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Union Organizing Alert: Labor Making Big Gains In Retail, Service Sectors

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Despite labor union participation dropping to all-time lows on a percentage basis in the American workforce last year, unions have been making significant gains in certain sectors as the pandemic subsides, namely the retail and service industries. Much of this, but not all, is attributable to the ongoing national organizing push at Starbucks. To date, nearly 300 Starbucks locations have voted in unions since December 2021.

A recent article from Bloomberg, Retail, Service Sectors Notch Labor Wins as Union Density Falls, highlights some interesting data on this front:

- Unions quadruped their election win totals at companies in the service industry relative to their successes in 2021. Bloomberg's analysis found "the Service Employees International Union won 386 elections that added nearly 20,000 workers to their membership in 2022 a more than four-fold increase from 89 election wins that added 5,827 workers in 2021. Starbucks baristas accounted for more than two-thirds of those wins." The SEIU often represents workforces in the service industry, such as janitorial unions at hospitals, hotels, conference centers, etc.
- Similarly, the United Food and Commercial Workers (UFCW) union, which typically represent workers at grocery stores and other retail establishments, organized more than 2,500 new members and more

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• Much of the unions' successes came in smaller bargaining units (i.e., units with 50 employees or less). Bloomberg reported, "These smaller units won 955 elections, up from 575 election wins in 2021, according to the analysis."

Some of these successes likely are due to the fact many hotels, restaurants, and shops started getting back to normal staffing levels in 2022 after a couple of years of shutdowns and various iterations of "stay at home orders." The SEIU and UFCW historically have strong footholds in these industries. A friendlier labor law landscape also likely has assisted unions in their recent organizing successes.

Employers desiring to remain union free should take note of this data, particularly the organizing successes unions are seeing within smaller units. Being proactive in employee relations and devising a communications plan may pay dividends on this front. But companies should also beware that certain rules apply to discussions on this issue in the workplace.