Why union members earn more

Author's note: It is important to note that all the figures presented in this article come directly from the Australian Bureau 4. of Statistics (ABS). In all the reports in this article everything is referred to as "on average". The ABS is not concerned with 5. individuals. But it does differentiate between age, gender, education, occupation or industry and – most importantly – between trade union members and non-trade union members – when recording these remarkable numbers.

There is a measurable advantage in being a union member. This point is fundamental to everything that follows.

In the May 2009 edition of the Western Teacher, then-ACTU President Sharan Burrow advised us that union members earn, on average, $96 a week more than non-members.

The evidence for this intriguing piece of information came straight from the ABS (6310.0, August 2008) where it stated that the average weekly earnings of a union member was $1,026 compared with $930 for non-members. That is a 10.3 per cent difference!

With these 2008 figures, Ms Burrow was echoing her predecessor, former ACTU President Jennie George, who said in 1998, that:

1. Union members, on average, earn $90 a week more than non-union employees, according to the ACTU. Its figures came from the Australian Bureau of Statistics.
2. The biggest difference was between female workers. Female unionists earned a massive $95.10 (26.3 per cent) more than female non-members. Male union members were $54 (8.1 per cent) ahead of their non-union counterparts.
    1. a. The gap widened again when it came to casual and part-time work.
3. Part-timers in the union earned $65.10 (26.2 per cent) more than those part-timers who were not. Casuals were $48.30 (14.9 per cent) better off.
4. Young unionists (aged 20-29) earned 14 per cent more than those not in unions.
5. That's just on the wage front. Unionists were ahead on other employment conditions too. These included superannuation, sick leave, annual leave and long-service leave. This was particularly the case with casuals.
6. The average gain to all union members was $89.40 a week, which was well above the average cost of union dues of $4.25 a week. It clearly paid to belong to a union.

On 27 April 2012, the union received the latest figures from the ABS on the comparative wages of union members and non-union members.

Nothing had changed except that the differences were larger than before. There continued to be major differences between the wages received by unionists and those received by non-unionists.

Here are some figures for Australia and WA in 2012:

Mean weekly earnings for all employees nationally:

- National trade union members in main job: $1,189
- National non-trade union members in main job: $1,029
- Earnings gap: $160 (15.5 per cent)

Mean weekly earnings for all Western Australians:

- WA trade union members in main job: $1,312
- WA non-union members in main job: $1,158

- Earnings gap: $154 (13.3 per cent)

It's now much more difficult to break down figures for men and women or casual or part-time as I was able to do for earlier material.

In March 2016, I contacted David Colley, the federal industrial officer for the Australian Education Union (AEU). He provided me with an update on some of the salaries of unionists and non- unionists, which continued to demonstrate that the original story remains true. Unionists consistently and significantly are earning more than non-unionists.

However, David noted that the ABS had made extracting this crucial information much more difficult. He advised me that the ABS had discontinued the original source (the 6310 series – Employee Earnings, Benefits and Trade Union Membership).

It has now been replaced with a new one, the 6333.0 series – Characteristics of Employment, which was released in December 2015 for data from 2014. This has made the relatively easy comparisons of the past more difficult and time-consuming.

A paper by David Peetz, professor of industrial relations at Griffith University, added to our concern. He said: "The Australian Bureau of Statistics (ABS) has made major changes to its union membership series, which complicate comparisons with previous years."

This was before the complete change over to the new 6333.0, June 2014 document.

2014 figures

1. The weekly earnings of trade unionists against non-trade unionists across Australia
   Trade unionists: $1,342
   Non-trade unionists: $1,200
   This is an 11.8 per cent differential!
2. The weekly earnings for the education and training industry across Australia:
   Trade unionists: $1,268
   Non-trade unionists: $1,010
   This is a 25.5 per cent differential!

People are often puzzled by these statistics, as it is not immediately obvious why there are such large differences, or indeed any differences.

In 1991, when I researched this question for a Masters paper on labour economics, everyone – unionist and non-unionist – were entitled to receive exactly the same wages and conditions.

Awards did not differentiate between the union affiliations of employees. But I had found the same ABS results as Ms George and Ms Burrow quoted in 1998 and 2009

– major differences between the salaries and conditions of union members and non-members.

The answer to this conundrum becomes clearer if the right question is asked. Asking why unionists get more is not the question because that is not the case.

Unionists only get what they are entitled to because their union ensures it.
The answer comes from the question - why do non-unionists get less than they are entitled to?

And this is why!

- They don't get ongoing union advice about their working conditions.
- They don't have a union to go to when they are being cheated or bullied.
- They don't get specific advice when something goes wrong that relates only to them.
- They don't receive protection from their employer when they are threatened.
- A union cannot represent them when they are accused over a matter of performance or discipline.
- They are unaware of the benefits of having union representatives at their worksites who are highly significant in the two-way dissemination of information and in assisting members when issues arise. Union reps get extensive training from the SSTUWA.
- They do not receive a copy of their Agreement and Award from the union.
- They do not have access to a Member Assist phone line or email address.
- They are not the beneficiaries of the ongoing dialogue that unions have with the employer on behalf of their union employees on both individual and system-wide issues.

- They have no access to a union organiser or a specialist in occupational safety and health, advocacy, equal opportunity and union training.
- This union offers the best industrial and professional education and training in Australia.
- They have no access to the SSTUWA Growth Team which assists new teachers.
- They have no access to a union lawyer.

It is ignorance of conditions of work and the ability of the employer to ignore you when things are not right that makes discrepancies in wages and conditions possible.

Unions spend a lot of time and effort negotiating new awards and agreements. But once that is over, there remains the reality of policing what the employer has agreed to.

For the 10 per cent or so of a union's energies in actually getting an agreement, the other 90 per cent of its time is devoted to keeping what has been agreed to.

It is the day-to-day work of a union that creates these impressive ABS differences. These salaries and conditions differentials are being created every day of the week as:

• Worksite representatives put in hours of unpaid work for their fellow members.

• Organisers go out to worksites on both minor and major issues.

• Thousands of emails, letters and phone call requests are answered.

There are many cases that come to the union where a teacher is on the wrong salary scale or is in dispute with the Department of Education about housing or long service leave, sick leave and a host of other areas that come up every day.

The union is there to assist its members each time, simply to ensure that the members receive their entitlements and nothing less.

It's not a one-off event but incremental and cumulative

The benefits of being a unionist can all be taken for granted. In so doing, we often fail to recognise just how much industrial information and support is being received and how much non-members are missing out on.

There are still other unions who don't believe these numbers relate to them. Well who else is looking after the interests of their members? They are! There's no one else. It's their unions that are making the difference.

Here are some key statistics from the ABS for August 2020.

• 14 per cent of employees (1.5 million) are trade union members.

• Since 1992, the proportion of employees who are trade union members has fallen from 40 per cent to 14 per cent.

• The education and training industry (31 per cent); the public administration and safety industry (28 per cent); and health care and social assistance industry (24 per cent) are those with the highest proportion of employees who are trade union members.

• The education of trade union members looks like this: Graduate diploma or graduate certificate (26 per cent); bachelor's degree (17 per cent); postgraduate degree (13 per cent); no non-school qualifications (10 per cent).

In the year 2020, here is the ABS's main story for earnings:

The median weekly earnings for employees who were trade union members in their main job was $1,450 per week, compared with $1,100 for employees who were not trade union members.

That's an average 31.8 per cent increase!

If teachers knew about these salary differences, there would be 100 per cent membership. We need to tell them.

There are three very important words, which are a direct consequence of union membership: Representation, advice and protection.

Whenever you feel moved to ask what your union has done for you lately, remember these ABS figures, consistent for at least 30 years, and hold onto these three words that refer exclusively to union members and to no others.

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