



North Carolina State AFL-CIO

Unionization Substantially Increases the Wages of Low-Wage Workers

Study shows all workers benefit from union membership, with low-wage workers seeing the largest gains

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RALEIGH – Unionization significantly boosts the wages of workers across the income spectrum, with low-wage workers seeing the greatest benefit. In North Carolina, union membership boosted the wages of low- to middle-income workers by between 11% and 14% from 2003 to 2007.

“In recent years, workers have seen their wages stagnate, making it almost impossible for families to get ahead,” said MaryBe McMillan of the North Carolina AFL-CIO. “Unionization increases workers’ bargaining power in the labor market and helps to restore the balance of power in the employer-employee relationship.”

Today, the Center for Economic and Policy Research releases the report, *The Union Advantage for Low-Wage Workers*, which finds that unionization raises the wages of the typical low-wage worker by 20.7% nationally. Unions also have a substantial impact on the wages of workers at the middle and top of the wage distribution.

	Union Share	Mean	Percentile								
			10 th	20 th	30 th	40 th	50 th	60 th	70 th	80 th	90 th
North Carolina	3.9	9.7	13.9	11.1	11.8	12.3	12.1	10.7	7.6	5.4	-0/1
United States	13.8	11.9	20.6	18.9	16.8	15.0	13.7	12.0	10.7	9.0	6.1

Source: Center for Economic and Policy Research, “The Union Wage Advantage for Low-Wage Workers,” May 2008

“As the cost of essentials like housing, health care, and child care have risen, many North Carolina families find they don’t have enough income to make ends meet,” explained Elaine Mejia, director of the NC Budget & Tax Center. “Workers should understand that union membership can make a significant difference in how much they earn.”

“State lawmakers should remove the barriers to unionization that exist in North Carolina,” McMillan added. “The first step must be the repeal of the law that prohibits public-sector workers from engaging in collective bargaining. This law severely undermines unionization efforts by public and private workers, and therefore reduces the earning potential of workers throughout North Carolina.”