UCLA
IRLE Reports

Title
The State of the Unions in California and its Key Cities in 2015

Permalink
https://escholarship.org/uc/item/0kk64071

Authors
Adler, Patrick
Tilly, Chris
Thomas, Trevor

Publication Date
2015-09-01

eScholarship.org Powered by the California Digital Library
University of California

From ’15 to $15: The State of the Unions in California and its Key Cities in 2015

Patrick Adler
Chris Tilly
Trevor Thomas

September 2015

IRLE
INSTITUTE FOR RESEARCH ON LABOR AND EMPLOYMENT
UNIVERSITY OF CALIFORNIA, LOS ANGELES

Table of Contents

Acknowledgements:
We thank Brittney Lee, Veronica Gnandt , Andrea Arias and Phil Hampton for their support of this report.

Design and DTP By Nikola Vucicevic AD
Designer and Gentleman
www.desigerandgentleman.com

Executive Summary

IRLE's State of the Unions 2015 starts by considering the impacts of the fifteen dollar minimum wage on Los Angeles and San Francisco. Proposals to exempt unions from the minimum wage provision will not make a difference to the majority of union jobs, which tend to pay well above regulated price floors. The minimal employment dislocation associated with the new wage will likely be concentrated in the hospitality and trade (including retail) sectors. Though one might expect a minimum wage increase to reduce the value of unionization to workers, an increase in the wage floor may well instead nudge unionization rates above their historic lows through reducing employers' incentives to oppose unionization.

Other current changes in the state of California unions are limited. Union membership remains most common in the public sector. Given their disproportionate concentration in jobs such as education and health care, women, black workers, and the college-educated are particularly likely to be unionized. California, Los Angeles, and San Francisco have seen unionization levels dip since 2014, but those rates remain within their range of fluctuation over the last twenty years.

Introducing From '15 to $15

IRLE's State of The Union Series explores changes in union membership and composition from year to year. Published annually on Labor Day, in it we present union activity calculations for California, its largest two urban areas and the nation as a whole[(1)]. Our report is in part a reference, devoted to information on:

- *The unionization rate in Greater Los Angeles, Greater San Francisco, California and the United States*
- *How unionization differs by age, ethnicity, educational attainment and immigration status.*
- *How benefits to unionization vary across our areas of interest*
- *How union membership, composition and compensation is changing.*

These estimates will not always lend themselves to headlines or hyperlinks. There tend to not be statistically significant swings in union activity from year to year. We can guarantee that they are current and reliable estimate of union activity in 2015. They draw from the most extensive annual survey of labor activity in the country, the Current Population Survey, and are reported at key geographic scales. They provide key context about unions and the unionized intended for policymakers, researchers, community organizers, and most importantly, concerned citizens.

In SOU's past two editions, it has complemented its basic, census-type analysis of union participation with in-depth analysis of special topic areas. SOU 2013 considered the long-term impacts of the so-called 'Great Recession' on union participation, while last year we investigated how unions function differently in Greater LA and Greater San Francisco. Our focus this year, in the first part of this report, is on how the recent movement toward a fifteen dollar minimum wage promises to affect unionization in California.

---

1 This report is based on analyses of the CEPR Uniform Extracts of the U.S. Current Population Survey (CPS) Outgoing Rotation Group. All analyses in this report cover a fiscal year—the 12-month period from July of the previous year through June of the given year. Using this 12-month system, the authors analyzed data beginning with the 2015 State of the Unions publication. The analysis for 2013 covers the entire 12-month period from July 2014 through June 2015, rather than only the six months from January 2015 through June 2015. Unless stated otherwise, all years in the report refer to the fiscal year. All results are calculated using the CPS sampling weights. The sample includes all employed (but not self-employed) civilian wage and salary workers age 16 and over. All estimates in this report are subject to a margin of error, and the margin is higher for estimates based on smaller sample sizes, including metropolitan-level and industry group estimates. We report estimates as statistically significant based on a 95% confidence interval

Over the past calendar year, lawmakers in the City of Los Angeles, the City of San Francisco, and the unincorporated areas of LA County have all resolved to raise their minimum wage to fifteen dollars an hour. Similar proposals are also under discussion in Culver City, Santa Monica and other key jurisdictions in Southern California and The San Francisco Bay area.

The move toward a minimum wage at or above fifteen dollars acts to increase the wage level across the entire labor force. Given the sustained drop in unionization across most sectors over the past fifty years, these recent legislative efforts show that worker protections have not been completely routed, indeed labor organizing hasn't had a victory like this in a long time.

While the symbolism of recent reforms is clear, what is less obvious is how the California economy will respond to the new laws, and what the fifteen dollar minimum wage will mean for unions in particular. In this report, we open a discussion on these topics. We begin with a straightforward descriptive analysis of exposure to the new laws, examining the share of union and non-union jobs that stand to be affected as well as the industries "vulnerable" jobs tend to be drawn from. Our universe of comparison here extends beyond Greater San Francisco and Los Angeles to Seattle (which is also transitioning to a higher wage), Chicago and New York.

We then segue into a more speculative discussion, on whether the new wage level will be a boon or a bust for union recruitment. Here we present two countervailing narratives. On one hand, a growing wage floor might lower the union premium, making union membership less attractive for workers. On the other, it might make unionization relatively cheaper for employers, improving union density. We expect for the second effect to win out ultimately.

New in 2015: Make Your Own Figures

The 2015 report is more interactive than ever before, thanks to our online State of the Unions Portal. Our site allows users to generate their own snapshots of union density using customizable sliders. Visit ***http://www.irle.ucla.edu/publications/unionmembership*** *today to try these features out, read more about the State of the Unions project, and examine past reports.*

The Minimum Wage and Unionization in California's Cities

The state's union sector has shifted slowly in 2015 but political developments portend substantial changes. Last November a fifteen dollar floor was approved in a San Francisco referendum. In May, the LA City Council approved a bill to increase the city's minimum wage to just over $15. In July, the LA County Board of Supervisors, which equalized the city's wage floor across the county's unincorporated areas. Elsewhere, smaller municipalities (West Hollywood, Santa Monica) are considering similar moves, while The University of California Regents have approved the increase across all University properties. The $15 wage has furthermore become a national proposition. California's initiatives closely follow a Seattle law, and lawmakers in New York and Chicago are also considering the move. While not every jurisdiction in the San Francisco and Los Angeles metro areas will officially adopt a $15 wage, it will directly apply to most workers and become the symbolic floor for these regions as a whole.

The lively public discussion on the $15 minimum wage has tended to focus on how it will affect employment. Researchers and policymakers are divided on whether local economies can absorb the change. Advocates believe that increases in disposable income for minimum wage workers can counteract lower demand for goods and services that are sure to be more expensive. Skeptics believe that jobs losses will be too great, particularly for the young and under-integrated workers who are supposed to benefit the most from higher wages. Each group can claim to be concerned about income inequality. The former group believes that old minimum wage laws exacerbate inequality by lowering the amount that workers take home, the latter that higher wages increase the gap between the fully employed and everyone else. Until the employment effects of the new laws can be observed, a degree of faith will be required to discuss the employment effects of these laws.

Among the wider social welfare discussions, the impact of a higher minimum wage on unionization has been neglected. An exception would be the question before the LA City Council, of whether the city's unions should be exempted from the minimum wage law. Supporters argue that unionized workers have protection from another quarter and should be free to negotiate for their preferred combination of wages, benefits, and jobs security. Opponents consider it unfair on principle.

The union exemption discussion begs several questions. Even if exemptions are not granted, how many current union jobs pay the minimum wage anyway? Also, how many additional jobs stand to be affected by a $15 wage; to the extent that there are deleterious employment effects from wage increases, how many current jobs are exposed? These topics motivate our initial discussion.

Our analysis reports data for the Los Angeles and San Francisco Consolidated Statistical areas (CSAs) and

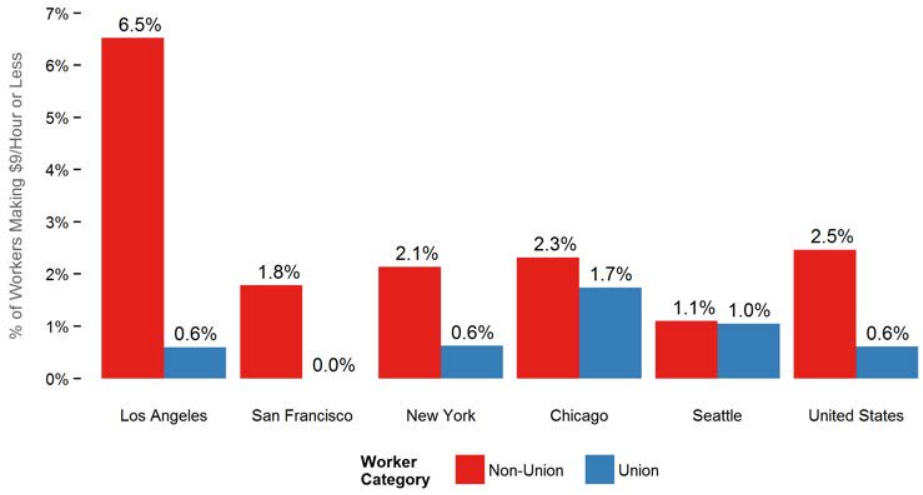
competitors. Because the labor market is generally agreed to extend over city boundaries, and because core city wages affect wages in outlying areas, the regional unit of analysis is appropriate. However, the mismatch between the labor market and local laws should be kept in mind, when anticipating minimum wage effects. Some local cities might hold out from equalizing their minimum to the predominant level, however a preponderance of workers in each place should expect large wage increases.

Unions and the $9 Dollar Minimum Wage

California's minimum wage in 2015 [(2)] was $9 an hour for all non-exempt workers. Although some classes of workers: salespeople, family members, and apprentices are exempted from this provision, it should be considered the State's current wage floor.

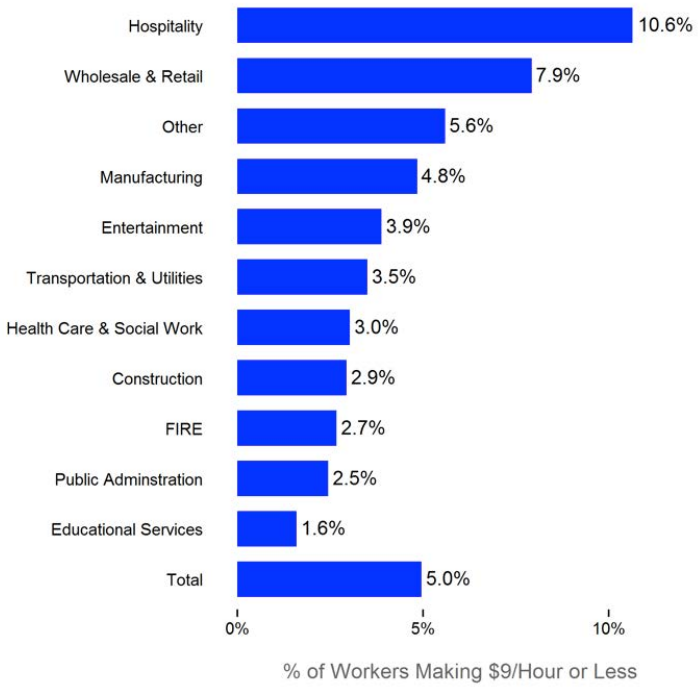
Figure 1 shows the share of union and nonunion workers who earn wages at or below nine dollars an hour, in LA, San Francisco, California and the nation at large. Los Angeles stands out for its share of minimum wage workers. A full 6.5% of nonunion workers earn the lowest wages possible, a much higher rate than in the nation as a whole where the wage floor is a much lower $7.25. San Francisco and Seattle had minimum wages higher than $9, San Francisco due to local ordinances (San Francisco's minimum wage was $12.25 before moving towards $15), and Seattle due to statewide laws. Their low but positive below-$9 workforces, reflect the extent of exemptions. In New York and Chicago, where $9 an hour is higher than the respective state-wide minimums of $8.75 and $8.25, fewer workers were employed at that level or below, than in Los Angeles.

Figure 1: Share of Workers Earning $9/hour or Lower (All Workers, Including Tips)



2 The statewide minimum will increase to $10 in January of 2016.

Figure 2: Percent of Greater LA Workers Earning $9/hour or Less, By Industry



LA's lowest earning workers come from sectors that are usually associated with minimum wages (See Figure 2). Over 10% of the region's hospitality workers and nearly 8% of its retail and trade workers earn nine dollars an hour. Manufacturing and jobs not classified also have rates above the national average for all industries.

LA's high share of 9 dollar workers compared to New York and Chicago, can be connected in to its overrepresentation of hospitality workers. 13.25% of all workers in the LA MSA work in Leisure and Hospitality industries, according to 2014 BLS figures, but only 11% of workers in the other cities do (The exception is San Francisco, with 13.2% in hospitality, almost identical to LA, but the long-term Silicon Valley boom and accompanying gentrification have made San Francisco a higher-wage city overall). LA also employs relatively more workers in Wholesale and Retail Trade and Manufacturing the two other industries, with more under-$9 workers in these sectors as well.

LA's unionized workers, on the other hand, are no more likely to earn low wages than workers elsewhere. Only a half a percent of union members earn the current minimum wage. New York's reading is at the same level, while our estimate for San Francisco is actually zero. In Chicago and Seattle, where $9 is lower than the statewide minimum wage, roughly 1 percent of union workers earn hourly wages at this level, reflecting the share of exempt workers who are also union members.

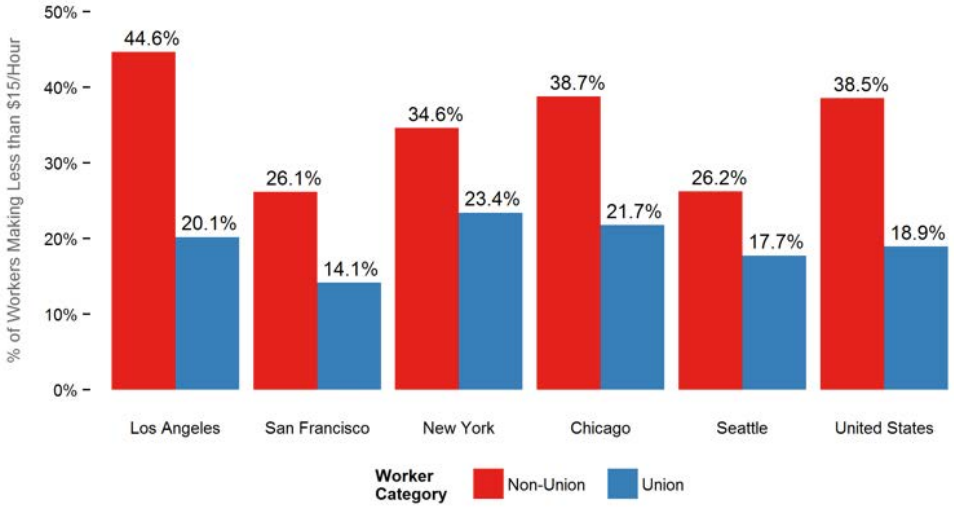
When taken as a whole, Figure 1 shows that a $9 minimum wage has relatively less bearing on jobs in the unionized sector. This means that if LA unions were currently exempted from the minimum wage, an infinitesimally small number of union employers would take advantage. In an effort to look ahead, we turn to the share of earners at the fifteen dollar level.

Unions and the $15 Dollar Minimum Wage

A $15 wage floor is much higher in absolute terms, and also higher than any minimum wage currently in effect. All regions under observation have a significant cohort of jobs in the union and non-union sectors that are below this level, and are or would be most exposed to a fifteen dollar wage. We will now discuss how this vulnerability varies across sector and space.

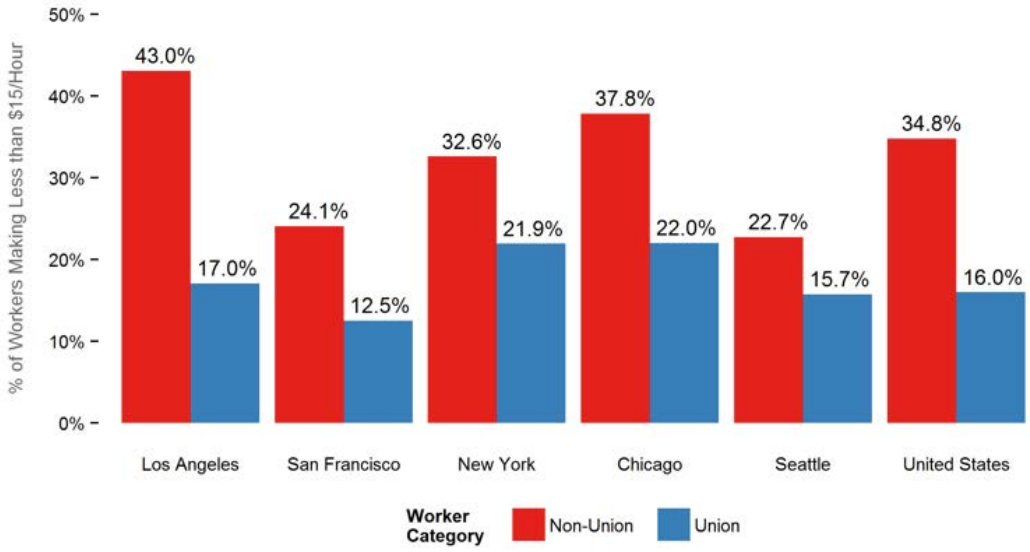
Figure 3 shows exposure in the union and none –unionized sectors in our selected areas. LA's nonunion sector is once again out in front. 45 percent of LA's nonunion workers earn less than $15 dollars in 2015. This is six percent higher than workers in Chicago or the nation as a whole, and 19% higher than workers in Seattle and San Francisco.

Figure 3 Share of Workers Earning $15/hour or Lower (All Workers, Including Tips)



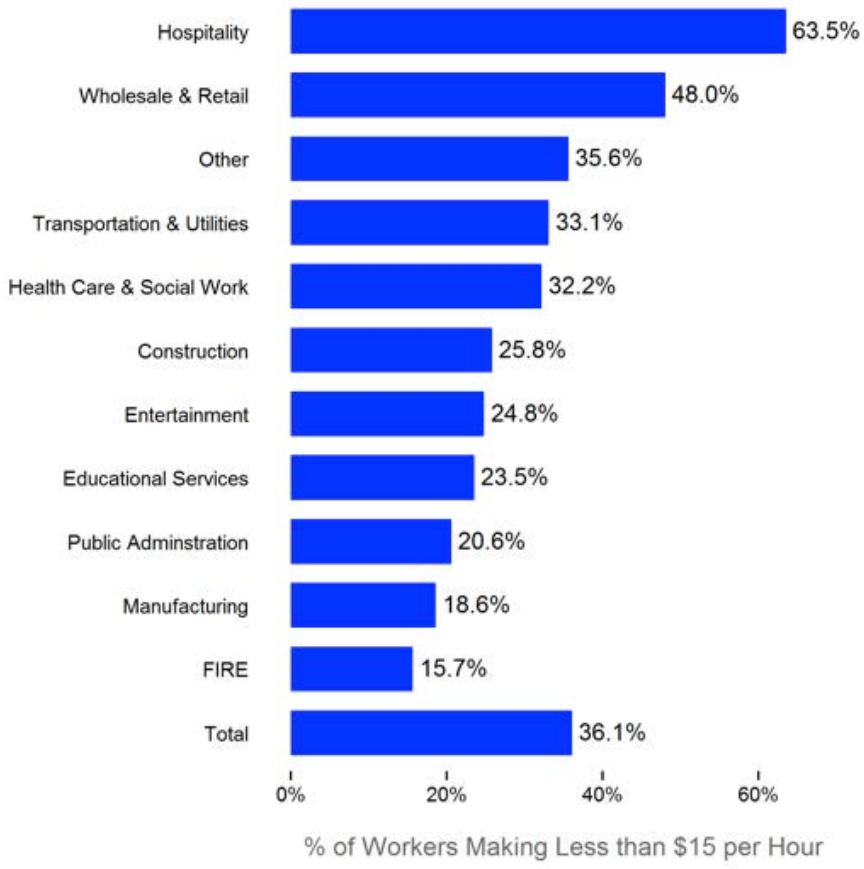
Unionized workers are not substantially more likely to earn less than fifteen dollars in LA. A slightly higher proportion of union workers in New York (23.4%) and Chicago (21.7%) earn less than fifteen dollars, while the level is slightly lower in Chicago (17.7%) and the nation as a whole (18.9%). San Francisco's level is noticeably lower (14.1%).

Figure 4: Share of Workers Earning $15/hour or Lower (Adjusted for Natural Increase) (All Workers, Including Tips



Wages do have a tendency to grow, and in Figure 4, we adjust the previous figure, to account for increase in the wage level due to inflation and economic growth. We perform this adjustment using a very simple benchmark: wage growth in each area from 2009-2014. The adjustment does not change our estimates drastically. The overall level of exposure drops by between less than one and four percent, and the gap in exposure between union and non-union jobs remains.

Figure 5: Percent of Greater LA Workers Earning Less Than $15 an Hour, By Industry



Just as Hospitality and Trade were more likely to employ LA workers at the $9 level, so it goes at the 15 dollar level (Figure 5). 63% of hospitality workers and 48% of retail/wholesale workers in the region come from these sectors, well ahead of any other industry.

In accounting for differences between San Francisco and Los Angeles at the 15 dollar level, the overall wage level across all industries, and not the number of hotel and restaurant workers, seems to be more relevant. Bay Area incomes were $63,000 in 2013, compared to $48,000 in Greater LA.

The Impact of the Fifteen Dollar Minimum Wage

The preceding sets up three predictions about how the fifteen dollar wage will affect unionization in LA and San Francisco.

1) Union wages will continue to exceed the minimum wage

Our first prediction is that union jobs are likely to pay more than fifteen dollars an hour, even if they are technically exempted from the minimum wage increase. Currently it is quite rare for unionized workers to earn the minimum—in both San Francisco and LA less than 1 percent of union members get the minimum wage or less. Why would union salaries increase to exceed the minimum wage, even when they are not legally required to? The question can be answered from the perspective of unions and employers.

Unions are vessels for the betterment of their membership. They collect dues and promises of collective action from membership in exchange for salary and benefits. As the salary floor rises, we should expect for unions to negotiate for higher wages and benefits, in order to maintain their value propositions.

It also makes sense for union employers to maintain wages above the minimum wage, for reasons of worker quality. Higher than going wages may cost firms more money, but they also allow them to get better workers. By paying more than the going rate for a job, firms can use the wage as a filter for workers who either have more skills or are better suited to their job. Economists call this wage premium an "efficiency wage". Firms that currently rely on wage premia (which include most union firms) to meet their needs will need to either raise wages above their current levels (and well above the minimum) or forego efficiency wages altogether. And while some firms may opt for the second strategy, it would be a more dramatic move than to simply raise prices in concert with the rest of the economy.

2) Employment Effects Would Be Concentrated in Hospitality and Trade

There is debate about the impact of minimum wages on employment but several recent California studies suggest that the general impact here will be modest. A report by our sister institute at UC Berkeley investigates the effect of minimum wage on prices in the City of LA *(Reich et al., 2015)*, projecting that payroll costs across all industries will increase by 3.9% by the time that the $15 dollar minimum is in effect. The report further argues that higher

wages will lead to lower turnover costs—which are themselves a drag on firm productivity. Once cost savings from lower turnover are weighed against higher wages, the net impact on operating costs is projected to be less than one percentage point. A similar report for San Francisco (Reich et. al 2014), also sees minimal impact on total costs. These effects, while not representative of all studies , point to price increases that are at or lower than those associated with 'natural' price inflation.

Economy-wide projections do tend to obscure more dramatic impacts for particular industries. Our calculations suggest that a disproportionate number of hospitality and trade workers are exposed to the wage law, both its benefits (higher wages and disposal income) and its costs (lower demand and lower employment). Similarly the Berkeley studies project negative effects to be localized in these and a few other industries. Costs to Food Service, a constituent of Trade, are projected to increase by 9% in San Francisco and 20% in Los Angeles. Even once the projected benefits of reducing turnover are accounted for, total food service costs are expected balloon in LA (+7.8%) and increase by much more in San Francisco (3%) than the economy as a whole.

Because employment effects would be concentrated in certain industries, we would expect the industrial structure of Californian cities to be impacted by the new law. Currently, a higher share of LA and San Francisco's workforce is engaged in hospitality than in Seattle, Chicago, New York or the nation as a whole. If workers here are displaced more than in other sectors, then it probably won't be because demand is transferred to locations with cheaper costs. San Francisco's Embarcadero and LA's Walk of Fame are unique attractions that should continue to be attractive to tourists. However, we might still expect these cities' workforces to become less hospitality-intensive, either as fewer workers are asked to do more as wages increase, or as technology replaces some tourism functions

We should not expect specializations in other industries (e.g. entertainment in LA, information in San Francisco) to be as impacted as hospitality. Labor costs in these industries are a lower share of industry output than in hospital and trade, profits are much higher, and revenues are predicted to grow more. There is and will continue to

3 These reports do not model the effect of greater local consumer demand on employment levels. A recent UCLA IRLE report (Flaming et al. 2015) explores these effects projecting $5.9 Billion of additional income which, would be largely circulated locally. On the other hand, there are more pessimistic projections of overall employment effects such as, for LA, Thornberg et al, 2015.

be more wages to go around in these relatively lucrative industries than elsewhere in economy. Efforts to mitigate employment effects, or to aid those impacted need to be appropriately targeted.

3) Unions should be more attractive under a higher minimum wage

Finally, the minimum wage increase might spur on increased unionization. When we consider the decision to unionize as worker-driven, this effect seems counter-intuitive. An increase in the wage floor for all workers would seem to improve conditions for workers, without an accompanying cost for union dues. Workers who previously might have previous pushed for their firms to unionize so that they could make a fifteen dollar wage, will no longer have to do so.

However, the employer perspective is quite different. Currently, union campaigns are widely opposed by firms because they represent increased costs to doing business, and such opposition is so great that a "union-avoidance industry" has emerged (Logan, 2006) to dampen organizing efforts. As the gap between what an employer would pay union workers and what it is required to pay them by law shrinks, it becomes less-cost effective to oppose unionization on the employer side.

Which effect do we imagine will be more powerful—the individual effect or the firm one? The answer depends on why unionization is at its current, historically low levels (See Part 2 of the report). If it's because workers don't find unions attractive, then the new law might only exacerbate the current union crisis, but surveys of union sentiment suggest that a clear majority of non-unionized workers (~55%) would vote for forming a union if given an opportunity (Freeman and Rogers, 2006). That unionization rates are well below this number, and that there is a large union avoidance industry to begin with, would suggest that firm attitudes to unions are more significant to the overall rate. As unions become cheaper (and thus more attractive) for employers we might expect for the unionization rate to tick upwards.

The State of the Unions in 2015

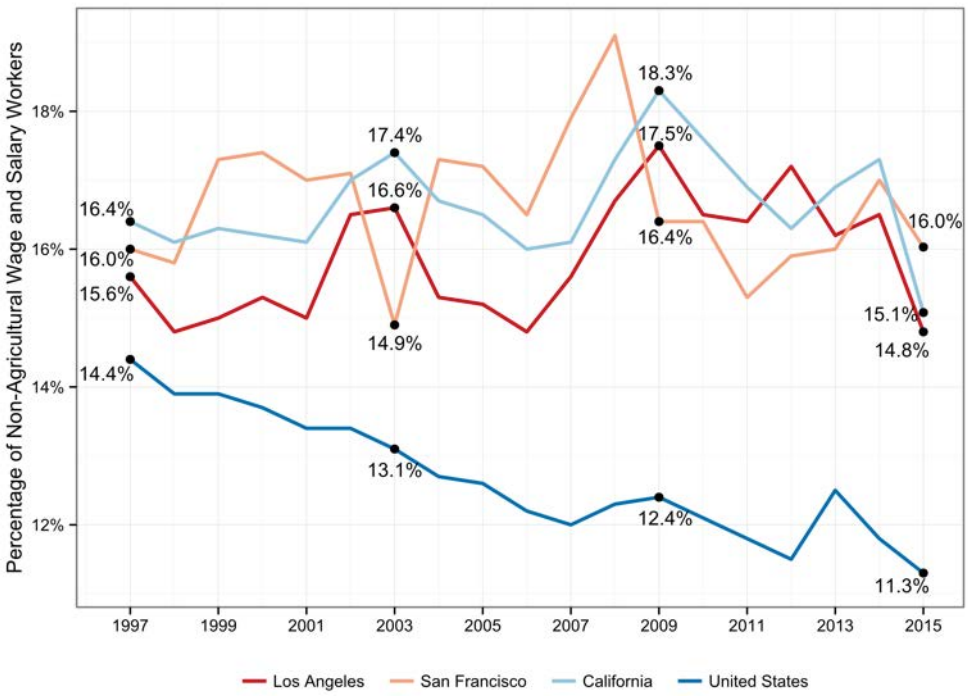
Our report will now turn to basic estimates of unionization. These statistics represent the best and most current estimates of union activity in California and its key economic regions.

Unionization over Time

The union participation rate, also known as union density, is the basic measure of union activity. It captures the percentage of an area's fulltime workforce that holds a union card at a given time. Figure 6 shows how union density has changed over the past eighteen years.

California and its key urban regions have fluctuated around the same union level for the entire period under study, staying between 15% and 16.5% for most of that period. The nation as a whole has seen a more sustained decline in its rate from 14.4% to 11.3%.

Figure 6 Union Density in Los Angeles, San Francisco, California and the United States: Fiscal Years1997-2015

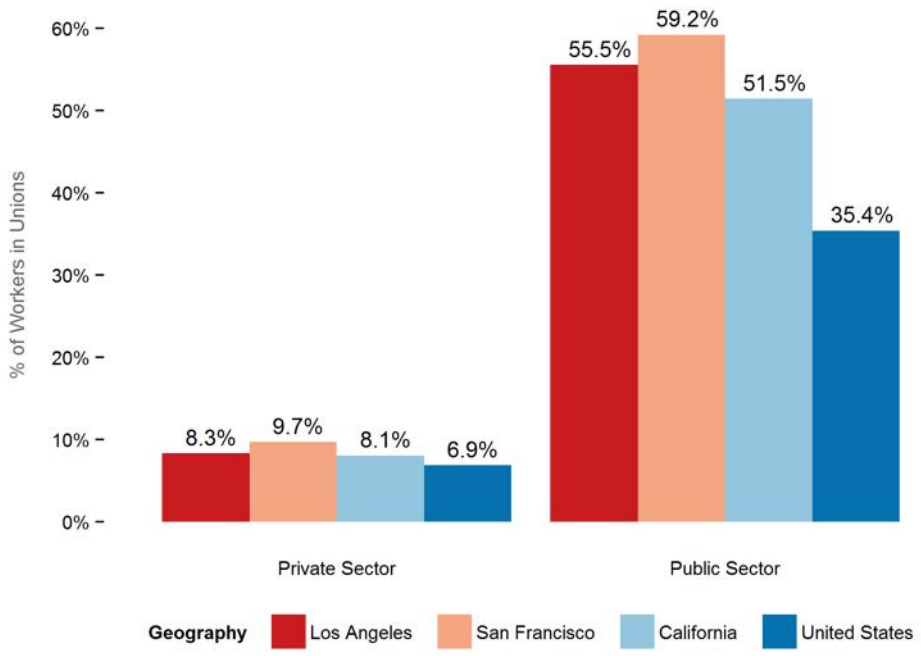


Our data come from a sample of respondents to the Current Population Survey, and not a more comprehensive source like the US Census. As such, year over year changes that appear to be significant can be indistinguishable from statistical noise related to changes in sample composition. Our estimates show that there has been a decline in unionization rates in California its two largest urban regions and the nation as a whole. Of these, only LA's drop from 16.5% to 14.8% is statistically significant. California's year-over year drop (1.9%) is not significant but its estimated unionization level is the lowest in the study period. The same goes for the US as a whole, where density appears to have returned to a new low, after a spike in 2013.

Unionization by Sector

The sources of fluctuations in union density are hard to divine from Figure 6. We can start to understand the dynamics behind union density by disaggregating the overall unionization rate by sector. We start this analysis by comparing public and private union density.

Figure 7 Union Density by sector in Los Angeles, San Francisco, California and the United States

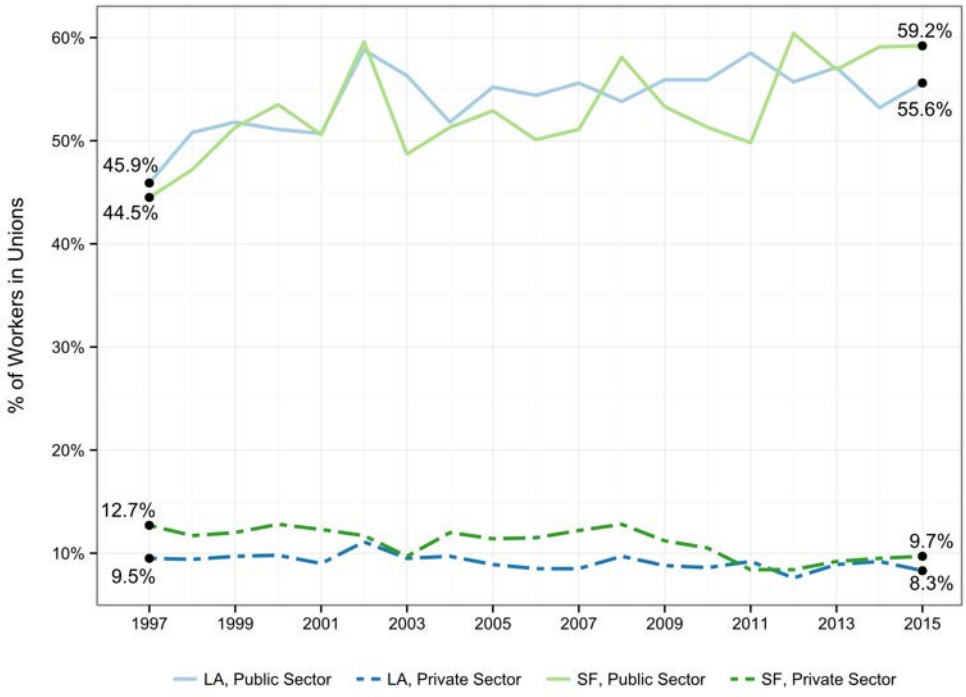


Densities would be considerably lower in California and the nation were it not for public sector unions. In California and its two largest urban regions, more than half of all public sectors are unionized (See Figure 7.) A smaller 1/3 of American public workers are in unions. The private rate in each jurisdiction does not exceed 10%.

LA's drop in overall unionization appears to have been driven by changes in the private sector. While its public sector rate actually increased by 2.2 points, an amount that is not statistically different from zero, its private sector rate dropped by a significant 1.2 percentage points [4]. Just as there have been no significant changes in the overall unionization rate in the other areas, private and public sector rates have also held steady.

Figure 8 shows changes in density by sector since 1997 in Greater LA and Greater San Francisco. While private sector density appears to have dipped slightly, unions have made significant public sector gains. At the beginning of our study period, the majority of public sector workers were not unionized, now they are more likely to be in unions.

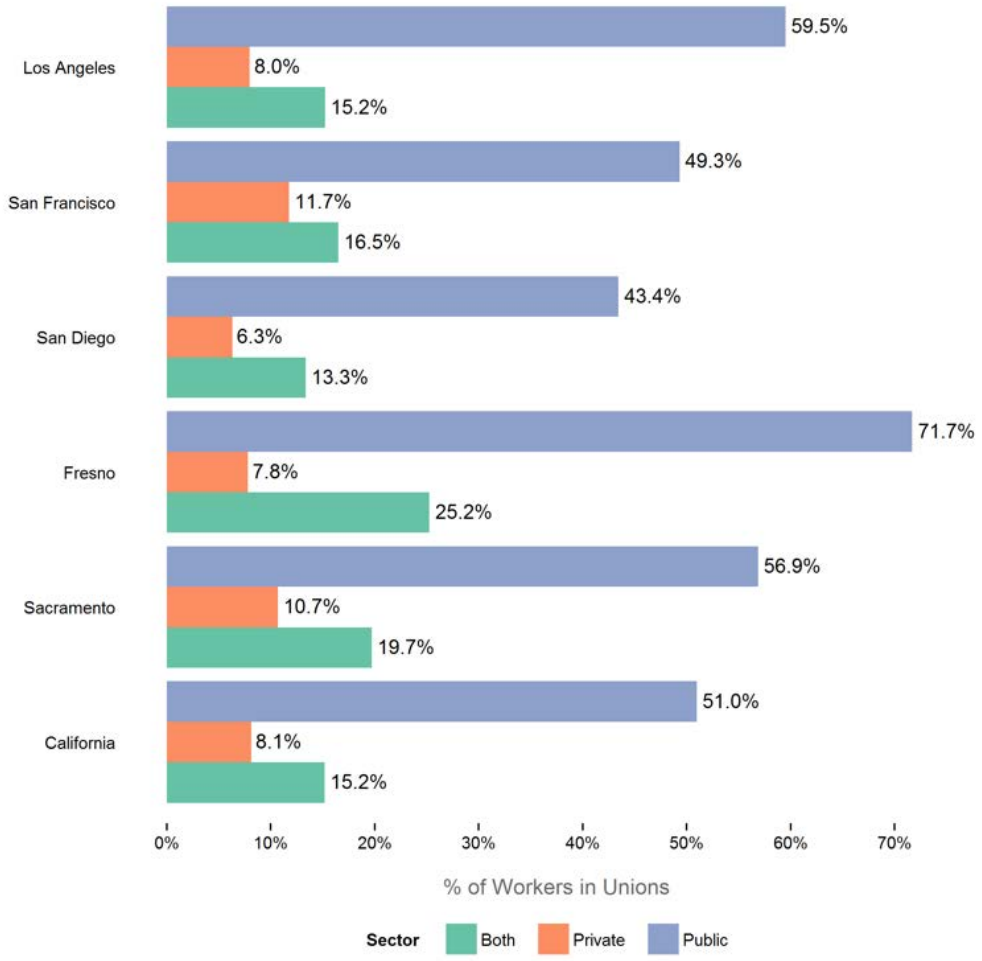
Figure 8: Percentage Unionized by Sector in LA and San Francisco: 1997-2015



4 The larger change is less statistically significant because it is based on a smaller sample size, which reduces the reliability of the estimate.

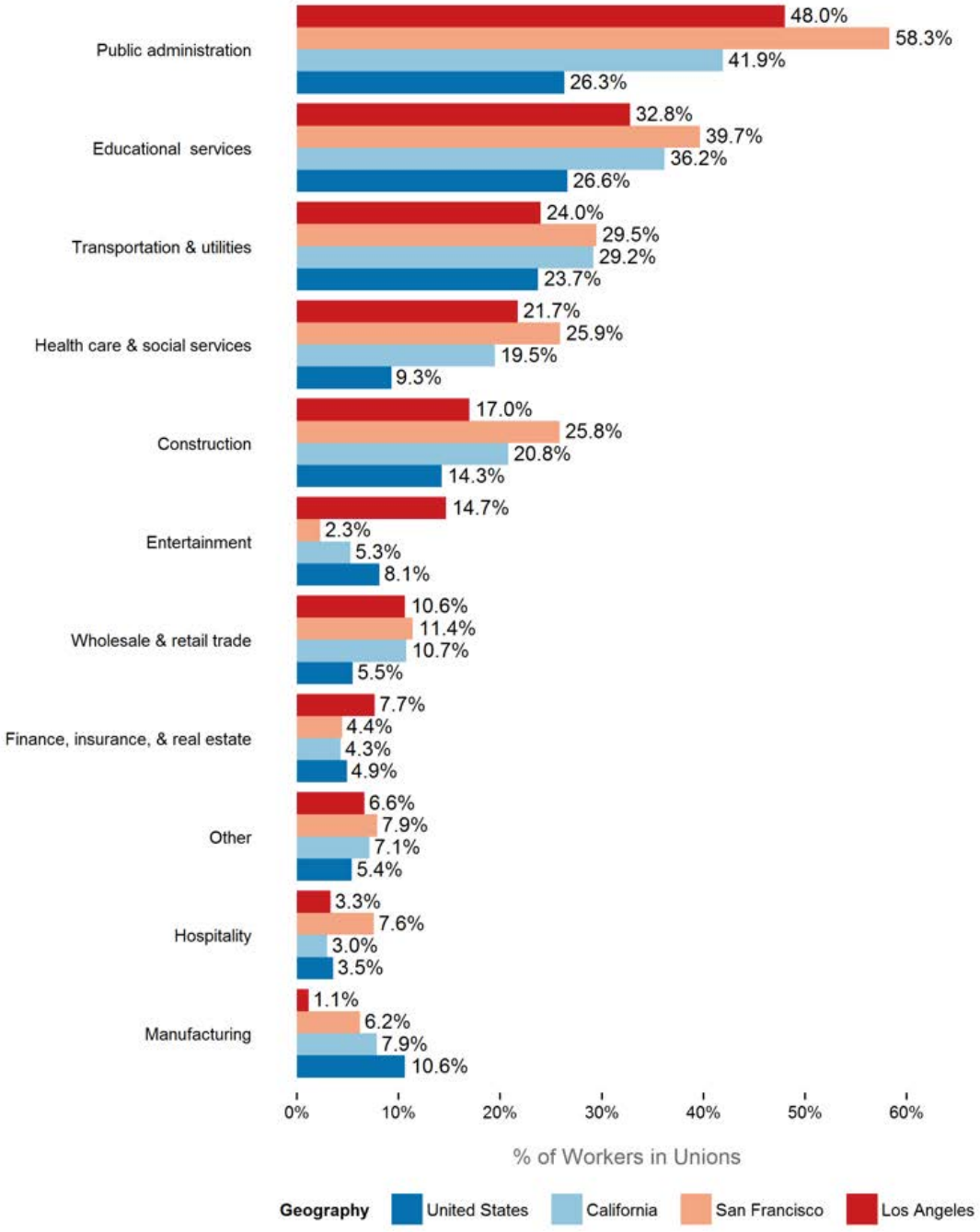
The public sector orientation of modern unions is confirmed in Figure 9. Here we compare public and private orientation in smaller metro areas (Sacramento, San Diego, Fresno) and the LA and San Francisco metro areas [5]. Fresno has even higher public sector unionization than LA and San Francisco (72%). The public sector is relatively large in Sacramento compared to LA, but the two places have similar public sector rates. San Diego's public sector (43%) and overall (13%) union densities are lower than in the other metros, and in the state as a whole. There were no significant changes in MSA-level unionization between 2014 and 2015.

Figure 9: Union Density in California Metropolitan Areas versus Statewide Average



5 In this analysis we compare densities at the Metropolitan Statistical Area, a smaller unit than in the rest of the report. The San Francisco Metropolitan area (officially called the Metropolitan Statistical Area) includes Oakland but not San Jose, Vallejo, Santa Rosa, Stockton or Napa. The LA Metro area includes Long Beach and Orange County but not Riverside or Oxnard. As such MSA and CSA estimates will differ.

Figure 8: Percentage Unionized by Sector in LA and San Francisco: 1997-2015



To explore variance within the private and public sector, we compare unionization by industry group (See Figure 10). The industries dominated by public sector work: Public Administration, Educational Services, and Health-care and Social Services, and Transportation and Utilities all see above-average densities in each area.

Construction is a largely private sector industry, with higher than average densities in California, its key cities and the nation as a whole. In the nation as a whole, manufacturing is more unionized than average, but in California and its regions it is less so. LA's entertainment industry, a key portion of its labor force, is much more unionized than entertainment in San Francisco, the state or the nation. The white-collar industries of Finance, Insurance and Real Estate and "Other" (a segment that includes technology industries) are relatively less so.

Since last year there have been significant drops in some industries within some areas. In Los Angeles, Transportation and Utilities unionization appears to have dropped by 9.5%. In San Francisco, density dropped in three white collar industries: Entertainment (-9.23 points), Public Administration (-5.27 points) and Educational Services (-4.7 points). The same rough story applies to the state as a whole where Entertainment dropped 4.4 points, Public Administration dropped 13.5 points and Educational Services 7.1 points. Such drops do not necessarily point to lower numbers of unionized workers in these industries. It seems more plausible that the non-union portions of these industries have grown. What's more, a portion of these changes could be attributed to random changes in the sample that do not reflect true changes in the workforce as a whole.

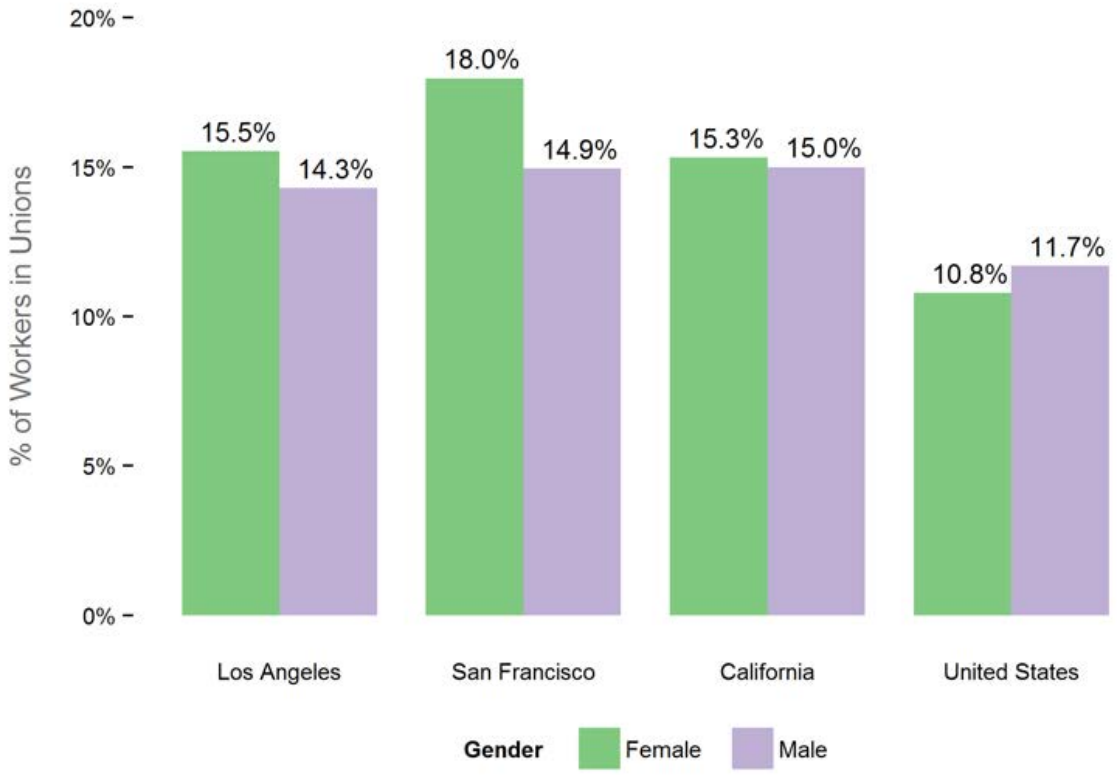
Two sectors saw significant growth. Construction in San Francisco grew by 7 points since last year, while Wholesale/Retail trade in the state as a whole also grew. Further research will have to determine the source of these gains. On one hand, declines in either sector might have adversely affect non-union workers; on the other the numbers might point to successful union organizing.

Unionization by Demographic Group

Unionization can vary significantly across demographic groups: gender, race, education and immigrant status. Below we consider different levels of union density for different types of workers in our areas of interest.

Figure 11 shows that union membership is actually relatively evenly dispersed across the two dominant genders. Differences between men and women are not significantly different from zero in California, LA or the Nation as a whole. Women in San Francisco are actually slightly more likely to be in unions than men (18% versus 15%). This may have to do with the fact that more of San Francisco's workforce is engaged in Healthcare and Social Services (Adler and Tilly, 2014) than in the other places, but should probably not be overemphasized. There have not been significant changes in male or female unionization since 2014 in any of the study areas.

Figure 11: Unionization Rates by Gender, 2015

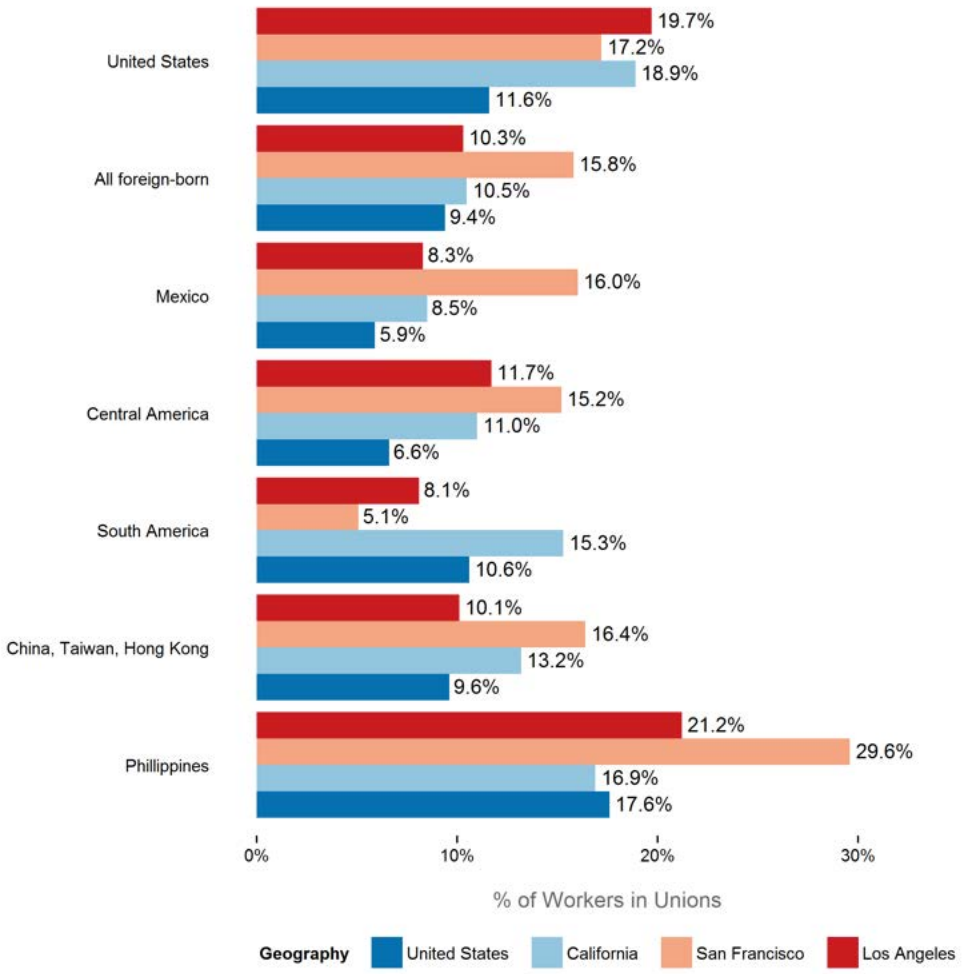


Ethnicity and geography interact to produce more variation (See Figure 12). African Americans appear to have higher unionization rates across each area, but this is particularly true in LA and San Francisco, where almost a quarter of African Americans are part of unions. White unionization rates are very close to average in each jurisdiction, while rates for Asians are slightly below average and rates for Latinos are lower still.

Figure 12: Unionization Rates by Race/Ethnicity, 2015

Since last year, there has been one significant change in unionization by ethnicity: African American unionization seems to have dropped by almost 10% in California. More investigation is need to identify a cause for this, but it would seem to be driven by areas outside of San Francisco and Los Angeles, where there was not a significant change in African American participation.

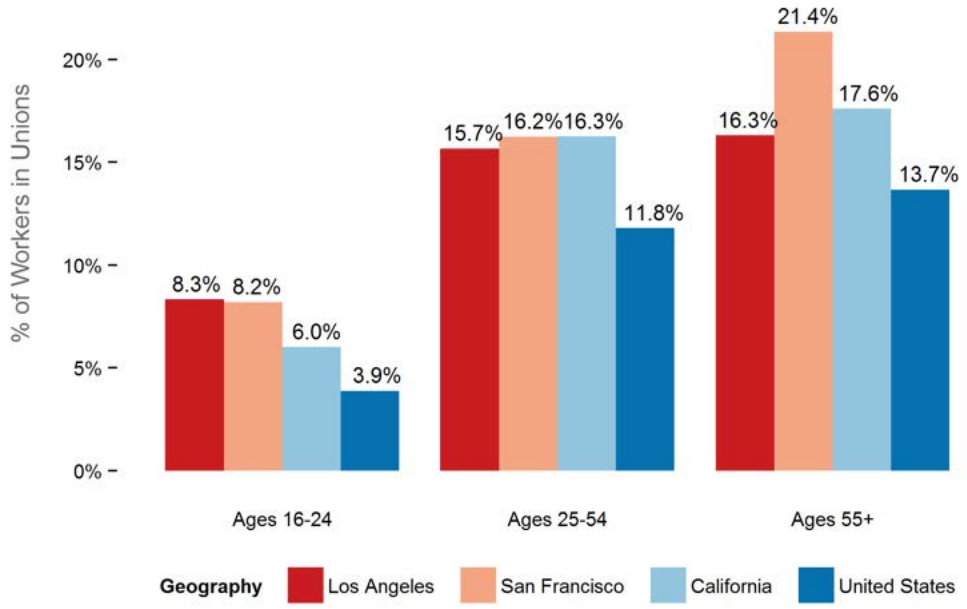
Figure 13: Unionization Rate by Place of Birth



Why would immigrants from different places have different unionization rates? Figure 14 points to one explanation. It shows that citizens are more likely than non citizens to be in unions, and that longer tenured immigrants are also more likely to be in unions. Because immigration tends to occur in waves, we should expect for some correlation between where a group is from and how long members of that group are likely to have been in the country.

Unions tend to rely on tenure. Benefits to union participation tend to increase with tenure so that the longer an immigrant is at a firm (and thus in the country) the more income and benefits they are likely to enjoy. The correlation between union membership and immigrant tenure is complemented by the relationship between age and union status (See Figure 15). Young workers, who have less tenure in the labor market are significantly less unionized than average in each geographic area. The numbers are closer to average in the 25-54 age range- the core of one's working life, and higher for workers who are 55 and over. Young workers are also transient: migrating more from place to place, job to job, and firm to firm, an attribute that would also predict fewer opportunities to unionize, and less of an interest in doing so.

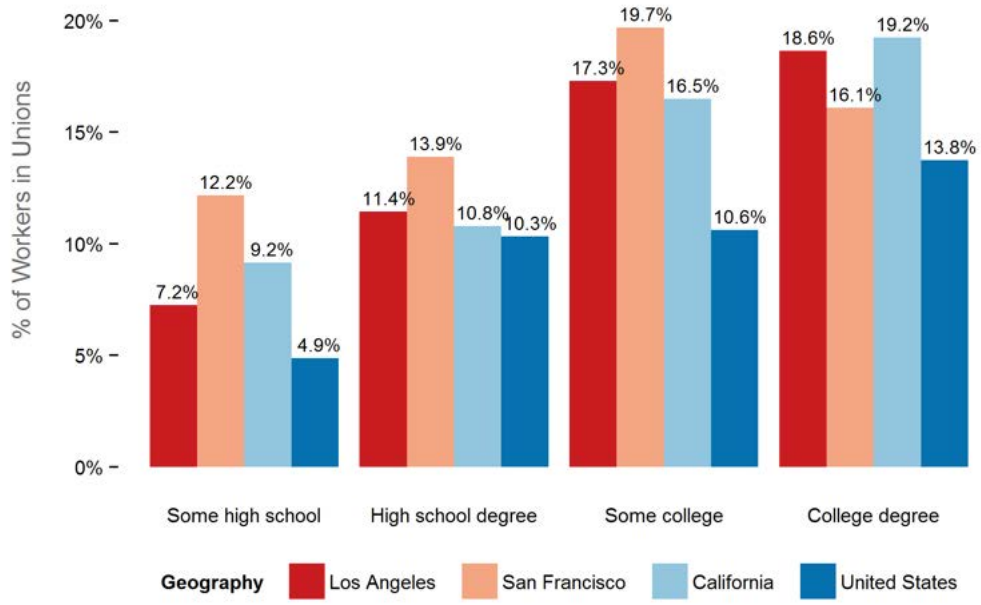
Figure 15: Unionization Rates by Age, 2015



Across all age groups, and geographies there were no significant differences between 2014 and 2015. Figure 16 confirms that a very different kind of trait, educational attainment, is itself a strong predictor of whether someone will be unionized. There appears to be a continuous relationship between degree status and union membership. Those without a high school degree are less likely to be in unions than those with only a high school degree, and those with some post-secondary experience but no college degree are even more likely to unionize, while those with college degrees are the most likely.

The least educated workers in San Francisco are more unionized than in the other three places, while workers with college degrees are less so. This is largely related to The Bay's industrial structure. The region's tech jobs demand many of the degreed workers in San Francisco, and these are in less unionized sectors. LA's entertainment sector is comparatively more unionized (See Figure 10), and has traditionally been a base for organized labor in the area. The only significant year-over-year change was at the high school level in San Francisco, where the rate dropped by 6.4 points.

Figure 16: Unionization Rates by Education in California and the United States 2015



In summary, patterns of unionization in California and its largest cities in 2015 for the most part continue to follow long-standing trends. Public sector workers, women, and black workers are more likely to be in unions. Immigrants have lower rates of unionization, but those rates increase with time in the country and acquisition of citizenship. Older and more educated workers are more often union members. California and its major cities have higher rates of unionization than the nation as a whole, and that gap has widened because Golden State union density has changed little over the last 20 years, while the US rate has fallen steadily.

Though these features of who and how many are in California unions have changed little in 2015, the dramatic adoption of $15 minimum wages by San Francisco and Los Angeles, along with the likelihood that neighboring communities will follow suit, mark an important new development. The new minimum wage ordinances are important victories for unions (along with broader economic justice coalitions) in these cities. Though it is too early to tell how they will affect unionization rates, there are good reasons to expect they will facilitate unionization. Both the politics and the economics of these new minimum wage laws open a new chapter in the state of the unions in California.

Bibliography

Bureau of Labor Statistics. *(2015). Quarterly Census of Employment and Wages- Location Quotient Calculator. Retrieved fromhttp://data.bls.gov/location_quotient/ControllerServlet*

Freeman, R., & Rogers, J. (n.d.). *What workers want (2nd ed.). Cornell University Press.*

Logan, J. *(2006). The Union Avoidance Industry in the United States. British Journal of Industrial Relations, 44(4), 651–675.*

Reich, M., Jacobs, K., Bernhardt, A., & Perry, I. *(2014). San Francisco's Proposed City Minimum Wage Law: A Prospective Impact Study. Institute for Research on Labor and Employment University of California, Berkeley. Retrieved fromhttp://irle.berkeley.edu/cwed/briefs/2014-04.pdf*

Reich, M., Jacobs, K., Bernhardt, A., & Perry, I. *(2015). The Proposed Minimum Wage Law for Los Angeles: Economic Impacts and Policy Options. Institute for Research on Labor and Employment University of California, Berkeley. Retrieved fromhttp://irle.berkeley.edu/cwed/briefs/2015-01.pdf*

Thornberg, C., Levine, J., Schrader, J., Vanderplas, B., & Saia, M. *(2015). Cost-Benefit Analysis: Los Angeles Minimum Wage Proposal . Retrieved from http://www.lachamber.com/clientuploads/pdf/Beacon%20Minimum%20Wage%20Report%202015.03.18_Final.pdf*