

4. This was done under the 1943 Control of Employment (Directed Persons) order (U.K. Ministry of Labour Gazette, 1943: 61).

5. This was the number stated by the Minister of Labour, Ernest Bevin (U.K. Hansard Parliamentary Debates (Commons). 5th ser. vol. 392 col. 460).

6. Dex and Shaw (1986) show that in the United States, where child-care expenses can be tax-deductible, the women are more likely than British women to remain in full-time employment and do not experience the same degree of downward occupational mobility.

7. Walker (1983) states that women provide twenty times as much unpaid care as men.

8. In addition, a Private Member's Bill on paternity leave, presented by Greville Jenner, M.P., in 1979, was defeated.

9. This applies particularly to white British women. Asian and West Indian women have, by contrast, tended to work long hours in employment at low rates of pay.

5 Part-Time Employment and Industrial Relations in Great Britain in the 1980s

David G. Blanchflower

There is no clear evidence that part-time workers are being unjustly treated. Many of them enjoy a satisfactory degree of protection under our legislation, and in many cases there are sound economic or commercial reasons for applying different terms of employment to part-time workers as compared to full-time workers. This is a fact which part-time workers are ready to accept as a consequence of the nature of their work. In our view, arrangements between part-time workers and their employers are best left for voluntary agreements either individually or through collective bargaining where that is available (Letter from the Secretary of State for Employment).¹

One of the major features of the British labor market in recent years has been both an absolute and a relative increase in the number of part-time workers. Between June 1971 and March 1988, the number of part-time employees grew by 55 percent, whereas the number of full-time employees fell by 18 percent. Recent forecasts suggest that the prime source of employment growth in the next few years will come from part-time jobs. It is particularly appropriate, therefore, to examine the characteristics of Britain's part-time labor market. A substantial body of literature already exists on why individuals choose to work part-time, and on the type of work they do (Elias and Main, 1982; Ballard, 1984; Martin and Roberts, 1984a; 1984b; Robinson and Wallace, 1984). However, relatively little is known either about the type of work places in which part-timers are employed or the industrial relations characteristics of such work places. To examine these issues, we make use of data from two large-scale representative surveys of establishments² undertaken in Great

Britain in 1980 and 1984. This builds upon earlier work using the 1980 data that were first reported in Blanchflower and Corry (1987). We concentrate here on identifying the major changes that occurred in the environment in which part-timers were employed during a unique period in the history of British industrial relations.³

We shall attempt to provide answers to the following kinds of questions:

1. What is the distribution of part-time workers by industrial sector and establishment size? How did this change between 1980 and 1984?
2. Is there a different system of industrial relations where part-time workers are employed? How did this change between 1980 and 1984?
3. Did the relative position of part-time workers improve over the period?
4. Does the employment of part-timers add a dimension of flexibility to the labor force that helps firms to meet unexpected changes in demand and production conditions?

WHY PART-TIME? AN ECONOMIST'S VIEW

It seems natural that an economist would look to the forces of supply and demand to explain the postwar rise in the number of part-time workers. What are the main supply and demand factors?

Supply

Employers sometimes allege that they are compelled to use part-time workers because of a shortage of full-time workers, which implies a supply constraint problem. Why are such constraints likely to occur? Suppliers of labor who seek part-time work presumably prefer to work for less than the full workweek.⁴

There are three groups in particular that might be expected to have strong preferences for part-time work:

Married women, especially those with children. They may wish to supply weekly hours below the full-time norm because they are also supplying labor in the home for child-rearing, cleaning, cooking, and other domestic responsibilities.

Young persons. Apart from market work they may also wish to supply hours for human capital formation in the form of education and training.

Older workers near or beyond retirement age. The reason may be an increased preference for leisure as family costs decline or health deteriorates. If these workers are receiving some type of pension, this is likely to reduce further the need for market work.

Demand

Why should an employer have a preference for employing part-time workers rather than full-timers? There may be several reasons:

Small Size of the Establishment. This is potentially important and involves a certain indivisibility in the employment of labor. A small establishment may simply not have enough work for a full-time secretary, bookkeeper, computer operator, or word processor. This indivisibility may be overcome as the size of the establishment grows (and vice versa if it declines).

Variability of Demand Combined with Storage Problems. Many products have variable demand, with periods of peak load alternating with periods of excess capacity. The variation may be seasonal, weekly, or even daily, but this in itself need not suggest a demand for part-time employment. For this we need to combine the existence of peaks and troughs in demand with the inability to store the product offered for sale. Bar service, for example, cannot be produced in slack times and stored for peak demand.

Utilization of Capital Equipment. Firms may employ part-time workers as a way of increasing capital utilization. The benefits to an employer arise out of either a higher output from a given stock of capital or a lower stock necessary to achieve the desired level of output. Capital savings are likely to be larger the more capital intensive production is, and the more susceptible the capital stock is to technological obsolescence.

Shortage of Full-Time Workers. This reason for the employment of part-time workers is sometimes given by employers. It is not of itself a specific demand factor, since it arises simply as a response to employee preference. It is likely to be primarily a short-term phenomenon.

Relative Cost of Part-Time Labor. Part-time labor may be cheap in comparison to full-time labor because wage rates per unit of labor are lower, because other costs associated with the employment of labor are less, or for both reasons.

Employer Attitudes toward the Structure of Industrial Relations. It seems to be the case that part-time workers are less likely than full-time workers to be members of trade unions. To the extent that employers have a preference for non-union workers, it is to be expected that they would favor part-time workers. There may then be a correlation between the use of part-time workers and informal, rather than formal, methods of industrial relations.

Unfortunately, it is very difficult to separate out and measure the relative importance of supply and demand. The number of part-time workers in employment at any one time will be the outcome of the interaction between the demand by employers and the supply of part-

time labor by employees. This in turn may be related to the demand and supply of full-time employment. In certain circumstances, it may be possible to argue that the observed volume of employment is entirely demand-determined or entirely supply-determined. The former would be the case if we were confident that the labor market was in excess supply—hence, the quantity employed would be demand-constrained. The latter case would be true for markets in excess demand.

Although the two Workplace Industrial Relations Survey (WIRS) data sets contain detailed information on both the characteristics of the work places at which part-timers were employed and the overall structure of the establishments' work forces, the surveys were not specifically designed for an analysis of the part-time labor market. In particular, there is some information that, were it available, would have helped us in assessing the reasons why employers use part-timers. For example, employers were not asked why they did or did not use part-timers, or even about their relative cost.

The analysis undertaken in the following section cannot give complete answers to issues such as the causes of increased part-time working, including the relative importance of employer and employee demands, or whether increasing levels of part-time employment were at the expense of full-time employment. To distinguish the demand from the supply-side influences on observed employment would require a fully specified model and a wealth of individual and establishment data that have only recently begun to be available for Great Britain. (See Disney and Szyszczak [1984] for a very interesting attempt to do so, using time-series data). However, the WIRS surveys can provide important insights into the nature of this labor market. We are able to provide a nationally representative picture of the type of establishments in which part-timers are employed. The special novelty of this chapter is that we are able to examine changes not only in the industrial distribution of establishments and workers but also in the structure of their industrial relations' environment.

THE DATA SOURCES

A study of this type is only as good as its statistical source. The data upon which the inquiry is based come from two large surveys of plants and work places in Great Britain, known as the Workplace Industrial Relations Surveys, conducted in 1980 (WIRS1) and 1984 (WIRS2). The samples for the surveys were drawn from the government's Census of Employment. To be included in the sample, an establishment had to have at least 25 employees (full- or part-time) at the time the sample was drawn (1977 in the case of WIRS1 and 1981 in the case of WIRS2). This limitation means that small work places, where approximately one

half of all part-timers are employed,⁵ are necessarily excluded from the analysis. For the study of changes in the industrial relations environments of part-time workers, the omission of the largely nonunion small business sector is unlikely to be a serious difficulty. Part-time workers employed in the sample of establishments from which the WIRS samples were drawn are more likely to be represented by unions, have better terms and conditions of employment, and be more highly paid than their counterparts in the excluded establishments.⁶ Hence, the results reported here will understate such differences as do exist between full- and part-time employment.

The WIRS data cover the whole of England, Scotland, and Wales, and all of the manufacturing and service sectors of the British economy. Uniquely, both the public and private sectors are included in the sample. The major exclusions are agriculture, coal mining, and the armed forces. In 1980 and again in 1984, a nationally representative sample of approximately 2,000 establishments was achieved. Although these are multi-respondent surveys, we restrict ourselves to data provided by the senior managers who dealt with industrial relations. Large establishments were deliberately oversampled, because they were felt to be of special interest. The data sets provide information about more than one third of all the large work places in Great Britain. Such inequalities of selection necessitate the use of weights to maintain the overall representativeness of the surveys. A more detailed discussion of the WIRS sources is provided in Daniel and Millward (1983) and Millward and Stevens (1986).

EMPIRICAL EVIDENCE

Table 5.1 provides details of the changes in the distribution of employment by broad sector.⁷ In most of the succeeding tables, we follow the same format as in Table 5.1. For both 1980 and 1984, we report the percent of the work force that were part-time, and the percentage of all part-timers. It is also possible to distinguish the percentage of establishments in a particular category. However, considerable care has to be taken with this measure because, first, average plant size differs between categories in any one year, and second, average plant size fell from 118 in 1980 to 108 in 1984.⁸

As can be seen from the third and fourth columns of Table 5.1, a higher proportion of workers in 1984 were employed in the service sector than was the case in 1980 (67 percent and 57 percent respectively). Changes in the structure of part-time employment were broadly in line with changes in total employment. By 1984, part-timers constituted 16 percent of the work force in establishments with at least 25 employees, compared with 14 percent in 1980. Table 5.2 presents the industrial

Table 5.1
Broad Classification of Part-Timers

	% Part-timers in Work force		% All Part-timers		% All Workers		Number of Establishments ¹	
	1980	1984	1980	1984	1980	1984	1980	1984
Private Sector	13	14	59	48	64	57	1,351 (1318)	1,266 (1186)
Private manufacturing	7	6	19	10	39	28	508 (750)	433 (600)
Private nonmanufacturing	22	21	40	38	25	29	843 (568)	833 (586)
Public Sector	16	14	41	52	36	43	633 (694)	731 (816)
Public manufacturing	2	3	—	—	4	5	35 (83)	39 (89)
Public nonmanufacturing	18	22	41	51	32	38	598 (611)	692 (727)
Manufacturing	6	5	20	10	43	33	542 (833)	472 (689)
Nonmanufacturing	20	21	80	90	57	67	1,441(1,179)	1,525(1,313)
Total Great Britain	14	16	100	100	100	100	1,984(2,012)	1,997(2,002)

1. Unweighted number of establishments in parentheses.

Table 5.2
Industrial Distribution of Part-Timers

Industry	% Part-timers in Work Force		% All Part-timers		% All Workers		Number of Establishments ¹	
	1980	1984	1980	1984	1980	1984	1980	1984
Energy and Water Supply	3	3	-	-	3	4	40 (63)	44 (67)
Other Minerals & Ore Extraction	4	4	2	1	6	6	67 (120)	81 (117)
Metal Goods, Engineering & Vehicles	5	3	6	2	18	12	203 (335)	152 (267)
Other Manufacturing Industries	10	10	11	6	16	11	233 (315)	194 (238)
Construction	3	3	1	-	4	3	117 (95)	84 (68)
Distribution, Hotels, Catering, Repairs	26	42	22	22	12	12	438 (274)	365 (247)
Transport & Communication	4	4	2	2	6	7	114 (134)	127 (165)
Banking, Finance, Insurance etc.	10	9	3	4	5	8	158 (103)	236 (169)
Other Services	24	36	52	61	30	37	612 (571)	713 (663)
Total Great Britain	14	16	100	100	100	100	1,984 (2012)	1,997 (2002)

1. Unweighted number of establishments in parentheses.

distribution of employment in establishments with at least 25 employees (full- or part-time) in Great Britain, using 1980 data from WIRS1 and, for 1984, using WIRS2. The decline in employment in the manufacturing sector that occurred over the period is particularly noticeable in Standard Industrial Classification (SIC) Orders 3 (Metal Goods, Engineering, and Vehicles) and 4 (Other manufacturing). For all workers, a higher proportion was employed in SIC Order 9 (Other Services) in 1984 than in 1980. By 1984, more than four out of ten employees in Distribution, Hotels, Catering, and Repairs were part-time.

The remainder of our discussion will concentrate on part-time employment in the *private sector* where the most pronounced differences in work-place characteristics exist between full and part-time workers. Table 5.3 presents distributions of employment by work-place size. Although a higher proportion of total employment in 1984 was in establishments with less than 100 employees than was the case in 1980 (38 percent and 33 percent respectively), *exactly* the opposite was true of part-time employment (33 percent and 38 percent respectively). This is, in part, because part-time employment fell relatively less rapidly than full-time employment in the largest establishments with at least 500 employees. These were the work places that experienced the most dramatic declines in employment over the period (Blanchflower, Millward, and Oswald, 1988).

Part-time employees were less likely to have been employed in establishments that experienced big declines in employment over the period, as Table 5.4 illustrates. We have grouped work places together into five categories in relation to their percent of change in employment. The elements in the table add vertically to 100 percent. For example, in 1980, 15 percent of all part-timers and 18 percent of all workers were employed at work places which declined by at least 20 percent between 1975 and 1980. Just under one in five of Britain's work places (184 out of a total of 1021) fell into this category. In 1980, 36 percent of part-timers were employed at private sector work places that had declined by at least 5 percent over the preceding five years, compared with 43 percent for total employment. Analogously, 42 percent of part-timers were employed in establishments in 1984 that had declined by at least 5 percent over the preceding *four* years, compared with 51 percent for total employment.

Now we turn specifically to changes in the industrial-relations environment in which part-time workers were employed. We have already shown (see endnote 6) that part-time workers were less likely than full-time workers to be members of a trade union. Table 5.5 shows that just over one half of part-timers in the private sector were employed in non-union establishments in both 1980 and 1984. In contrast, 29 percent of all private sector workers in the 1980 survey worked in non-union plants, compared with 37 percent in 1984.

Table 5.3
Distribution of Part-Timers by Establishment Size: Private Sector

Number of Employees	% Part-timers in Work Force		% All Part-timers		% All Workers		Number of Establishments ¹	
	1980	1984	1980	1984	1980	1984	1980	1984
25-49	22	17	29	24	17	19	704 (256)	663 (223)
50-99	15	14	19	19	16	19	349 (253)	338 (239)
100-199	14	15	17	20	15	17	164 (243)	156 (206)
200-499	12	13	18	18	19	19	92 (236)	80 (210)
500-999	7	10	6	8	11	11	25 (160)	20 (164)
1000-1999	7	10	6	6	11	8	11 (92)	7 (106)
2000+	8	9	6	5	11	8	6 (78)	3 (38)

1. Unweighted number of establishments in parentheses.

Table 5.4
Distribution of Part-Timers by Change in Establishment Size: Private Sector

	<i>1975-1980 (WIRS1)</i>			<i>1980-1984 (WIRS2)</i>		
	<i>% All Part-timers</i>	<i>% All Workers</i>	<i>Number of Establishments¹</i>	<i>% All Part-timers</i>	<i>% All Workers</i>	<i>Number of Establishments¹</i>
≤ -20%	15	18	184 (216)	17	28	227 (334)
> -20% and ≤ -5%	21	25	197 (258)	25	23	237 (242)
> -5% and ≤ +5%	14	15	147 (160)	20	14	153 (142)
> +5% and ≤ +20%	17	16	174 (162)	16	14	170 (130)
> +20%	33	27	319 (260)	22	20	257 (163)

1. Unweighted number of establishments in parentheses.

Table 5.5
Part-Timers and Industrial Relations: Private Sector

	<i>% Part-timers in Work Force</i>		<i>% All Part-timers</i>		<i>% All Workers</i>		<i>Number of Establishments¹</i>	
	<i>1980</i>	<i>1984</i>	<i>1980</i>	<i>1984</i>	<i>1980</i>	<i>1984</i>	<i>1980</i>	<i>1984</i>
Non-union	21	19	51	52	29	37	677 (430)	663 (420)
Union recognition	9	10	49	48	71	63	674 (888)	604 (766)
Preentry shop	9	6	8	4	12	8	69 (134)	62 (100)
Postentry shop	8	9	18	15	30	23	208 (348)	159 (276)
Any union shop	8	9	22	15	35	24	259 (414)	175 (288)

1. Unweighted number of establishments in parentheses.

However, the proportion of establishments that were non-union only increased from 42 percent to 45 percent. This is probably explained by the closure of large (union) plants and the birth or growth of smaller non-union plants. Especially notable here is the decline in the number of individuals employed at work places where the closed shop existed. In such establishments, union membership is compulsory for one or more groups of workers to obtain (a preentry closed shop) or to keep (postentry closed shop) their jobs. Examples of the former are found in printing, dock working, and merchant shipping, and of the latter in mechanical engineering, vehicles, distribution, and transport. For further details, see Dunn and Gennard (1984) and Millward and Stevens (1986).

Although the evidence on the relationship between part-time employment and the nature of industrial relations is consistent with the earlier argument that part-time employment would be associated with informal rather than formal methods of industrial relations, it is not possible to infer the direction of causality of the observed relationship. It is not necessarily the pattern of industrial relations that "determines" the use of part-timers; the opposite causation is perfectly feasible, namely that the employment of part-timers "determines" the structure of industrial relations. However, over the period in which we are interested, it is often argued that there was an exceptional decline in the power of trade unions, and that the extent of this decline was so pronounced that the whole balance of power in negotiations altered in favor of management. The result, it is claimed, was a productivity miracle that generated record profits and rising real incomes for the "insiders" who kept their jobs at the expense of the "outsiders." For a version of this view and further details, see Blanchflower, Oswald, and Garrett (1988).

By 1984, the private sector work force was more adaptable and substantially smaller than it had been in 1980; this was especially true of the highly unionized manufacturing sector. The stark choice faced by many unions in the private sector had been to adapt or perish. They were forced to accept the new, demand-constrained situation and to operate new work practices that involved severe reductions in employment. The alternative they were faced with was work-place closure. Few surviving establishments, however, altered their union status over the period.⁹ The growing importance of new, non-union, work places and the decline in the average size of surviving union plants are largely responsible for the changes in the industrial relations scene observed over the period. The extent to which the performance of the non-union work places was enhanced by their greater use of part-timers is still a matter of conjecture.

Despite the fact that the balance of power may have shifted in favor of managers, the general state of relations between management and

workers seems to have deteriorated over the period from 1980 to 1984. Table 5.6 reports the views of managers. A relatively high proportion of part-timers in both years was employed at establishments where managers reported that industrial relations were "very good." However, the proportion of part-timers, full-timers, and establishments in this category fell significantly over the period. The state of industrial relations, as reported by managers, was generally better in the non-union sector than in the union sector.

Finally, Table 5.7 presents details of the performance of establishments in relation to others in the same industry. As this is a relative measure, it is not surprising to see little change in the distribution of work places across the three categories. However, we do observe a large relative increase between 1980 and 1984 in the proportion of full-timers in the non-union private sector work places that were performing "above average." Over this period, full-time non-union employment increased from 27 percent of total private sector employment in 1980 to 34 percent in 1984.

CONCLUSIONS

Our main findings are as follows:

1. Between 1980 and 1984, part-time employment grew from 14 percent to 16 percent of total employment in work places of at least 25 workers. This is less growth than is popularly supposed.
2. In 1980, approximately 80 percent of part-timers were employed in non-manufacturing; by 1984, this figure had risen to 90 percent.
3. Half of all part-time workers in the British economy are employed in establishments with fewer than 25 workers.
4. In 1984, one in six part-timers were employed in establishments that had declined in size by at least 20 percent between 1980 and 1984. This compares with two in seven overall.
5. In Great Britain in the 1980s, union membership of part-timers was approximately 30 percent compared with 50 percent for full-timers and 46 percent overall.
6. Half of all part-timers in Great Britain in both 1980 and 1984 worked in non-union plants. Overall, the proportion of all workers in such work places grew from 29 percent to 37 percent over the same period. For both full- and part-time workers, there were notable declines in the proportion of workers in closed shops.
7. Managers in the private sector reported that the state of industrial relations in their work places had deteriorated over the period 1980-1984.
8. In 1984, a substantially higher proportion of non-union workers was em-

Table 5.6
State of Industrial Relations: Private Sector

	% Part-timers in Work Force		% All Part-timers		% All Workers		Number of Establishments ¹	
	1980	1984	1980	1984	1980	1984	1980	1984
Union sector								
Very good	10	12	46	34	42	29	324 (365)	206 (233)
Good	10	10	32	46	31	47	209 (275)	285 (345)
Quite good	8	8	18	12	22	16	117 (197)	84 (124)
Other	8	9	4	7	5	8	24 (51)	29 (64)
Non-union sector								
Very good	22	20	56	49	55	48	373 (236)	319 (200)
Good	20	17	29	35	31	39	206 (132)	267 (163)
Quite good	27	22	12	9	9	8	64 (42)	47 (34)
Other	16	23	3	7	5	5	35 (20)	30 (21)
Private sector								
Very good	14	16	51	42	46	36	697 (601)	525 (433)
Good	13	13	30	40	31	44	415 (407)	552 (508)
Quite good	11	11	15	10	18	13	181 (239)	131 (158)
Other	10	13	4	8	5	7	59 (71)	59 (87)

1. Unweighted number of establishments in parentheses.

Table 5.7
Financial Performance and Employment: Private Sector

	1980			1984		
	% All Part-timers	% All Workers	Number of Establishments ¹	% All Part-timers	% All Workers	Number of Establishments ¹
Union sector						
Above average	53	56	234 (330)	49	48	222 (282)
Average	42	39	279 (358)	40	41	263 (305)
Below average	5	5	33 (57)	11	11	48 (67)
Non-union sector						
Above average	51	40	284 (185)	64	62	300 (208)
Average	43	53	232 (144)	33	35	243 (140)
Below average	6	7	31 (18)	3	2	26 (15)
Private sector						
Above average	52	49	518 (515)	56	53	522 (490)
Average	42	45	511 (502)	35	39	506 (445)
Below average	5	6	64 (75)	9	8	74 (82)

1. Unweighted number of establishments in parentheses.

ployed in work places with above average performance than had been the case in 1984.

The growth in part-time employment that occurred in the 1970s and 1980s seems to have conferred benefits on both employers and employees. Employers appear to have benefited from the flexibility that part-timers bring to their work forces. Employees have benefited because part-time work appears to fit in well with domestic commitments. The substantial decline in private sector unionization since 1980 seems to have enhanced the overall flexibility of the British labor market. As a result, many of the traditional differences between the full-time and part-time labor markets narrowed between 1980 and 1984.

NOTES

1. Reported in the Minutes of Evidence, House of Lords Select Committee on "Voluntary Part-time Work" Her Majesty's Stationery Office, July 1982: 131. (Editors' note: In this letter, the Secretary of State for Employment expresses the Government's reservations concerning the desirability of the European Economic Community's draft Directive on Voluntary Part-Time Working, issued in December 1981.)

2. Throughout this paper we define an establishment as an "individual place of employment at a single address or site." For further details, see Millward and Stevens (1986), Technical Appendix.

3. For a fuller discussion of the changes in British industrial relations over the period, see Metcalf (1988) and Blanchflower and Oswald (1988).

4. When female part-timers in the 1980 Women and Employment Survey were asked whether they wished to change the number of hours they worked, 83 percent said they were happy with their present hours, 6 percent expressed a preference for fewer hours, and 11 percent expressed a preference for more hours (Martin and Roberts, 1984a). It does appear, therefore, that the vast majority of female part-timers have a preference for part-time work and have not been forced into it because of a shortage of full-time jobs.

5. I calculate that, in Great Britain in the 1980s, 47 percent of part-time and 28 percent of full-time workers were employed in work places where there were fewer than 25 workers. This result is obtained from a major source of data on individuals undertaken every year from 1983 to 1987, known as the British Social Attitudes Surveys. For further details of these data sets, see Blanchflower (1989).

6. The British Social Attitudes Survey data for the period of 1983 to 1987 mentioned in note 5, permit the calculation that, on average, 29.6 percent of part-time workers were union members, compared with 49.9 percent for full-timers and 46.3 percent overall.

7. As background to the table, we should note that total employment over the period June 1980 to June 1984 fell by around 8 percent, while part-time employment remained more or less constant. Total manufacturing employment,

however, fell by approximately 20 percent (*Employment Gazette*, January 1985 and November 1988).

8. Average work-place size in the two surveys was as follows:

	WIRS1 (1980)	WIRS2 (1984)
Private sector	110	97
Private manufacturing	17	139
Private services	70	75
Public sector	134	127
Public manufacturing	294	266
Public services	126	120
Manufacturing	183	149
Services	93	96

For the distribution of establishments across these categories, see Table 5.2

9. Millward and Stevens (1986) report from a small panel element of the WIRS data that only 7 percent of work places altered their union status over the period. Similarly, a panel study of work places conducted by the Confederation of British Industry (CBI) reported that only 5 percent changed their union status (defined by the presence of collective bargaining agreements) over the period 1979 to 1986. In both cases, the proportion of plants changing their status from union to non-union was matched by a similar proportion moving in the other direction (Confederation of British Industry, 1987).