Economic Review*, 2013, 103 (6): 2121-2168. The authors calculate that Milwaukee ranked 8th among the nation's 40 largest metro areas in labor market exposure to Chinese imports.

Chart 16:
 Percentage of All Workers Belonging to Unions, By State: 1964

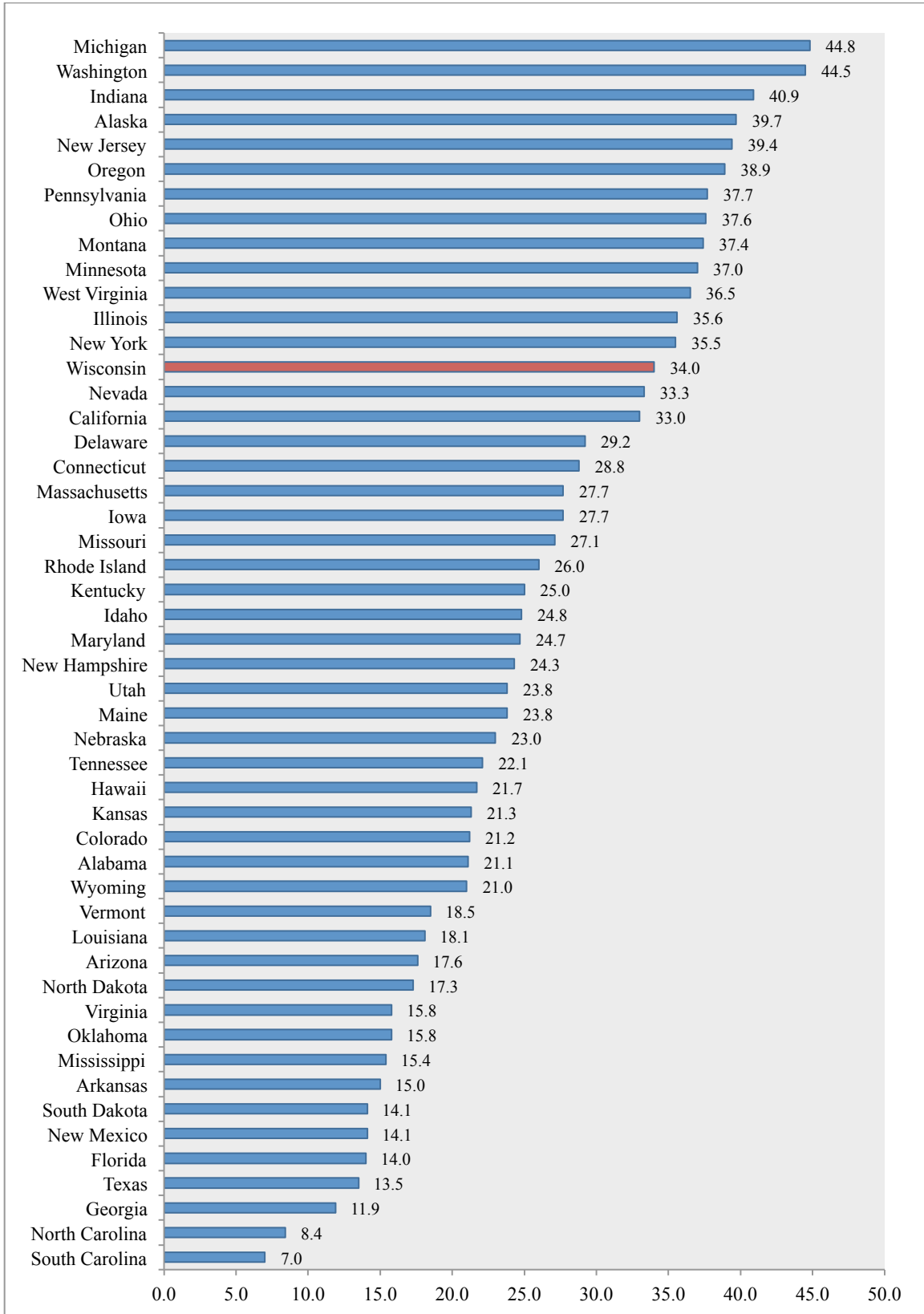


Chart 17:
 Percentage of All Workers Belonging to Unions, By State: 1984

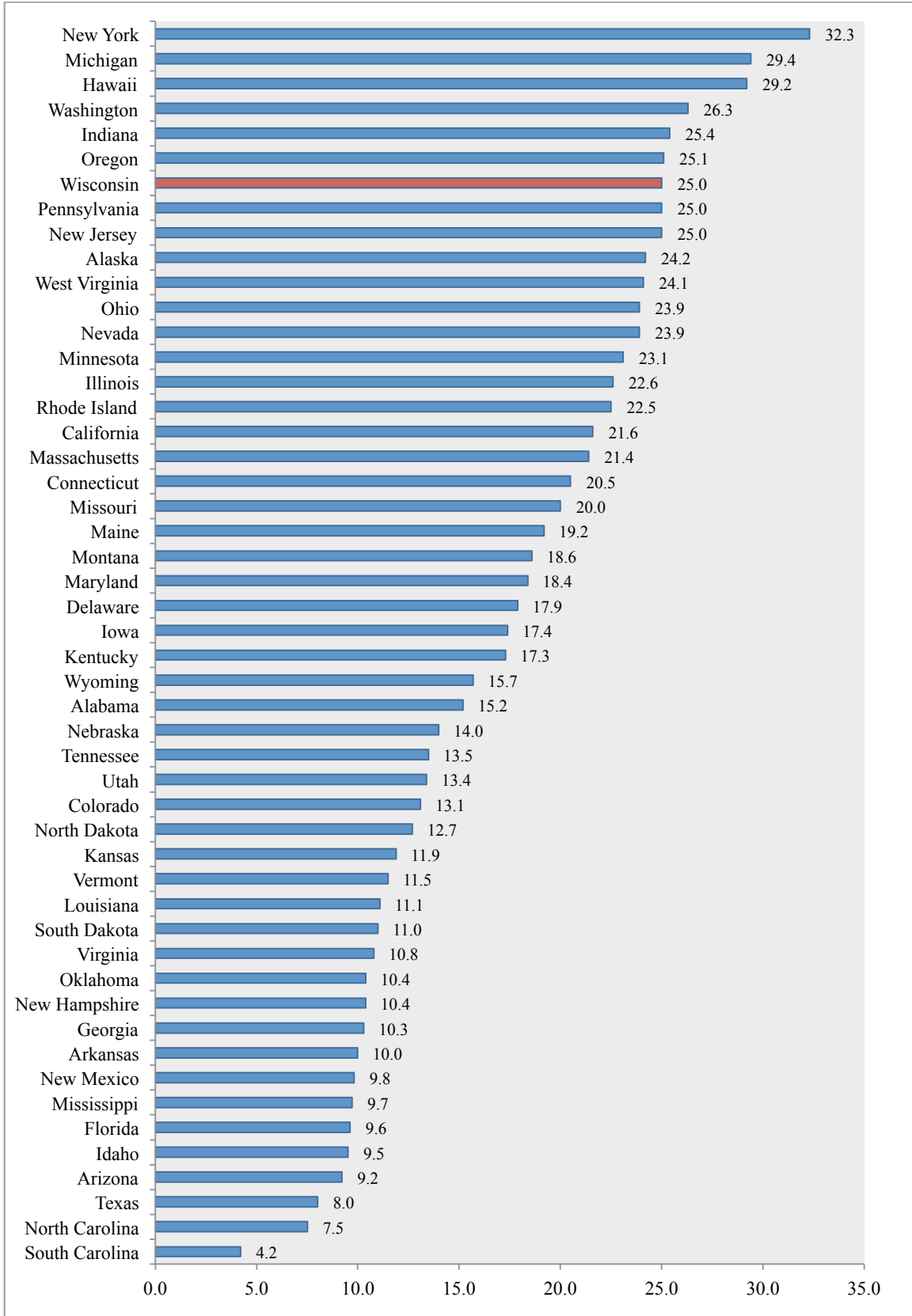


Chart 18:
 Percentage of All Workers Belonging to Unions, By State: 2000

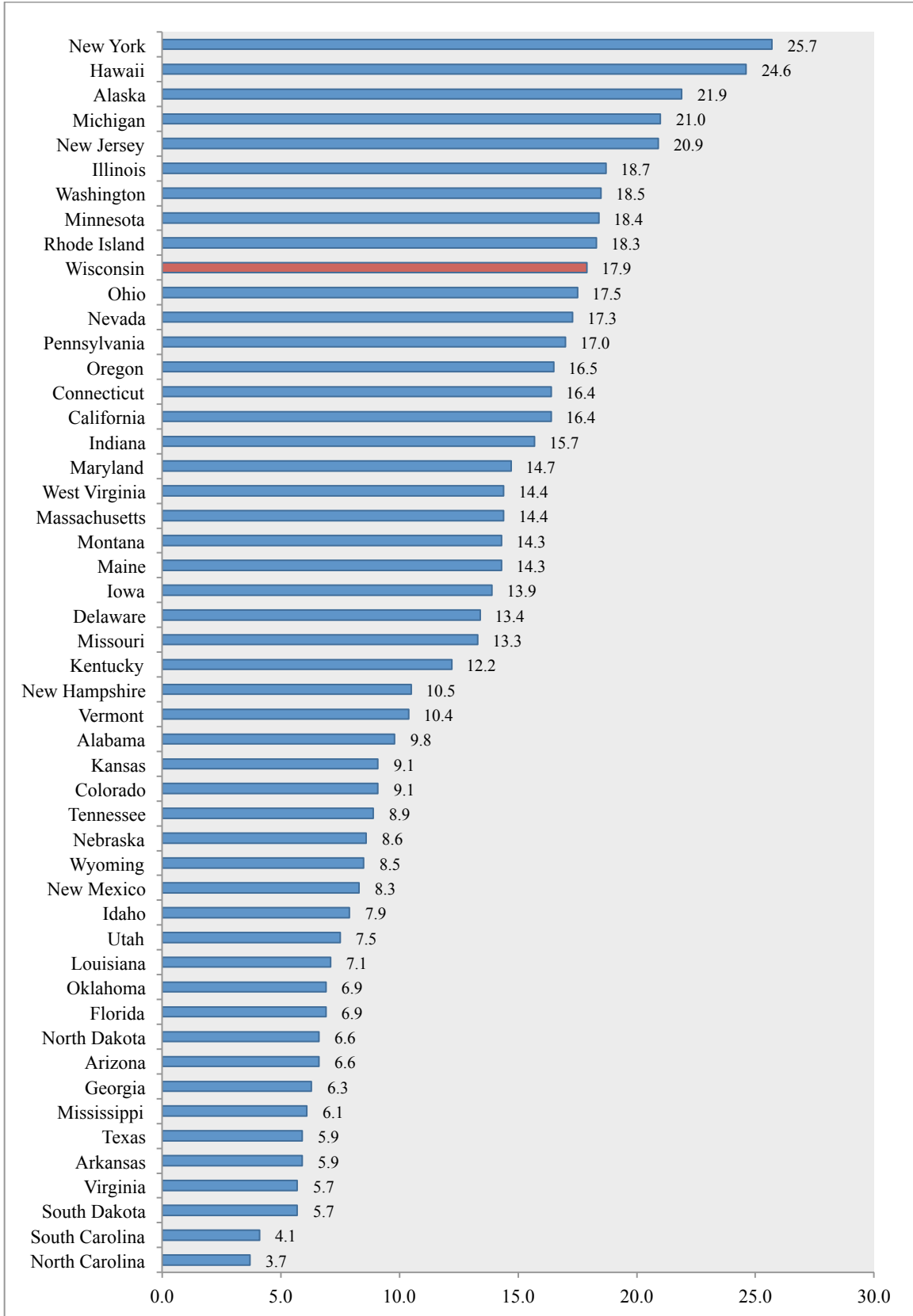


Chart 19:
 Percentage of All Workers Belonging to Unions, By State: 2010

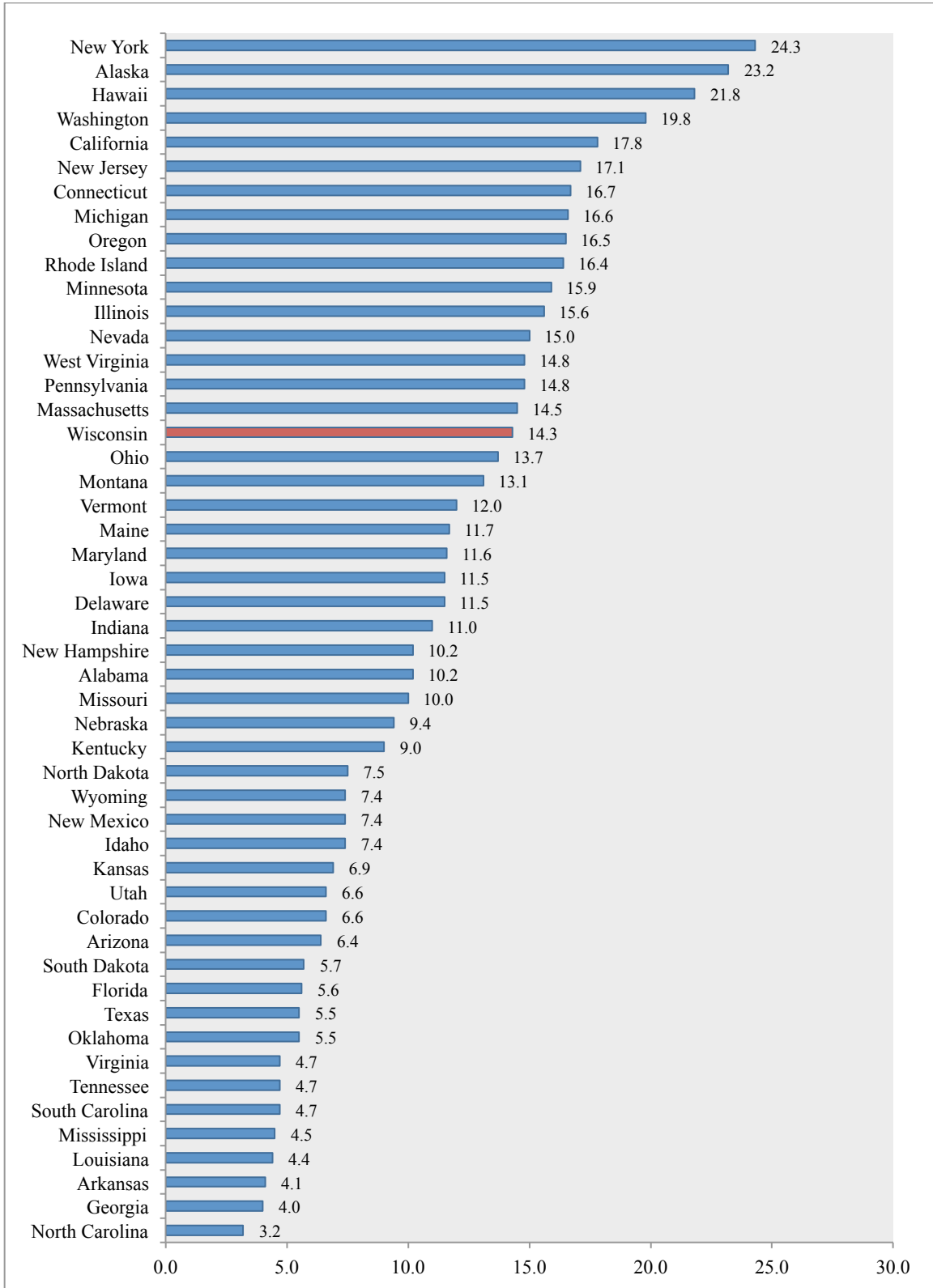


Chart 20:
 Percentage of All Workers Belonging to Unions, By State: 2015

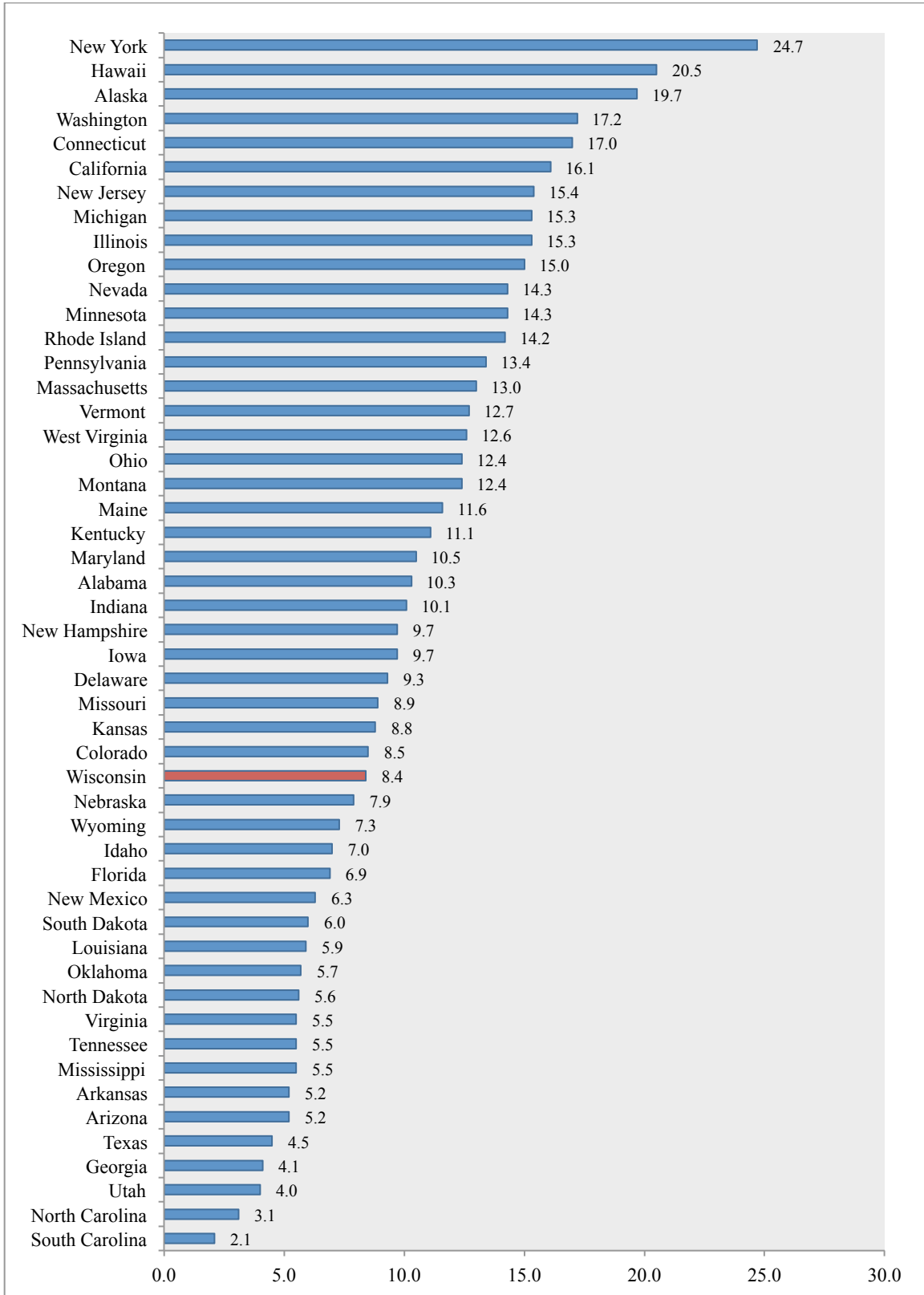


Chart 21:
 Percentage of All Workers Belonging to Unions:
 The Nation's 50 Largest Metropolitan Areas: 1986

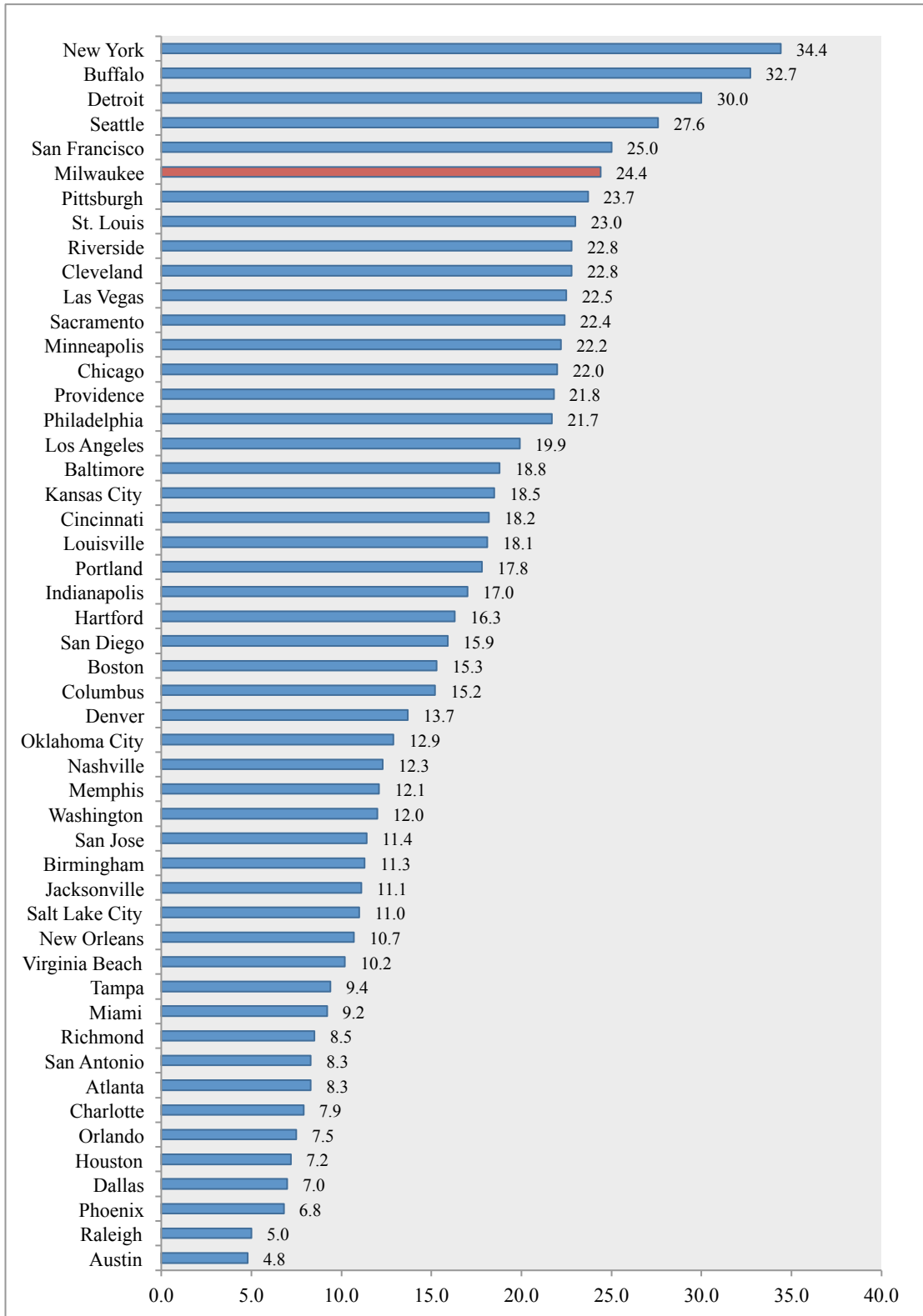


Chart 22:
 Percentage of All Workers Belonging to Unions:
 The Nation's 50 Largest Metropolitan Areas: 2000

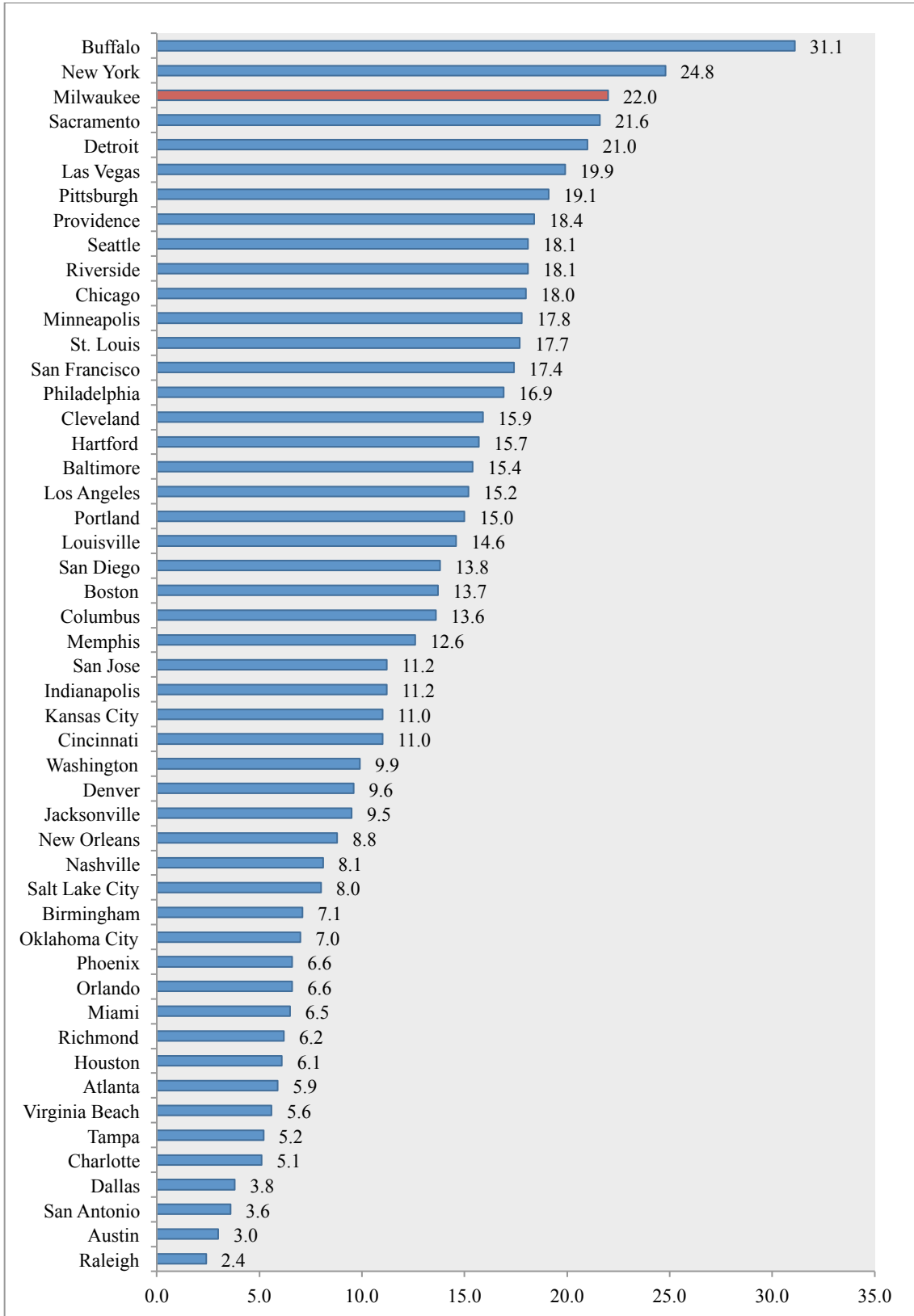


Chart 23:
 Percentage of All Workers Belonging to Unions:
 The Nation's 50 Largest Metropolitan Areas: 2010

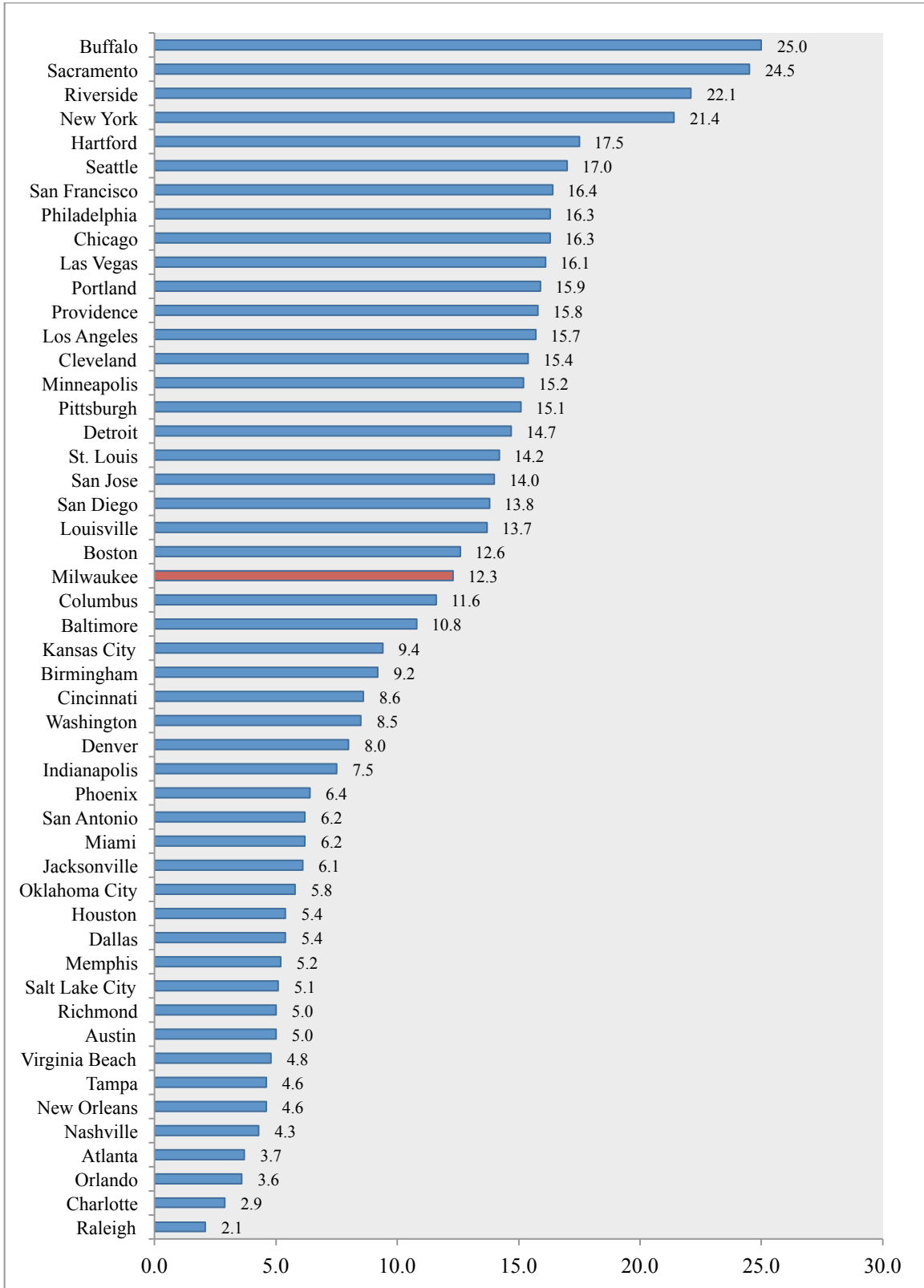


Chart 24:
 Percentage of All Workers Belonging to Unions:
 The Nation's 50 Largest Metropolitan Areas: 2014

