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**Measuring Trade Union Membership Status in the
HILDA Survey**

Mark Wooden

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Introduction

It is routine to collect an indicator of trade union membership in all surveys with a focus on labour market behaviour and outcomes and where the unit of data collection is the individual. The HILDA Survey is no exception.

It has come to our attention, however, that the population weighted estimates of trade union membership from the HILDA Survey are considerably above the estimates reported each year by the Australian Bureau of Statistics (ABS) from its Employee Earnings, Benefits and Trade Union Membership Survey (which is conducted as a supplement to the August Labour Force Survey). This raises questions about either the nature of the HILDA Survey sample (are union members over-represented) or the way the way union membership is defined and identified in the HILDA Survey instrument.

As shown in Table 1, the difference is not small, with HILDA Survey estimates consistently between four and six percentage points higher than the ABS estimates.

Table 1: Trade Union Membership Rates (% of employees) by Sex: HILDA Survey and ABS Estimates Compared

	2001	2002	2003	2004	2005	2006
<i>HILDA Survey</i>						
Male	31.5	29.1	29.0	28.5	28.0	26.9
Female	27.4	27.6	27.4	27.5	26.2	25.9
Total	29.6	28.4	28.2	28.0	27.2	26.4
<i>ABS (August)</i>						
Male	26.0	24.5	24.1	23.5	23.5	21.3
Female	22.7	21.5	21.8	21.7	21.1	19.3
Total	24.5	23.1	23.0	22.7	22.4	20.3

Notes: Source of ABS data is *Employee Earnings, Benefits and Trade Union Membership* (ABS cat. no. 6310.0).

Further comparison of estimates from the two data sources indicates that the differences are almost entirely explained by much higher estimates of trade union membership among managerial and professional occupations in the HILDA Survey. This can be seen in Table 2, which reports union membership estimates for a small range of different individual characteristics for 2005.¹ Most importantly, it can be seen that when we compare occupation categories, we find extremely large differences in the estimated rate of union membership in two groups: Managers and administrators; and Professionals – around 10 percentage points. The difference is also considerable among Associate professionals – close to 7 percentage points. For other groups the difference is much smaller, and often statistically insignificant. Indeed, among Labourers the HILDA Survey appears to underestimate union membership.

It thus seems likely that unlike the ABS survey, the HILDA survey is capturing affiliation with professional associations which do not perform industrial functions such as the collective negotiation of pay and conditions. Whether intentional or not, this is entirely the

¹ We chose 2005 rather than 2006 given the switch to a new occupation classification system in the ABS data between these two periods – from ASCO 2nd edition to ANZSCO.

result of the way the HILDA Survey poses its question on union membership to respondents, and leads to the question of whether or not the HILDA Survey should amend its questions to be more in line with ABS conventions. The problem, of course, is that any change has the potential to seriously affect the continuity of data.

Table 2: Trade Union Membership Rates by Selected Characteristics, 2005: HILDA Survey and ABS estimates compared

<i>Characteristic</i>	<i>HILDA (Wave 5) %</i>	<i>ABS (August 2005) %</i>	<i>Difference % points</i>
<i>Sex</i>			
Men	28.0	23.5	+4.5
Women	26.2	21.1	+5.1
<i>State</i>			
NSW	29.1	23.9	+5.2
Victoria	26.9	21.5	+5.4
Queensland	26.6	22.8	+3.8
Western Australia	22.9	18.7	+4.2
South Australia	27.0	23.4	+3.6
Tasmania	33.6	25.8	+7.8
Northern Territory	20.6	18.3	+2.3
Australian Capital Territory	21.6	20.4	+1.2
<i>Sector of main job</i>			
Public	52.3	47.2	+5.1
Private	19.4	16.8	+2.6
<i>Hours of work in main job(a)</i>			
Full-time	30.4	24.8	+5.6
Part-time	20.7	16.7	+4.0
<i>Occupation</i>			
Managers and administrators	21.3	11.1	+10.2
Professionals	38.4	28.5	+9.9
Associate professionals	25.7	18.9	+6.8
Tradespersons and related workers	28.5	27.9	+0.6
Advanced clerical and service workers	11.6	11.9	-0.3
Intermediate clerical, sales and service workers	19.7	17.0	+2.7
Intermediate production and transport workers	37.9	36.5	+1.4
Elementary clerical, sales and service workers	21.2	18.0	+3.2
Labourers and related workers	19.8	23.9	-4.1
TOTAL	27.2	22.4	+4.8

Notes: (a) In the HILDA Survey a part-time worker is any person whose main job involves usual hours of work of less than 35 per week. In ABS surveys a part-time job is any where usual hours of work is less than 35 and respondent actually worked less than 35 hours in the survey reference week.

Questionnaire Design

The relevant question in the HILDA Survey reads:

Do you belong to a trade union or employee association?

and it is the words “or employee association” that are clearly the source of the differences identified above.

The construction of the HILDA Survey question was based on the relevant questions used by the ABS in its August 2000 Employee Earnings, Benefits and Trade Union Membership Survey. The ABS, however, regularly ask three questions. These read:

I. Does ... belong to a trade union?

II. Does ... belong to any other union or employee association?

III. Is this in connection with ... job with (*Employer/Business named in a previous question*)?

Faced with a time / space constraint, the HILDA Survey question combined the first two components, and ignored the third.² What the questionnaire designers did not recognise, however, was that in deriving estimates of trade union membership, the ABS only uses information from the answers to components I and III. The information about membership of an employee association is not used to identify trade union membership.

Now it could be argued that the ABS understates union membership by ignoring employee associations, especially given that many of the functions of employee associations are very similar to those undertaken by traditional labour unions. Indeed, the HILDA Survey manual includes an instruction to interviewers not to accept an affirmative response where the association which the respondent is a member of does not perform industrial functions. Specifically the manual states that: “This [union membership] generally does not include professional associations such as the Australian Medical Association or the Society of Chartered Accountants. Only include such associations if (and only if) the collective negotiation of pay and conditions for its members is one of its main activities.” This instruction, however, is itself confusing given the AMA could rightly be described as negotiating conditions for its members (e.g., through negotiating scheduled fees). That said, reference to this manual instruction would only be made if the respondent queries the interviewer, which we believe is not common. Further, it is our understanding that interviewers rarely refer to the manual during interviews (though it is central to their pre-interview training).

Data Collection Methods

Another significant difference between the HILDA Survey and the Labour Force Survey is that the latter is administered on an any responsible adult basis, meaning that one adult household member answers on behalf of all other household members, whereas in the HILDA Survey interviews are attempted with all household members and proxy interviews are not permitted.

This might mean that the ABS Survey understates trade union membership given: (i) some respondents will be unaware of the union membership status of other household members and thus be inclined to respond that they don’t know; and (ii) the ABS treats a ‘don’t know’ response as equivalent to a ‘no’ response in its calculation of union membership. The number of don’t know responses, however, is relatively small – 2.6% of all employees in 2006 – and thus could only account for a small fraction of the differential (half a percentage point at most).

² This raises the possibility that some HILDA Survey respondents may be referring to membership unconnected with their main employer. This would have an upward effect on HILDA Survey estimates, but given the limited extent of multiple job-holding, such an effect should be extremely small.

Options for the Future

Given that questionnaire design is what is primarily responsible for the overstatement of trade union membership in the HILDA Survey, we now have to decide whether the question should be altered. This, of course, has the potential to cause a discontinuity in the data series and thus may be problematic for researchers who include union membership in their longitudinal analyses.

In order to obtain estimates that are broadly comparable with ABS estimates, the HILDA Survey interview instrument needs to separately identify membership of trade unions from membership of employee associations. However, to maintain comparability over time in the data we need to continue to collect data on employee associations.

We thus propose to replace the HILDA Survey question used in waves 1 to 8 with the following two questions:

q1 Do you belong to a trade union? [Yes / No / Don't know]

[If No / DK to q1]

q2 Do you belong to any other union or employee association? [Yes / No / Don't know]

Only include professional employee associations which serve the work related interests of the respondent. Do not include associations which only accord members professional status in their field.

This is essentially the same as the first two components of the standard ABS sequence. We have not proposed adding a question for those that answer yes to q1 identifying whether their membership is in connection with their main job. The main reason for this is simply the growing time pressures on the survey instrument.

The hope is that this revised approach will obtain an estimate that is broadly comparable with ABS estimates (from answers to q1), while also enabling comparability with historical data from the HILDA Survey to be maintained (from the combination of answers to q1 and q2).

The plan is to adopt this change commencing in wave 9.

The views of HILDA data users and other stakeholders are welcomed. Please send any thoughts or suggestions to Mark Wooden at: m.wooden@unimelb.edu.au.