Government data shows union construction workers more likely to receive job training than nonunion

Union coverage and work-related training in the construction industry


Overview

Scholars adhering to the standard “human capital” model have long argued that union coverage discourages employer investment in job training; others, assuming imperfect labor market competition, have contended that a demonstrable union effect increases investments in job training where collective bargaining institutions exist. Using data from the Survey of Income and Program Participation, the author identifies a large union effect is in construction, and a smaller, yet statistically significant, effect in other private-sector industries. Nonetheless, the results are not entirely consistent with either the standard human capital model or models of imperfect competition.

Key Findings

- Most prior research on union coverage and job training investigated the labor market as a whole. The construction industry – marked by frequent but short-term demand for highly skilled employees – is characterized by distinctive training needs and institutions and merits separate examination.

- Through apprenticeship funds and hiring halls operated jointly with employers, unions in construction play a uniquely important role in remedying market failures and securing training opportunities for non-managerial workers.

- Union construction craft workers are 12% more likely to have participated in vocational training within the past ten years, and 5% more likely to have participated in skills upgrade training in the past year.