

# STRONG UNIONS REPORT BRIEF: PART TWO

## Strong Unions Promote Economic Justice for Workers of Color, Women, and Frontline Workers

MARCH 2025

### EXECUTIVE SUMMARY

In this second brief of Colorado Fiscal Institute's (CFI) series on unions and workers rights in Colorado, we focus on how passing the Worker Protection Act (WPA) SB25-005 can elevate the status and wellbeing of Coloradans who are too often neglected and not given the same opportunities for advancement and protection: workers of color, women, and those employed in low-wage occupations. Structural barriers such as occupational segregation and wage discrimination disproportionately impact these historically excluded workers, especially those who have multiple marginalized identities. Strengthening labor protections can help address systemic inequalities, as unions have been shown to reduce racial and gender wage and wealth gaps. Unions use collective bargaining to secure higher wages for workers, establishing a "union wage premium" that especially benefits historically marginalized groups, such as people of color and women.

Our review of existing literature explores how union density impacts wage disparities by race, ethnicity, and gender. Due to the multiple barriers women of color face, including the largest wage gaps, they stand to benefit the most from the wage equity that unionization brings in Colorado.

We also examined evidence on the potential of unions to reduce racial wealth gaps and boost wages in key sectors that could address labor shortages among frontline service workers in high-demand, low-wage industries.

In CFI's first brief, we explained how Colorado's anti-worker, modified "right to work" law hinders workers' ability to form and maintain unions and prevents widespread, equitable economic growth. Colorado's current union security law mandating a second, 75% supermajority election win hinders union density. Lower union density contributes to increased income inequality, negatively impacting all Colorado workers and disproportionately affecting workers of color.

States with pro-worker labor policies that support union security agreements tend to have higher union density, translating to significant economic, democratic, and health benefits for all workers. We found that reforms to our outdated labor laws, like SB-005 that support workers' bargaining rights and promote better access to union security agreements are also a crucial step toward transforming Colorado into a state where prosperity is accessible to all, irrespective of race or background.

### BRIEF HISTORY OF RACE RELATIONS AND UNIONS

**Historically, the limits on bargaining rights in Colorado are influenced and reinforced by racial discrimination.** In brief 1, we discussed how Colorado's 1943 labor law emerged in the wake of strikes by coal miners and agricultural workers, many of whom were Latino immigrants. This response wasn't unique to Colorado; similar laws across the country were driven by a coordinated effort by white supremacist groups to suppress strikes led by workers of color. The national right-to-work movement gained momentum by dividing workers along racial lines, weakening their collective power. As a result, Colorado's workers of color have been disproportionately harmed by these laws.



Edith Lee Payne, of Detroit, was a young marcher participating in the March on Washington for Jobs and Freedom at the Lincoln Memorial in Washington. Source: Rowland Scherman, Getty Images, Aug. 28, 1963.

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Vance Muse, a racist and anti-Semitic Texas oil lobbyist, claimed credit for passing Colorado's 1943 law. Understanding that racial division weakened worker solidarity, he and his Christian American Association exploited racism to push anti-union laws like Colorado's second election requirement. Testifying before a U.S. Senate committee, he openly advocated for white supremacy and warned that white people would be forced to work with Black people or lose their jobs. By sowing discord among workers, he enabled business interests to maximize profits while preventing workers from uniting for better wages and working conditions.

The "right-to-work" movement's racist history, which has been well-documented, was a deliberate strategy to undermine the Civil Rights Movement, which has had the backing of organized labor since the 1930s.

Beginning in 1947 after the passage of The Taft-Hartley Act, Southern "right-to-work" laws were designed to weaken union organizing and defund the Civil Rights Movement. Southern politicians used these anti-worker laws to uphold the Jim Crow system. As Martin Luther King Jr. said, these laws are a false promise, disguising an effort to "rob us of our civil rights and job rights."

Unions have historically been a powerful tool for wage equity. Since the mid-1940s, Black workers not only had higher union membership rates than white workers but also saw larger wage premiums. Unions have played a key role in closing the Black-white wage gap but the decline in unionization since 1980 has contributed to the gap widening again, reversing some of the progress made. "Re-unionization" and policies to promote worker power could be key to restoring that lost ground.

Promoting unions not only reduces income and wealth gaps but also helps bridge racial divides. Research shows that increasing union membership rates has a direct, causal effect on reducing racial resentment among white workers. **Therefore, pro-worker policies like the WPA could be a powerful tool for uniting workers around a pro-equity policy agenda.**

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Remains of the Ludlow Colony  
Near Trinidad, Colorado  
Source: U.S. Library of Congress

## WORKERS OF COLOR AND UNIONS IN COLORADO

In Colorado, workers of color and immigrant workers have benefitted from greater economic opportunity when unions are strong. CFI's recent report, The Future of Energy in Colorado, highlights how unionized immigrant and minority workers shaped Pueblo's economic growth, powering the state's energy sector while securing family-supporting jobs. Colorado Fuel and Iron (CF&I), the region's largest steelmaker and employer in the early 20th century, provided jobs to immigrant workers without requiring English proficiency, making Pueblo the state's most ethnically diverse city at the time.

The Ludlow Massacre of 1914 was a key moment in southern Colorado mine worker history, and was a pivotal moment in the national labor movement. National Guardsmen backed by CF&I forced striking miners and their families into a tent colony before violently attacking them, killing 21 people, including 11 children.



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The massacre sparked ten days of violent unrest, ending only after President Wilson sent federal troops. The public outrage led to a Congressional investigation and key labor reforms, including child labor laws and the eight-hour workday.

Latino/a workers have been at the forefront of [Colorado's farm worker movement](#) after facing poor working conditions, low wages, and barriers to unionizing. United Farm Workers and the Colorado Migrant Council helped Latino/a agricultural workers advocate for their rights and fair wages. For example, San Luis Valley Latino/a workers organized by the group Dicho y Hecho (Said and Done) led a 1970 boycott against the Finerman Lettuce Company to protest unsafe working conditions and low pay.

For too long, Colorado law exempted farm, orchard, and ranch workers from collective bargaining rights. This exclusion disproportionately harmed Latino/a workers and these workers only [recently gained these important rights](#). Restoring full bargaining rights to all workers by repealing the second election requirement is a critical step in honoring the struggles of Latino workers and ensuring fair working conditions for all Colorado workers.

Latinas, too, have led the charge for [workers' rights in Colorado](#). Historic figures like Rachel Sandoval, Guadalupe "Lupe" Briseño, Martha De Real, Mary Sailas, and Mary Padilla played pivotal roles in labor struggles, such as the 1968 strike at Kitayama Carnations, where workers fought against dangerous working conditions, including exposure to harmful chemicals. Their courage eventually led to improved conditions at the factory. Their efforts continue to resonate today as women of color remain essential workers and community leaders in Colorado.

## UNIONS PROMOTE ECONOMIC EQUITY FOR WORKERS OF COLOR

The union wage premium levels the playing field for Black workers, who earn more than their non-unionized peers with similar qualifications. An Economic Policy Institute (EPI) [analysis](#) of 2018-2022 census data shows that Black workers not only have higher union membership rates than white workers, but also enjoy a 14.6% wage boost from union representation, surpassing the 13.5% average for all unionized workers. The study also revealed that Latino/a workers, while slightly less likely to be union members than white workers, benefit from a higher wage boost of 17.6%.

**Unions promote [pay equality](#) within organizations by standardizing wages and enforcing anti-discrimination practices.** They help create fairer structures, [reducing wage variation](#) for marginalized groups compared to individualized pay systems, where implicit bias can play more of a role.

[Black workers](#) and [women](#) are less likely to [negotiate raises individually](#). Over the past 40 years, macroeconomic policies aimed at reducing inflation by keeping unemployment high have weakened workers' ability to negotiate for better pay and conditions. When it's harder to find a better job, workers are less likely to ask for a raise or challenge poor working conditions. But these effects are even stronger for Black workers, who face higher unemployment rates and are discouraged from negotiating due to long-standing income and wealth gaps. For women, gender norms make it harder to negotiate assertively, and they often face social backlash when they do. Women of color, in particular, benefit from clear and standardized pay systems.

**Not only do unions boost earnings, but also they help working families build wealth and save for the future.** Similar to the union wage premium, the '[union wealth premium](#)' benefits households of all races, with Black union households and other non-white households seeing a larger increase in wealth from union membership compared to white households. Union membership reduces the racial wealth gap, with union members having more wealth than their nonunion counterparts.

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MARCH 2025

Supporting union formation and sustainability is a key strategy for reducing racial and ethnic wealth gaps. A Center for American Progress (CAP) [analysis](#) of SCF data (2010–2019) shows that union households have a median wealth of \$201,240, nearly four times more than nonunion households (\$52,221), and are more likely to own a home. Nationally, Black union households hold 4.3 times more wealth, and nonwhite Hispanic union households hold 5.4 times more wealth than their nonunion counterparts. The findings also suggest that Black and Latino/a families in Colorado would see even greater benefits with higher union density.

The economic disparities faced by Black women and other marginalized workers are not inevitable; they are the result of deliberate, anti-worker policy choices made by wealthy, predominately white men. They have upheld systemic barriers to wealth-building for Black women, people of color, and other historically excluded groups, reinforcing racial and gender inequities in wages and economic security. However, unions are one solution that has been shown time and time again to help lessen inequities of the wage and wealth divide.

### COLORADO'S GENDER PAY GAP AND THE WAGE EQUITY BENEFITS OF UNIONS

An Economic Policy Institute (EPI) analysis found that on average, women union workers earn 9.5% higher wages than their non-unionized peers with similar characteristics. The wage premium is even higher for union workers in women-dominated service sectors, such as food service and janitorial work, where they earn 47.7% more than nonunion workers. Ensuring union freedom in these industries could help close wage gaps for some of the state's lowest-paid working women, especially Black and Latina women, who are more likely to work in these sectors and have long been overlooked and undervalued in Colorado's economy.

A 2012 [study](#) by the National Library of Medicine found that wage gaps between Black and white women would be 13 to 30% smaller with higher union representation, highlighting how strong unions can reduce racial income disparities for women of color facing both gender and racial pay gaps. [Latinas](#) benefit significantly from union membership, with recent national [research](#) showing that Latinas experience the largest union wage premium amongst racial and ethnic groups, earning 38.5% more than their non-unionized peers.

Women of color are driving union organizing, as members, organizers and increasingly as [labor movement leaders](#). A 2025 [analysis](#) of Bureau of Labor Statistics data by the National Partnership of Women & Families found that women of color increased their union membership in 2024 – the share of unionized Black women increased from 10.5% to 10.9% and Asian women increased from 7.8% to 9.1%. Women of color are looking to win bargaining rights as a pathway to prosperity.



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## PRO-UNION POLICIES COULD BE A STRATEGY TO HELP ATTRACT AND RETAIN FRONTLINE WORKERS

Women, people of color, and especially women of color are disproportionately concentrated in frontline healthcare jobs, facing barriers to fair pay and benefits due to occupational segregation and historical exclusion from labor protections. States with laws limiting union security see lower wages for many of these workers. One study found that registered nurses earn wages 7% lower in “right to work” states (which Colorado’s current law mimics) as compared to free-bargaining states. Meanwhile, Colorado faces a predicted shortfall of 10,000 registered nurses and 54,000 allied health professionals, such as medical and nursing assistants, by 2026.

One way to both support these frontline health workers and attract and retain this essential workforce is to boost union density in these key sectors. Evidence suggests that eliminating Colorado’s second election requirement, making it difficult for workers to organize for better conditions in high demand, high burnout, lower-paying jobs could reverse Colorado’s acute shortages of nurses, childcare workers, and home care workers.

## CONCLUSION

**The evidence is clear: strong unions are essential for reducing wage gaps, advancing racial and gender equity, and building wealth among Colorado’s workers of color, women, and frontline employees.** Unions have consistently proven their ability to close wage and wealth gaps, create economic opportunities, and secure better working conditions for those historically excluded from fair labor protections and who stand to gain the most from policies that support union security and collective bargaining.

In Colorado, the current law restricting union security and requiring a second election for union negotiations significantly undermines workers’ ability to organize and secure fair wages and benefits. This disproportionately affects workers of color, women, and immigrant populations, further entrenching economic inequalities. In sectors where Colorado faces critical labor shortages, such as healthcare and service industries, supporting union formation is essential for attracting and retaining a skilled, committed workforce, especially among women and people of color.

Passing the Worker Protection Act—which would eliminate the requirement for a second election to negotiate union security clauses—will begin to dismantle these barriers and pave the way for a more just and equitable economy. The bill is not just about fair labor policy, it is a bold, necessary step toward economic justice and wage equity. It is an opportunity to ensure that Colorado’s future is one where all workers, regardless of their race, gender, or background, can thrive.

