

The Closed Shop Help or Hindrance for the Union Movement

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The closed shop is the classic perennial and controversial issue in industrial relations. Most countries have some form of union security arrangements (Cordova & Ozaki 1980); the exception being some European countries (Kassalow 1980). Apart from the individual freedom arguments, research has focussed on management attitudes towards the closed shop (Geare 1989; 1990: Dunn & Gennard 1984) and the economic impact of the closed shop on certain variables such as productivity, pay, profitability and employment (Metcalf 1989a; Blanchflower & Oswald 1988). There has been little research, however, into the impact of the closed shop on trade unions themselves. This is surprising, when the state of trade unions seems to be perilous in most western industrialised economies. Although there has been some discussion amongst labour movement researchers and activists of the need for a new focus on services, on targetting special groups, recruitment drives and so on, little has been said of union security arrangements such as the closed shop and their possible impact on membership, service provision and organisational effectiveness. This paper attempts to remedy this past neglect by reviewing the various studies on the closed shop and closely related forms of union security, examining most closely that evidence which is pertinent to the question of whether the closed shop is a help or hindrance to the union movement. The impact of the closed shop on unions will not be uniform. It will vary according to the type of union, industry, occupational and institutional variables. Therefore the discussion which follows is not intended to imply some global effect of the closed shop. Nevertheless, the issues raised seem pertinent at a time when union strategies are being debated.

Before the review can begin, the definition and terminology of the closed shop needs to be addressed. This is particularly important because the paper uses evidence from many different countries, and the closed shop takes on different meanings in different institutional contexts. A useful functional definition for the purposes of this paper is one where the closed shop is 'any arrangement, formal or informal, written or unwritten, where, except for mutually agreed exemptions, membership of the appropriate union is a condition of a worker's employment' (Wright 1981, 133). Table 1 attempts to compare the various terms and forms of the closed shop in order to avoid confusion. This table lists the terms most commonly used in Australia, Canada, New Zealand, the United Kingdom and the United States with respect to whether the form of compulsory unionism gives the union the ability to influence what labour a firm can employ. For instance, in Australia and the UK, the pre-entry closed shop refers to the situation where workers must be members of a union before being employed in a particular job. This is known as the closed shop in the US and Canada. Similarly, the post-entry closed shop (union membership required after recruitment) in the UK, New Zealand and Australia is known as the union shop in the US and Canada. Throughout this paper, the term closed shop will be used in a generic sense, except in cases where the evidence itself differentiates between the two.

An important term to note in the US context is 'Right-to-Work' (RTW) laws, as most of the research in the US has focussed on the impact of these laws. In 1947, the Taft-Hartley amendments to the Wagner Act granted states the power to pass laws that outlawed the union shop (post-entry) and the closed shop (pre-entry) in 1959. If the law is effective, we can assume that workplaces in states in the US with RTW laws have no closed shops, although they may have open shops (union membership is voluntary). In Australia and New Zealand, preference to unionists clauses in awards may lead to both pre and post-entry closed shops (Zappala 1991).

The closed shop and unions: FOUR hypotheses

This section outlines four major hypotheses regarding the possible impact of the closed shop on unions. It is often the case that these hypotheses lead to contradictory conclusions and they are often overlapping and related to one another. Nonetheless the separate hypotheses have been distinguished where the issue was thought to be of significant importance to the functioning of unions. It should also be noted that differing institutional environments will affect the degree and type of impact of the closed shop on unions. Consequently, evidence from the US, UK, New Zealand, Canada and Australia should be understood within their respective institutional frameworks before any possible comparative messages are developed.

A final point which should be kept in mind when exploring the possible impact of the closed shop on unions is that there exists within the internal hierarchies of unions themselves differences of opinion and attitude towards the closed shop. For instance, Harrison has pointed to the different views towards the closed shop by full-time officials and rank and file membership in British unions covering the health industry (Harrison 1987,69-70). In his study of six Australian unions, Davis found that there was no significant divergence on

the part of full-time officials, delegates and members with respect to a number of union goals, with the clear exception of the closed shop. In every union studied, 100 percent of full-time union officials thought the closed shop a very important union goal, whereas the percentage of members who thought the closed shop to be an important goal varied from one third in one case to three quarters in another (Davis 1987, 117-118). It would seem that the perceived impact of the closed shop may vary according to whether we take a union official's view or a membership view, as well as more traditional variables such as the type of union.

Hypothesis 1: Closed shops reduce union militancy

Geare (1989) has pointed to three ways a closed shop may reduce union militancy. The first is that if all employees are forced to join the union, the apathetic members will tend to 'dilute' the influence of the militants within the union. That is, unwilling conscripts are regarded as more apathetic and conservative than volunteers, leading to a reduction in union strength. This argument rests on the assumption, particularly popular amongst some European unions, that a union's strength lies not in numbers, but in the proportion of strongly committed members.

The second aspect is that central union organisations are less militant under compulsory union membership (Woods 1975; Geare 1989,233). Given that the influence of unions on policy matters within the central organisations tends to depend on their size, and traditionally non-militant unions gain relatively more members through closed shops than do militant unions, then it may be expected that compulsory unionism also leads to less militant central union bodies.

The third aspect is the view that the closed shop encourages 'responsible' unionism (Hanson et.al. 1982,13). By ensuring organisational survival, the closed shop allows union organisers to take a longer term view of industrial relations, and they therefore do not engage as frequently in industrial action in order to demonstrate their effectiveness to potential members (Geare 1989,233).

A fourth aspect not discussed by Geare may be that employers often use the closed shop to strike agreements with less militant unions, in order to keep more militant rivals at bay. This was one of the reasons why it was thought management came to 'love the closed shop' in the late 1960s and 1970s (Gill & Zappala 1990,3-4).

Empirical evidence: Two Australian studies which attempted to test this hypothesis were Rawson (1976) and Dufty (1981). The studies sought to explore attitudinal differences between union members who had joined their union voluntarily and those that had been compelled to join because of closed shop arrangements ('conscripts'). In Rawson's study the 'conscripts' were then divided into willing conscripts (those who would have joined anyway) and unwilling conscripts (those who would not have joined if there had not been a closed shop at their workplace). While not looking at the issue of militancy, Rawson found that for all occupational groups, there was a greater difference in the level of support for the Australian Labor Party (ALP) between willing and unwilling unionists than there was between unionists and non-unionists (Rawson 1976,90); perhaps indicating that unwilling conscripts were more conservative in their political outlook, and less inclined to support union policies. Dufty's study explored the issue of militancy in greater detail. He found that those union members who had joined voluntarily were members of more aggressive unions and were inclined to increase the level of aggression. In contrast, the conscripts belonged to less aggressive unions and tended to be satisfied with their present level of militancy (Dufty 1981,93). As can be seen from Table 2, those union members in Dufty's study who had been forced to join the union, were closer in their views to non-unionists than to unionists on various industrial relations issues, such as whether they thought the union interfered with the employer's right to run the business, whether unions were beneficial in the long run, and who was to blame for strikes. The evidence from these studies would tend to support the view that the impact of militant members may be diluted due to the entry of unwilling unionists. There is, however, one important caveat. Unwilling unionists may be less militant, but if they are also more apathetic, they would presumably be less involved in the formation of union policy. If this is the case, then their attitudes may not so much dilute militant policy, but merely be indifferent towards it. While they may not dilute union policy, however, they may still undermine union action.

Another measure of militancy, albeit imperfect, which has been used is strike patterns. If, as was hypothesised above, the closed shop leads to less militant unions, we would expect that workplaces, industries or regions with a greater prevalence of closed shops also display lower strike frequencies than workplaces, industries or regions without closed shops. This proposition has attracted some interest in the US, where Gallaway (1966) initially put forward the thesis that unions would be more militant in RTW states (i.e states in the US where the closed shop is illegal), therefore they would strike more in order to pursue better wages and conditions, and in order to attract and recruit members. Early studies which attempted to test Gallaway's proposition empirically found that states with RTW laws (i.e. no closed shop) did not have significantly different strike frequencies compared to states without RTW laws (Gilbert 1966; Wessels 1981). A more recent study using micro-level data of 1050 negotiations in US manufacturing during the 1971-80 period came to different conclusions (Gramm 1986). Using a dummy variable to indicate whether the unit was in a RTW law state, Gramm found that strikes were more likely to occur and more severe in states with

RTW statutes (i.e. no closed shop) than elsewhere (Ibid,373). This is consistent with the hypothesis that unions without a closed shop are inclined to strike more, firstly, because they are less prone to 'dilution' and, secondly, because they need to demonstrate to non-members that they are working to achieve better wages and conditions. However, there may be other explanations. Gramm herself recognised that employers have increased bargaining power in RTW law states, which may encourage employer militancy and the ability to continue operations with non-union labour in times of strike action (Ibid,373).

A source of evidence to the contrary comes from two surveys of management attitudes to the closed shop in New Zealand and Western Australia (Geare 1989;1990). In both these surveys, managers were asked a series of questions regarding their attitudes and beliefs towards the closed shop, including a question on whether they thought the closed shop reduced union militancy. In both samples, managers did not feel the closed shop decreased union militancy, but saw it as increasing union strength (Geare 1989,237; Geare 1990,21-2). This is in contrast to earlier attitudinal surveys of management which suggested that the closed shop did not generally enhance a union's bargaining power (Dunn & Gennard 1984,103).

Overall, the evidence in terms of the attitudes to militancy of unwilling conscripts, and the level and frequency of strikes in workplaces without closed shops, would tend to support the hypothesis that closed shops reduce union militancy.

Hypothesis 2: Closed shops lead to poorer services to union members

This is perhaps one of the more popular propositions regarding the impact of the closed shop on unions, especially in the US literature. It may also be important for unions themselves to consider, as many unions are looking to becoming more service conscious as a way of stemming membership decline (Deery 1989; Bassett 1987). The argument is essentially that the threat of union members withdrawing their membership (i.e the exit vote) is a necessary condition to ensure unions adequately service their membership (Finn 1987; Gallaway 1966). With a secure membership resulting from the closed shop, union officials may turn their attention to other goals which may not be in the short run interests of the rank and file. The ability of an employee to either willingly join or leave a union thus provides an incentive for the union to 'earn' that member through the provision of services that they may not otherwise receive. The caveat here is that compulsory unionism may lead to increased financial resources for a union, hence enabling it to provide better services.

Empirical evidence: McIntosh and Gurdon (1986), in a study of occupational health and safety practices in New Zealand, found appreciable differences in the effectiveness of union/management enforcement of occupational health and safety committees. They argued that one possible explanation why some companies exhibited a poor occupational health and safety performance was the existence of the closed shop, which led unions to experience 'a less pressing need to demonstrate their value to the workers by representing their health and safety concerns' (McIntosh & Gurdon 1986,529).

Another imprecise although relevant measure of this proposition is the union/non-union wage mark-up. If the proposition that the closed shop leads to poorer services to union members is correct, we would expect the union/non-union wage premium to be higher in workplaces, industries or regions where there is no closed shop, as unions will strive more effectively to make union membership more attractive. In other words, unions attempt to 'sell' their services by raising the union wage rates higher than they otherwise would be (Moore & Newman 1985,580). This has been tested empirically in the US where, according to this thesis, the union wage premium should be higher in RTW law states (i.e no closed shops) than in states where the closed shop is permissible. Two major econometric studies when controlling for other factors such as industry, skills etc. found the union wage premium to be significantly larger in RTW states than in non-RTW states; that is, a finding consistent with Hypothesis Two (Moore 1980; Farber 1984).

Another study examined the effects of RTW laws on how unions reward their members (Reid & Faith 1987). The primary aim of the study was to investigate whether unions in RTW states (no closed shop) rewarded their members more equally than unions in non-RTW states. The hypothesis was that unions without closed shop provisions (RTW states) would need to take greater account of individual members' interests, which would be reflected in union pay growing less rapidly with seniority in RTW states (no closed shop), as unions need to cater to all members' interests (Ibid,117). The conclusion from this study is worth quoting at length as it aptly supports the second hypothesis.

Our results indicate that RTW legislation affects how unions reward members. Unions in RTW states reward members more currently and more equally and less concerned with day-to-day administration of complex bargaining agreements. This is not simply because unions must negotiate in a more hostile environment in RTW states...more direct control over the union by members does that. RTW legislation forces a union to bargain more in the immediate interest of all members because members can withdraw from a union at any time without cost to themselves. It is tempting to conclude that ease of withdrawal is as beneficial in unionism as it is in governments, where costless withdrawal and competition ensure that government is in the interest of the governed rather than the governors. (Reid & Faith 1987,128).

The evidence, particularly with respect to the wage premium would tend to support the hypothesis that the closed shop may lead to poorer union services to members. Workplaces without closed shops had a higher union wage premium than workplaces with closed shops.

Hypothesis 3: The closed shop increases union bargaining power

This hypothesis is in contrast to Hypothesis 1, and relates to Hypothesis 4 on membership. It assumes that bargaining power relies almost solely on a union's ability to achieve and maintain collective action against an employer (McCarthy 1964). The closed shop is seen to assist in this, first, by ensuring that union membership will be at a sufficiently critical mass to make collective action effective and, second, by providing a 'discipline function' over the membership. If collective action is to succeed, all must be a part. The threat of exclusion from the union for recalcitrant members, and hence loss of certain privileges and even their job, is seen to strengthen the unions position in taking strike action. Unlike Hypothesis 1, strength is seen to lie in numbers and in the ability to ensure the numbers add up when needed.

Empirical evidence: Once again a convenient, although imperfect, measure of bargaining strength is to look at wages outcomes of workplaces or regions which have closed shops relative to workplaces or regions without closed shops. Examining the evidence in the US, it would appear that average wages are substantially lower in RTW states (no closed shops) than in non-RTW states. This also appears to hold when other factors were controlled for (Carroll 1983). Carroll interpreted his results by suggesting that 'lower union membership in RTW states means that unions are weaker in collective bargaining, thereby lowering average earnings in both competitive and non-competitive sectors of manufacturing' (Ibid, 508). This interpretation is consistent with Hypothesis 3. A recent review of the various studies, however, found that the results differed depending on whether the RTW variable was treated as endogenous or exogenous (Table 3). According to Wessels (1981), the RTW variable should be treated as being endogenous, as low wage states may be more apt to pass RTW laws in an effort to attract industry. When treating the variable in this way, Wessels found no statistically significant difference between wage levels in RTW and non-RTW states. The debate rests essentially on methodological techniques, yet if we accept Wessels arguments as correct (Moore & Newman 1985), the US evidence at least would seem not to strongly support the hypothesis that the closed shop leads to greater bargaining power.

This conclusion is further supported by Canadian research. Canada has no RTW laws, but does have various forms of union security provisions. In a study based on 2222 individual wage contracts in the Canadian private sector, Swidinsky sought to test the effect of union security provisions (particularly the closed and union shop) on union bargaining power, as reflected in negotiated wage settlements (Swidinsky 1982). Based on a wage change model, which also included four types of union security as explanatory variables, Swidinsky found that these added little to the explanatory power of the model and were not

there appears little support for the hypothesis that union security arrangements, and particularly the closed and union shop, give unions greater bargaining power than they would have had under an open-shop arrangement. (Swidinsky 1982,70)

Another Canadian study also casts doubt on the hypothesis that the closed shop leads to increased union bargaining power. Examining the union wage effect in Canadian manufacturing industry, Christensen and Maki (1981) found that the absence of compulsory union membership for all employees in the bargaining unit served by a union did not significantly impair the ability of the union to negotiate wage gains. The authors argued that what mattered most was 'coverage fractions' rather than union membership per se. That is, in Canada the fraction of employees covered by a collective agreement may exceed the fraction who are union members, due to a legal requirement that a union bargain for all employees in the designated bargaining unit, whether or not they are members of the union (Ibid, 356). Separate wage models were specified, one in which coverage (percentage of employees covered by a collective agreement) was a unionisation measure, and one in which membership was the unionisation measure. They found substantial overlap between the models in terms of the coverage wage effect and the membership wage effect. As Christensen and Maki concluded:

our estimates indicate that an 'open-shop' union would raise wages an average of 30.7 percent over the non-union wage while the 'union shop' wage effect is 32.6 percent. It is difficult to justify much union effort to achieve a union shop in the face of such a small expected gain. (Ibid, 363)

Nevertheless, a number of recent studies in the UK may lend some support to the hypothesis that the closed shop increases unions bargaining power. Blanchflower and Oswald (1988) summarise a number of studies of the union impact on pay (Table 4). They conclude:

the results indicate that the type of collective bargaining in operation is of some importance, wages being raised principally by closed shops. (Ibid, 2)

Metcalf in a similar review of the British evidence stated: 'The closed shop is the key to extra pay for union members' (1989a). It is, however, the pre-entry closed shop which appears to have most impact, while the post-entry closed shop has a very small to negligible impact on pay over and above unionisation (Stewart 1987; Metcalf & Stewart 1989). As with the US research, these studies are subject to methodological problems. Gill and Zappala (1990) have pointed to the problems caused by the omission of control variables and multicollinearity (Ibid,9-12;14-15;see also Nolan & Marginson 1990). At the very least, however, the British studies indicate that certain forms of the closed shop may assist unions bargaining power.²

The evidence with respect to this hypothesis is more contradictory. On the one hand, the US and Canadian evidence suggests that the closed shop may not in fact increase unions bargaining power, as measured by their ability to gain greater wage increases. On the other hand, the British evidence suggests that some forms of closed shops, in particular the pre-entry closed shop, enables unions to enjoy greater bargaining power.

Hypothesis 4: The closed shop leads to increased union membership

This proposition is straightforward. If people are compelled to join a union, then it seems obvious that the ranks of unionists will swell. The important assumption is that this is worthwhile as it will also increase union strength, through increased membership and financial security. This assumption is in contrast to that in Hypothesis 1. The union strength argument has already been explored. Here we will focus on the impact of the closed shop on membership.

Empirical evidence: The debate in the US once again focusses on the effect of RTW legislation on unionisation. This debate has been summarised elsewhere (Moore & Newman 1985,575-79; see also Farber 1984; Lumsden & Petersen 1975) and so only the relevant features will be highlighted here. The central issue is whether RTW states (no closed shop) have lower union membership than non-RTW states (closed shop allowed). If so, is it due to the RTW legislation? That is, does the banning of the closed shop affect unions' ability to organise?

Once again, much of the debate rests on methodological arguments, with the results of the different studies varying according to how the econometric models used were specified (Table 5). The problem is that the present extent of unionism may be an important impetus in the passage of RTW laws in some states, which leads to a simultaneity bias in models where the RTW variables are treated as exogenous (Warren & Strauss 1979). However, studies that treated both unionism and RTW status as endogenous were mixed in results (Table 5). According to Moore and Newman (1985), 'the recent RTW literature tends to discount the importance of RTW laws in explaining the level of union membership' (Ibid, 578).

A useful study which attempted to overcome these problems, examined the impact of RTW laws on the flow into union membership rather than the level of unionism at any point in time (Ellwood & Fine 1983). Ellwood and Fine found a strong and significant short-run reduction in union organising following the passage of a RTW law; especially after the first five years. When converting the reduction in flows to levels, their study revealed that the number of union members was 5 percent lower than it would have been a decade after a state had passed a RTW law (Ibid). The concerning finding from a union perspective, were the authors' conclusion that the level of unionism was permanently reduced, although 'it is also possible that the stock gradually recovers from its initial losses over many decades' (Moore & Newman 1985,579).

A post-entry closed shop has been the norm in most New Zealand workplaces since 1936 (Harbridge and Walsh 1985). This form of compulsory unionism has had a positive effect on overall union membership growth and particularly on specific unions (Geare 1988). In 1984, the National Party government abolished the closed shop provisions, which were subsequently reintroduced by an incoming Labour Party government in July 1985. One study sought to explore the impact on union membership in New Zealand of this temporary removal of closed shop provisions (Harbridge & Webber 1987). One of the weaknesses of the study is that it did not statistically control for other factors which may have affected changes in union membership. Nevertheless, the authors found that the 'overall impact of the changes from compulsory to voluntary unionism and back again has been that unions have been unable to regain many of the members that chose to withdraw from their unions' (Ibid,82). The 15 largest unions (over 10 000 members) suffered an overall loss of membership of 10.3 percent between 1983 and 1985 (Ibid,83). Some individual unions suffered significant losses in membership; the NZ Shop Employees' Union experienced a 42 percent decline, the NZ Workers' Union a 34 percent decline). Ironically, the smaller unions fared much better, and in some cases even gained members. Harbridge and Webber suggest that this may indicate that smaller unions are more effective in providing services to their members (this contradicts the caveat in Hypothesis 2), and may caution against union amalgamations, and the de-registration of small unions (Ibid, 86).

The Australian evidence suffers similar problems to the New Zealand case, in that other factors which may affect union membership have not been controlled for. Furthermore, in the Australian case we need to disentangle the effects of preference clauses from closed shops (Zappala 1991). Nevertheless, the positive effect of preference clauses and closed shop provisions in assisting certain white collar unions increase their membership in the 1970s has been documented by various studies (Lansbury 1977; Griffin 1983; Hill 1984).

The impact of some preference clauses on union membership seems to have been substantial due to a
KUHDMHFW KH) HGHUMG&QUW8 QRO) &8 HJ SHUHGFHGDQCFUHVHRI DSSURJ IP DMO
members between 1971 and 1976, while the major banking industry union experienced a rise in density from 64 per cent in 1973 to 86 per cent in 1975 due to the introduction of closed shop provisions (Griffin 1983,30). After a careful analysis of the causes of white collar union growth during this period, Griffin concluded that

'the preference decision was the major influence on union growth in substantial sections of the white collar workforce' (ibid). Other studies of white collar union growth in this period also confirm this view (Lansbury 1977; Hill 1984).

It has also been argued that the removal of certain preference and closed shop provisions in certain State tribunals have had a considerable influence upon unionisation (Crean & Rimmer 1990,15-16) (Table 6). For instance the rapid growth between 1970 and 1975 in the Australian Capital Territory (ACT) and the Northern Territory (NT) may have been largely due to union security provisions. This tide was turned in the early 1980s due to Conservative government attacks on these provisions. Union growth in Queensland and Western Australia also suffered due to legislation against compulsory unionism (Ibid; Blain 1985).

It would seem that the closed shop, in whatever form, does impact upon the level of union membership. Whether unions can justify striving for the closed shop on this reason alone, however, is somewhat more ambiguous. If union strength and bargaining power rests in membership size, then it may be worthwhile. The earlier work in this paper suggests that this may not necessarily be the case.

CONCLUSION

Reviewing the above evidence it would seem that the closed shop may lead to reduced union militancy and lower and poorer services to union members, but it may not necessarily lead to increased bargaining power. The exception in the latter case seems to be the pre-entry closed shop. This form of closed shop, however, is not a widespread phenomenon in most countries (Wright 1981; Dunn & Gennard 1984). The only area where the closed shop seems to have a positive impact from a union perspective is in sustaining higher levels of union membership than would otherwise be the case. If union strength and militancy is not a function of numbers, however, this may be a pyrrhic victory in the long run.

Why should unions therefore support the closed shop? Or to put it another way, should unions strive and channel their energies into establishing and supporting closed shops or concentrate on improving services and organisational effectiveness in order to attract members voluntarily? According to the evidence reviewed in this paper, the latter option would seem the more sensible. Certain caveats do exist however. First, the nature of certain industries and occupations makes voluntary recruitment difficult, and a closed shop may be the only viable option. For instance, it was in industries subject to casualisation and high turnover rates, such as stevedoring and construction that the closed shop originally arose (McCarthy 1964; Morris 1981). Second, there is the free rider problem. Is it right for all workers to enjoy the fruits of a few without contributing to this effort? This will no doubt remain the battle cry of most unionists. It may well be that a few free-riders are worth having in exchange for a more committed and better serviced membership in the long run. Third, the closed shop may lead to more efficient management-labour relations through increased stability and procedural ease for both management and unions (Gill & Zappala 1990).

The closed shop may also have unintended consequences for unions. For instance, in Australia it is estimated that at least 25 percent of unionists were unwilling conscripts in 1990 (Rawson 1990). That is, one quarter of all unionists would leave their trade unions if it were not for closed shops. Moreover, 82 percent of all union members favoured voluntary rather than compulsory union membership (Rawson 1990). This is a sobering fact from a union viewpoint. If legislation were introduced to outlaw union security provisions (legislation to outlaw preference to unionists clauses was being debated in the NSW Parliament at the time of writing; see Brown & Wadhvani 1989; Metcalf 1989c, for the UK experience) or employers mounted an offensive against compulsory unionism, union density may dwindle even further. Closed shops tend to make unions reliant on external bodies for their survival. Unions may need to convince rather than compel people to be union members. The best way of achieving this is to offer members better services (instrumental and non-instrumental). Do closed shops help or hinder the provision of services? This review seems to suggest that they may hinder that provision. They may breed complacency, and engender a false sense of security. Hence, reliance by unions on the closed shop does not seem a sensible strategy for the 1990s. It would seem that the answer to a recent question: 'Can the closed shop ban open new doors for unions?' (Metcalf 1989c), would be that it can, indeed, it may also open a few windows.

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Seven variables (excess labour demand, price expectations, price catch up, wage spillovers, bargaining structure, union density and strikes) accounted for almost half of the variance in the sample of negotiated wage settlements. The addition of the four union security variables produced only a marginal improvement in the goodness-of-fit.

2. See Metcalf (1989b) for a case study approach to the impact of the pre-entry closed shop on the bargaining power of the Transport and General Workers Union in the meat industry.

This refers to situations where the threat of a union filing for an effective preference clause, led the employer to agree to a closed shop agreement as a quid pro quo for the union not filing the claim (see Zappala 1991 for a comprehensive discussion of this issue).