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Gender Inequality and Precarious Work: Exploring the Impact of Unions Through the Gender and Work Database

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Introduction

The purpose of this paper is to explore the impacts of unions on the pay of women and on pay inequality between women and men through the Gender and Work Database (GWD). The paper is highly empirical, and tries to use the Database, mainly derived from Statistics Canada’s Labour Force Survey, to explore and illustrate how unions shape the structure of wages as initially shaped by the occupational and sectoral distribution (or, better, segregation) of women and men. While the detail is hopefully of interest, the major findings are hardly novel: women in the private services sector in particular are at high risk of low pay, but enjoy little protection from union coverage which is concentrated among private sector men and public sector women. The cause of gender equality and decent work for women would be well-served if union strength could be increased among women in precarious private services jobs. For reasons of data availability and space, the paper does not separately explore union impacts on women workers of colour, aboriginal women workers, and women workers with disabilities, all of whom are disproportionately represented in low paid and precarious jobs. (At the time of writing, the GWD did not contain hourly wage data for these groups.)

Parts 2 and 3 of the paper very briefly review some of the most relevant literature on

gender inequality and precarious work, explored in the conceptual literature on the GWD and other papers being presented to this conference, and on union impacts on pay and wage inequality. Further elaboration can be found in Jackson 2003 and 2004. Part 4 provides empirical detail on union impacts on wages and wage gaps by “drilling down” from the workforce as a whole, to the public and private sectors, to broad occupational categories, to lower paid occupational groups in which women predominate. Part 5 offers a brief summary and conclusion.

Gender Inequality and Precarious Work

While working women have made significant progress in terms of achieving equality of opportunity and outcomes with men, large and systematic differences in the labour market which are structured by gender remain clearly intact. The level of occupational and industrial segregation between women and men remains very high. Traditionally, men were relatively concentrated in blue-collar industrial occupations, as well as in white-collar management jobs and in the professions, while women were relatively concentrated in lower level, pink-collar clerical and administrative jobs in offices, and in low pay, often part time, sales and services occupations. This division has broken down to a limited degree over time as women have entered professional and managerial jobs in increasing numbers. But, women in better paid occupations are still mainly to be found in only a relatively few occupational groups, notably working in health, education and social services jobs in the broader public sector.

The recent report of the federal government’s Pay Equity Task Force detailed the fact that women are still highly concentrated in a small number of traditionally female occupational

categories, such as health care, teaching, clerical, administrative, and sales and services jobs; and overwhelmingly predominate in the very lowest paid occupations, such as child care workers, cashiers, and food services workers. Women are still greatly under-represented in most of the highest paying professions, especially in the private sector. Even in the public sector where women predominate in professional jobs, men are much more likely to hold senior management positions. On top of this horizontal segregation, there is vertical segregation such that women within most broad occupational categories are also likely to be lower paid than men.

The kinds of jobs held by women are still disproportionately precarious, carrying a higher than average risk of short hours, low pay and limited access to benefits such as employer-sponsored pensions and drug and dental plans. Precarious jobs also involve limited control of working hours and conditions, and limited prospects for advancement in the job market. The incidence of precarious and insecure forms of work has been rising in the 1990s, and is somewhat higher for women than men. The main differences between women's jobs and men's jobs in terms of the form of employment are that women are much more likely to work part time than are men, and are also less likely to be in the more attractive forms of self-employment (Vosko et al, 2003). Part time work for adult women is often involuntary, and part time jobs tend to be paid less per hour and provide fewer benefits than otherwise comparable full time jobs. There continues to be a significant gap between the proportion of women and men who work full time hours for a full year.

Occupational segregation, pay differences between women and men within broad occupations, and differences in the forms of employment held by women, particularly by full time/part time status, all help explain the still very significant gender pay gap. In all OECD

countries, there is a significant wage gap between women and men, with women's hourly pay averaging just 84% that of men. The wage gap in Canada is somewhat above average, with women earning an average hourly wage of just 81% of what men earn. Economic research has consistently shown that the greatest part of the wage gap in Canada, as in other industrial countries, cannot be explained by objective factors such as the educational level and job experience of women (OECD 2002; Drolet).

As argued by the Pay Equity Task Force, systematic pay gaps between women and men — which can be taken as a very rough proxy for related gaps in benefits, opportunities for advancement and other dimensions of job quality — reflect continued job discrimination and under-valuation of women's work compared to that of men. Gaps reflect outdated cultural norms, such as that men should be paid a family-supporting wage, while women can be viewed as secondary income earners. These gaps also reflect the fact that the burden of domestic work and child care is still borne disproportionately by women, and that this double-burden which places women at a systematic disadvantage in the job market has not been adequately addressed by employers or governments.

Pay differences also reflect relative bargaining power in the job market, and the fact that women have traditionally been much less likely to be unionized than men. It is an empirical as well as political question whether or not unions counter low pay and precarious work for women and gender inequality in the job market.

The Impact of Unions on Gender Gaps and Precarious Work

While the focus of this paper is on pay for which hard data are available, it should be stressed that the role of unions is much broader. The most important benefit of unionization for a worker is a formal contract of employment which can be readily enforced through the grievance and arbitration process. Typically, collective agreements specify wages — usually set by the hour, week or pay period in a formal system of pay-by-position — and non-wage benefits such as employer pension plan coverage; provide for job security through the norm that individual dismissal shall only be for just cause and that layoffs should (usually) be by seniority; provide opportunities for advancement through seniority and other formal principles governing promotions as well as opportunities for training; and govern hours of work and working conditions. There are union advantages along all of these dimensions, particularly with respect to rights in the workplace and job security. Data from the Survey of Labour and Income Dynamics in the GWD shows that 8.9% of both non unionized women and men experienced an involuntary job separation in 2000, compared to just 2.6% of unionized women, and 5.5% of unionized men. It is well-established in the economic research, as recently comprehensively summarized by the World Bank, that unionized workers in almost all countries earn higher wages than otherwise comparable non-union workers (Aidt and Tzannatos). This is referred to as the union wage premium, or union wage advantage. It is important to take into account that union and non-union workers are different, and also hold different kinds of jobs. Union members are, on average, older, better-educated and more experienced than non-union members, and are much more likely to work in public and social services. If they work in the private sector, union members are much more likely to be men than women, and to work for large firms. The apparent union wage

advantage thus reflects many factors other than union coverage alone.

Economists have tried to calculate the union wage premium for comparable jobs, holding constant through sophisticated quantitative techniques all of the other factors that determine wages. Calculated this way, the hourly union wage premium has been generally estimated to be in the range of 7% to 14% in Canada in the 1990s (Verma and Fang). While these results are instructive and well-founded, a key problem with sophisticated, multi-variate analysis of data is that it is inaccessible to the vast majority of people, and hides the underlying structure of pay and gender differences from clear view. Exploring differences by “drilling-down” through the data as is undertaken below is made possible by the Gender and Work database. This permits looking at union impacts while holding constant a few key dimensions such as gender, age, form of employment and occupation or industry. At the same time, it has to be borne in mind that even the multi-variate tables provided by the database conceal from view factors other than union status which may determine relative wages.

Wages are only one part of the union compensation advantage, which includes much higher non wage benefits such as pensions and health plans, and much more paid time off the job. Controlling for other factors, the impact of unions on pensions and benefits is even greater than on wages, particularly in smaller firms (Lipsett and Reesor). Union members in Canada are about three times more likely to be covered by an employer-sponsored pension plan than non-union workers, and twice as likely to be covered by a medical or dental plan. Establishment and improvement of benefits package is usually a key union bargaining priority, and an apparent erosion of the union wage premium in the 1990s is probably explaining by the growing costs of non wage benefits to employers.

The union compensation premium is impossible to precisely determine. It may be overstated to the extent that it reflects a compensating differential for more difficult working conditions than those of non-union workers. For example, the incidence of shift work and very physically demanding jobs is higher than average for union workers. Data from the Survey of Labour and Income Dynamics from the GWD show that the proportion of union women experiencing too many demands at work (42.9%) and finding work very stressful (17.7%) is higher than among non union women (32.0% and 14.2%.) This does not mean that unions have no impact on job quality, but rather indicates that many union women are in very demanding jobs. This merits higher pay. On the other hand, the union premium may be understated to the extent that it takes no account of the positive impacts of unions on the wages of non-union workers in occupations, firms and sectors where unions have a strong influence. If unions win good wages for home care workers, for example, non union employers are likely to have to pay a bit higher as well.

The union wage premium is lowest in countries where union density is high, and highest where union density is low. Thus it is much higher in the US, with about 15% union coverage, than in Sweden, with union coverage of more than 80% of workers. This is surprising on the surface, but reflects the fact that non-union employers will be more likely to match union wages where unions are very strong, and that non union workers in countries like Sweden are disproportionately higher paid professionals and managers rather than lower-paid sales and services workers.

The main impact of unions in high density countries like Sweden is to raise the relative wages of workers who would otherwise be low paid (who are disproportionately women), rather

than to raise the wages of a union elite compared to non-union workers. Countries with high levels of bargaining coverage have relatively equal wages and high wage floors, so that the incidence of low pay and earnings inequality are both much lower than in low density countries like Canada. About one in four full time workers in Canada in the mid-1990s (23.7%) were low paid (defined as earning less than two-thirds of the median national full time wage) compared to just one in twenty (5.2%) in Sweden and only one in eight in Germany and the Netherlands. One third of women in Canada were low paid, relative to the national median wage, compared to just 8.4% in Sweden. Institutional differences such as unions and labour laws still count for a lot in the determination of national wage structures, notwithstanding common exposure to the forces of globalization and technological and organizational change (OECD 1996). A recent OECD analysis finds that higher levels of collective bargaining coverage are still significantly associated with a higher level of overall pay equality and pay equity as between women and men at the national level (OECD 2004, 159-161).

While union workers tend to be higher paid, the union wage advantage or premium is generally greatest for persons who would otherwise be lower-paid workers, notably -- workers with less formal education and skills, younger and less experienced workers, and women and workers of colour who are vulnerable to discrimination (Aidt and Tzannatos). In Canada, unions have also been shown in sophisticated multi-variate analyses to raise the relative pay of lower-paid workers, to reduce the incidence of low pay, and thus to make wages at least modestly more equal among all workers and as between women and men (Card et al; Chaykowski and Slotsve; Chaykowski; Dinardo; Doiron and Riddell; Jackson and Schellenberg). It has, however, been noted that unions may increase inequality among women, because low-paid women are less

likely to belong to unions than are higher-paid women.

If unions just raised the wages of members compared to non members in lower paid jobs, they could increase overall wage inequality. However, this impact is generally offset by the fact that unions also tend to compress the distribution of wages and earnings gaps between women and men within unionized firms and highly unionized sectors. For example, highly skilled trades workers in the auto industry make more per hour than regular assembly-line or clerical workers in the office, but the difference is not as great as it would be in non-union firms. Pay differentials between clerical and professional workers are lower in the highly unionized public sector than in the private sector. Because unions bargain for all workers in a bargaining unit, the tendency is to negotiate relatively flat, across-the-board wage increases which benefit all members. Unionized establishments also usually make less use of performance pay and bonuses which increase overall pay differences. Unionization is associated with formalized and equitable pay and promotion structures as well as layoff rules which tend to minimize some of the most overt forms of discrimination on the basis of gender and race, and many unions have consciously tried to promote pay and employment equity for their lower paid and women members through bargaining. Over the past two decades and more, the voice of women within most unions has become stronger and the gender composition of elected leadership and staff has become more equal (though still far from equality). In practice, unionized workers are also most likely to benefit from legislated pay and employment equity laws than are non union workers because unions have the resources to make these laws effective. For example, after many years of costly legal battles, the Public Service Alliance of Canada won a landmark, multi-billion pay equity settlement for workers in female-dominated occupations. In short, unionization is highly likely to

equalize pay and to help close pay gaps in unionized firms and sectors.

Not all of the union wage premium for the lower paid comes from redistribution from higher-paid workers. Unions can and do raise the pay of workers who would otherwise be lower-paid by raising productivity or output per hour. Higher productivity mainly comes from firm investment in capital equipment and technology as well as investment in worker training and skills. The fact that unionized firms are under constant pressure to pay good wages and benefits will lead them to invest more in capital and skills than would otherwise be the case. Unions also provide a collective voice for workers in unionized workplaces which can lead to higher productivity through workplace co-operation (Freeman and Medoff; Black and Lynch). If productivity gains are shared; if individual workers are treated with dignity and respect; if workplace rules are perceived as fair; if workers can raise concerns and issues and have them resolved; and if workers have a say in working conditions, training, and health and safety issues, then workers are more likely to work co-operatively with management. To cite one clearly established tangible benefit to employers, the participatory benefits of unions combined with better wages and working conditions greatly reduce the incidence of costly quits in unionized compared to non-union workplaces, giving an employer the benefit of experienced workers and raising returns from firm investment in skills.

As noted, union strength varies a great deal between advanced industrial countries. In many European countries collective bargaining coverage is much higher than union membership since many non union workers are covered by informal or legal extension of union contracts. However, union coverage tends to exhibit similar patterns. Outside of public and social services, where union coverage is typically high among mainly women workers, the key bastions of union

strength are typically among blue collar men working in larger companies in primary industries, manufacturing, utilities, communications and transportation, as well as in construction. Union coverage typically extends to only a minority of workers in most private service sector industries, such as finance, retail trade, accommodation and food, and personal services, particularly in small firms. The big difference between low union density countries like Canada and high union density European countries is coverage of private service sector workers, especially in smaller firms. Higher coverage is generally facilitated by collective bargaining at the regional or sectoral rather than firm level, with many non union workers covered by the extension of union negotiated agreements (OECD 2004). High union density countries also tend to have a relatively large share of employment, especially employment for women, in public and social services rather than in private services.

Differences in union strength by sector and occupation within the private sector typically correlate or match closely to gender segregation by occupation, with unions being typically much stronger among private sector men than among private sector women. Certainly this is the case in Canada, as detailed below. The fact that union impacts are experienced in the unionized sector means that their impact on low pay and on the relative pay of women and men is necessarily limited. Unions can raise pay for the lower-paid and compress differentials within unionized firms, but they must work upon a distribution of wages and employment which is already determined by the occupational segregation of women and men and by related structural factors, such as the relative importance of the public and private sectors. Put another way, the equalizing impacts of unions are necessarily limited if union density is low, collective bargaining is highly decentralized, and the labour market is heavily tilted towards employment in small non

union firms in private services.

Unions will clearly be a greater force for equality and higher pay for women if union coverage is high in sectors and occupations which would otherwise tend to employ many low paid and precarious workers, and if unions also pursue equality goals in collective bargaining. While higher wages for current members are obviously a key concern in union bargaining, the key goal of labour movements should be to expand the range of collective bargaining and to increase union density over the work force as a whole. The goal should be to improve pay for the lower-paid and to equalize and improve the wages and working conditions of all workers rather than to raise the wages of a small union elite. Clearly, national labour movements and individual unions can and do differ in the extent to which goals of equality and solidarity underpin actual practice with respect to organizing and bargaining.

A high union wage premium and low union density is likely to promote very strong employer resistance to unions, as in the US. On the other hand, widespread unionization, as in Sweden, is likely to promote much less strong employer opposition, at least once high density has been established. That is partly because, in highly unionized environments, wages are effectively taken out of competition since all employers in a sector or region pay roughly the same union wage and benefits. Employers must then compete with each other on the basis of non-wage costs, productivity and quality. A key structural dilemma facing Canadian unions is that it is difficult to make gains for lower-paid, mainly women workers in private services until union density reaches a high enough level to shape the economics of low wage sectors.

Union Impacts on Earnings - An Empirical Overview

An Overview

The first part of the Table 1A: Profile of Employment and Average Hourly Earnings - provides data on employment and earnings in 2003 for men and women by gender and union coverage. (Note that union coverage is a slightly broader concept than union membership.)

Table 1A
Profile of Employment and Average Hourly Earnings of Employees Age 15 and Over in 2003

	Employment			Earnings		
	Total employment (in thousands)			Average hourly wage (\$)		
	Men	Women	Ratio of Women to Men	Men	Women	Women's earnings as a % of men's
Total employees	6819.95	6513.27	95.5%	19.78	16.27	82.3%
Covered by union	2241.96	2076.68	92.6%	22.00	19.94	90.6%
Not covered by union	4577.99	4436.59	96.9%	18.69	14.55	77.8%
% of employees covered by union	32.9%	31.9%				

Percent of workforce that are women	48.9%
Percent of union members that are women	48.1%

		Men	Women
Union wage premium (union minus non union wage)	\$	3.31	5.39
	%	17.7%	37.0%

Source: Statistics Canada, *Labour Force Survey*, 2003 (Gender and Work Database, custom tabulation, <http://www.genderwork.ca>)

On the surface, the universe of all employees breaks down very evenly. Almost half (48.9%) of the work force are women, the union coverage rate for women and men is about the same (32.9% for men and 31.9% for women) and almost half of union members (48.1%) are women. Equal numbers in the paid workforce are consistent with the fact that employment rates for women are still a bit lower than for men, because a higher proportion of men are self-employed. On the surface, unions also make a big difference to hourly earnings of women, and to the wage gap between women and men. Union women earn \$5.39 per hour than non union women, a union wage premium (union minus non union wage as percentage of non union wage) of 37.0%. The union wage premium is more than twice as high for women as for men, with the result that wage gap between union men and union women is much smaller than that between non union men and non union women. Union women earn 90.6% as much as union men, while non union women earn just 77.8% as much as non union men.

Impacts by Form of Employment: Public and Private Sector; Full Time and Part Time

As noted above, the union/non union wage difference reflects factors other than union status. A very large underlying factor is public versus private sector employment. The former consists of direct government employees at all levels, plus employees in most predominantly government funded institutions such as schools, universities and colleges and hospitals. While not detailed here, it should be noted that many women work in not for profit health and social services such as community care which are counted in the private sector employment totals, even though they are part of the broader public sector and are often unionized.

Table 1B
Profile of Employment and Average Hourly Earnings of Public Sector Employees Aged 15 and Over in 2003

	Employment			Earnings		
	Total employment (in thousands)			Average hourly wage (\$)		
	Men	Women	Ratio of Women to Men	Men	Women	Women's earnings as a % of men's
Total employees	1178.48	1819.58	154.4%	24.74	21.63	87.4%
Covered by union	864.18	1400.92	162.1%	24.71	22.10	89.4%
Not covered by union	314.3	418.66	133.2%	24.80	20.06	80.9%
% Covered by Union	73.3%	77.0%				

Percent of all female employees working in public sector	27.9%
Percent of all male employees working in public sector	17.3%
Percent of all unionized women working in public sector	67.4%
Percent of all unionized men working in public sector	38.5%

		Men	Women
Union wage premium (union minus non union wage)	\$	-0.09	2.04
	%	-0.4%	10.2%

Source: Statistics Canada, *Labour Force Survey*, 2003 (Gender and Work Database, custom tabulation, <http://www.genderwork.ca>)

As shown in Table 1B, women are much more likely to work in the public sector than are men - 27.9% of all women workers compared to 17.3% of men. Union coverage in the public sector is more than three times higher than in the private sector, and is even higher among women than men (77.0% compared to 73.3%.) As a result, more than two-thirds of all union women (67.4%) work in the public sector, compared to just 38.5% of union men. In short, there is a huge overlap between the universe of union women, and the relatively small universe of

public sector employment.

Within the public sector, average hourly wages for both women and men (but particularly for women) are higher than in the private sector, mainly because of the much higher proportion of professional and highly skilled jobs, and partly because of union impacts. The issue of which factor is most important is controversial, but most analysts agree that unions do raise wages of women non professional/managerial public sector workers compared to comparable private sector workers. The union wage premium for public sector women is more than \$2 per hour, or a bit over 10% of the non union wage. There is no union wage premium for public sector men, likely because many non union men in the public sector are excluded senior managers. It should always be borne in mind that non union workers tend to be drawn disproportionately from both ends of the occupational/pay category such that averages can be misleading, while the dispersion of wages among unionized workers is much less.

Table 1C
Profile of Employment and Average Hourly Earnings of Private Sector Employees Aged 15 and Over in 2003

	Employment			Earnings		
	Total employment (in thousands)			Average hourly wage (\$)		
	Men	Women	Ratio of Women to Men	Men	Women	Women's earnings as a % of men's
Total employees	5641.47	4693.69	83.2%	18.74	14.19	75.7%
Covered by union	1377.78	675.76	49.0%	20.29	15.46	76.2%
Not covered by union	4263.69	4017.93	94.2%	18.24	13.98	76.6%
% Covered by Union	24.4%	14.4%				

Percent of all female employees working in private sector	72.1%
Percent of all male employees working in private sector	82.7%
Percent of all unionized women working in private sector	32.6%
Percent of all unionized men working in private sector	61.5%

		Men	Women
Union wage premium (union minus non union wage)	\$	2.05	1.48
	%	11.2%	10.6%

Source: Statistics Canada, *Labour Force Survey*, 2003 (Gender and Work Database, custom tabulation, <http://www.genderwork.ca>)

Turning to the private sector, union coverage is much lower for women than for men (just 14.4% compared to 24.4% for men.) Moreover, the union wage premium in the private sector is slightly higher for men than for women (\$2.05 compared to \$1.48 per hour, or 11.2% compared to 10.6% of the non union wage.) Union coverage does raise wages for private sector women, but the wage gap between union women and union men in the private sector is almost the same (in fact slightly greater) than that between non union women and men.

Table 1D (See Appendix) provides a further form of employment breakdown of the data, by full time/part time status within both the public and private sector. The union pay advantage is much more significant for part time than full time workers (particularly men, though many more part timers are women.) In the private sector, union covered part time workers earn 22.0% or \$2.37 per hour more than non union part timers, compared to a union wage premium of 6.7% or \$1.02 per hour for full time women workers in the private sector. The union coverage rate for part time women is almost as high (or just as low) as for full time women (13.3% compared to 14.8%) while part time men in the private sector are much less likely to be covered by a union than are full time men (13.8% compared to 25.7%.)

To summarize, in the public sector union coverage is high for women, raises wages, and narrows the gender wage gap - all in a context of high union density. In the private sector, union coverage is much lower for women than for men, raises wages modestly (with a greater impact on part time workers) and does not close the gender wage gap - all in a context of much lower union density than in the public sector.

Occupational Segregation, Union Coverage and Earnings

As noted in Parts 1 and 2, the job market is highly segregated by gender, and union representation tends to be higher among men outside professional/managerial occupations. Table 2 provides some detail derived from the Gender and Work Database.

Table 2
Occupational Segregation, Union Coverage and Average Hourly Wage in 2003 by Broad Occupational Groups

	Proportion of all men's jobs (%)	Proportion of all women's jobs (%)	Union coverage (%)	Average hourly wage (\$)
Male Dominated Professional/Managerial				
Management occupations	8.0	5.3	11.8	28.44
Natural and applied sciences and related occupations	10.1	3.2	27.3	25.67
Female Dominated Professional/Technical				
Health occupations	1.5	10.2	64.6	21.28
Occupations in social science, education, government service and religion	5.2	10.1	63.8	24.63
Occupations in art, culture, recreation and sport	1.9	2.6	28.3	17.75
Female Dominated "Pink Collar"				
Sales and service occupations	21.8	32.0	22.1	12.34
Business, finance and administrative occupations	10.3	28.7	26.4	17.34
Male Dominated "Blue Collar"				
Trades, transport and equipment operators and related occupations	25.4	1.8	39.7	18.22
Occupations unique to primary industry	3.2	0.7	17.2	14.94
Occupations unique to processing, manufacturing and utilities	12.5	5.4	40.6	16.17
All Occupations	100	100	32.4	18.06

Source: Statistics Canada, *Labour Force Survey*, 2003 (Gender and Work Database, custom tabulation, <http://www.genderwork.ca>)

For purposes of simple presentation, the workforce is divided into four large groups: male-dominated professional/managerial jobs; female-dominated professional/technical jobs;

female-dominated “pink collar” jobs; and male-dominated “blue collar jobs.” Obviously, there is a lot of variation within these broad categories, which include both women and men and a mix of kinds of jobs and wage levels. Nonetheless, they are meaningful clusters.

Union coverage is low (extremely low at well under 10% in the private sector) in male-dominated professional/managerial jobs, where wages are well above average; and also lower than average in female-dominated “pink collar” jobs i.e. sales and service jobs and non professional office jobs. These latter kinds of jobs — especially sales and service jobs — are lower paid than average, are often very low paid and precarious, and account for about 60% of all women’s jobs compared to just over 30% of all men’s jobs.

By contrast, union coverage is high (very high) in female-dominated professional/technical jobs - which are mainly in the health, education, and social services sector - and above average in the male-dominated blue-collar occupations where wages are about average. Men outnumber women by about 5 to 1 in these blue-collar jobs.

The key point to be made is that, because of relative union density, union coverage primarily benefits women in average to relatively highly-paid occupations, and men in average rather than highly-paid occupations. Coverage is low for both men and women in lower-paid jobs, but proportionately many more women are employed in such jobs.

Union Impacts in Sales and Services Occupations

As noted in Table 2, 32.0% of all women’s jobs and 21.8% of all men’s jobs are in sales and service jobs, the broad occupational category with the lowest average wage of \$12.34 per hour. Consistent with the overall pattern of vertical as well as horizontal segregation by gender,

women in private sector sales and service jobs are paid less than men (\$14.29 compared to just \$10.95 per hour) and are even less likely to be unionized, with union coverage of 13.5% for women compared to 15.7% for men.

Fortunately, union coverage does make a significant difference for women in sales and service jobs in the private sector, when they manage to obtain coverage. As shown in Table 3, the union wage premium for women is \$3.87 per hour or a very substantial 38.1% of the wage of non union women, and unions close the gender wage gap within this occupational group since the union wage premium is significantly higher for women than men (38.1% vs. 27.3%). The union wage premium is very significant but a bit lower for part time women in sales and services jobs. Union women in part time, private sector, sales and services jobs earn an average \$10.71 per hour, \$1.97 per hour or 22.5 % more than the \$8.74 per hour earned by comparable non union women.

Table 3
Union Coverage and Wages in Sales and Service Occupations in the Private Sector in 2003

	Union coverage (%)	Average Hourly Wage (\$)			Union Wage Premium	
		All	Union	Non union	\$	%
All	14.4	12.34	15.41	11.47	3.94	34.3
Men	15.7	14.29	17.07	13.41	3.66	27.3
Women	13.5	10.95	14.02	10.15	3.87	38.1

Source: Statistics Canada, *Labour Force Survey*, 2003 (Gender and Work Database, custom tabulation, <http://www.genderwork.ca>)

Union coverage for women in sales and service jobs ranges from highs of 60.8% in protective services (security guards), to 40.1% in child care and home support (mainly in the broader public sector), to 28.6% in travel and accommodation jobs, to 21.3% of cashiers, 14.6% of chefs and cooks, and just 9.9% of retail clerks and 6.0% of food and beverage servers.

Union Impacts in Business, Finance and Administrative Occupations

As shown in Table 2, 28.7% of women work in business, finance and administrative occupations, compared to just 10.3% of men. Within this broad grouping, most women work in clerical and secretarial jobs, though a layer (which has been increasing over time) work in generally higher paid administrative and financial jobs. Women remain under-represented in professional business and finance jobs such as accounting and financial managers compared to men.) Union coverage in the private sector is very low, especially for women (8.6% compared to 15.2% for men) and there is a significant pay gap between women and men.

Again, the union wage premium in the private sector in this group of female-dominated occupations is more significant for women than men: \$1.35 per hour or 8.6% compared to \$0.47 per hour or just 2.5% for men. Again, unions thus raise pay for this group of women and close the pay gap within a female-dominated occupation in private services.

Table 4
Union Coverage and Wages in Business, Finance and Administrative Occupations in the Private Sector in 2003

	Union coverage (%)	Average Hourly Wage (\$)			Union Wage Premium	
		All	Union	Non union	\$	%
All	10.4%	\$16.63	\$17.90	\$16.48	\$1.42	8.6%
Men	15.2%	\$18.75	\$19.15	\$18.68	\$0.47	2.5%
Women	8.6%	\$15.79	\$17.03	\$15.68	\$1.35	8.6%

Source: Statistics Canada, *Labour Force Survey*, 2003 (Gender and Work Database, custom tabulation, <http://www.genderwork.ca>)

Conclusions and Implications

Unions clearly have a positive impact upon the wages of women and upon earnings gaps by gender, and increasing union coverage has clear potential to raise the wages and related employment outcomes of women in precarious jobs. The above analysis has shown that union coverage is positive for the wages of women and for greater wage equality between women and men in the public sector, but is neutral in the private sector as a whole. This is because there is a high degree of occupational segregation between women and men. When the impact of unions on female-dominated occupations in the private sector is examined, the effect is seen to be one of raising wages for lower-paid women and closing pay gaps between women and men.

Unfortunately, union coverage among women in private services, especially lower paid women, is very low - and good unionized jobs for women in public and social services are increasingly at risk due to outsourcing and privatization. The challenge for unions is to increase organizing efforts among women, especially low paid women in private services, to place even greater emphasis on equity issues in collective bargaining, and to shape the overall structure of

employment through changes in public policies. Ultimately, success will lie in organizing enough women in low-paid occupations to make a real difference in the economics of low wage industries, in maintaining and increasing good jobs in public and social services, and in promoting pay and employment equity legislation. These are, of course, daunting challenges. (Some of the complex issues involved for unions are addressed from a Canadian perspective in a special Forum on Unions in Studies in Political Economy 74 (Fall 2004); and in Fairbrother and Yates)

Appendix

Table 1D
Profile of Employment and Average Hourly Earnings of Employees Age 15 and Over in 2003, by Sector and Form of Employment

	Employment		Earnings	
	Total employment (in thousands)		Average hourly wage (\$)	
	Men	Women	Men	Women
Full time public sector				
Total employees	1081.72	1416.59	25.18	22.16
Covered by union	809.92	1106.99	24.80	22.28
Not covered by union	271.79	309.6	26.31	21.72
% Covered by Union	74.9%	78.1%		
Full time private sector				
Total employees	5022.23	3372.96	19.73	15.40
Covered by union	1292.28	500.04	20.76	16.27
Not covered by union	3729.96	2872.93	19.37	15.25
% Covered by Union	25.7%	14.8%		
Part time public sector				
Total employees	96.76	402.99	19.79	19.79
Covered by union	54.26	293.93	23.43	21.44
Not covered by union	42.51	109.06	15.13	15.34
% Covered by Union	56.1%	72.9%		
Part time private sector				
Total employees	619.23	1320.73	10.74	11.10
Covered by union	85.5	175.73	13.20	13.16
Not covered by union	533.73	1145	10.34	10.79
% Covered by Union	13.8%	13.3%		

	Men	Women
Percent of workers employed full time in public sector	91.8%	77.9%
Percent of workers employed full time in private sector	89.0%	71.9%
Percent of workers employed part time in public sector	8.2%	22.1%
Percent of workers employed part time in private sector	11.0%	28.1%

Union wage premium (union minus non union wage)		Men	Women
Full time workers in public sector	\$	-1.51	0.56
	%	-5.7%	2.6%
Full time workers in private sector	\$	1.39	1.02
	%	7.2%	6.7%
Part time workers in public sector	\$	8.30	6.10
	%	54.9%	39.8%
Part time workers in private sector	\$	2.86	2.37
	%	27.7%	22.0%

Source: Statistics Canada, *Labour Force Survey*, 2003 (Gender and Work Database, custom tabulation, <http://www.genderwork.ca>)

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