Percentage of Construction Industry Workers in a Union Continues to Decline

By M. Christopher Moon April 3, 2024

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Construction Labor Relations According to an Associated Builders and Contractors<u>analysis</u>, the percentage of construction workers who belong to a union dropped to a record low of 10.7 percent in 2023. This is the latest in a generational shift. Over the past 50 years, the percentage of unionized workers has decreased from 39.5 percent to the new low. Non-union construction employers should still be aware of unions and related labor law issues. We provide a few reasons here.

First, the law that covers unionized employers in private industry, the National Labor Relations Act (NLRA), applies with equal force to non-union employers. Non-union workers still have the NLRA's protections to engage in protected, concerted activity in support of improved working conditions. That includes group activities that have nothing to do with bringing a union into the workplace.

Second, employers need to be vigilant about organizing. Construction unions are powerful organizations and decades old. They will continue to seek growth through organizing. By some metrics, 2023 was the most successful year in union organizing since 2000. Across industries, the trend is that younger workers are more likely to view unionization favorably. Indeed, more than two-thirds of the public view unions favorably, which suggests that union organizing could succeed at many employers.

Third, construction employers that avoid all unionized projects might leave money on the table. For example, President Joe Biden issued a rule that will require large-scale federal construction projects to be covered by project labor agreements (PLAs) between contractors and unions. Some states have also passed legislation requiring or strongly preferring PLAs for construction projects in developing industries, such as wind power and legalized cannabis. It therefore may make sense to enter into PLAs for certain projects. (Although a PLA usually should only apply to a specific project, employers need to ensure the PLA does not arguably create a long-term relationship with a union.)

The rate of unionized construction employees may continue to slowly decline, but union interaction will remain a regular part of the industry. Employers should remain vigilant in their awareness of the NLRA, union organizing, and PLA opportunities, among other legal issues.

Please contact a Jackson Lewis attorney with any questions.

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