Press Release

Sectoral Bargaining and Independent Work

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As part of President Biden's effort to promote union organizing and collective bargaining, the administration has expressed intent to explore sectoral bargaining, a system of worker organizing that allows unions to represent all workers within an industry. In new research, Director of Labor Policy Isabel Soto explains how sectoral bargaining works, New York's failed attempt to implement it, and the potential costs of adopting such a concept on a national scale.

Key points:

- While the sectoral bargaining model is not currently used in the United States, a recent New York state legislative proposal would have allowed unions to represent all app-based ride-share and delivery drivers.
- The cost of union representation for independent workers nationwide would be at least $8.5 billion, reflecting employer-side earnings costs.
- The total cost could be much higher given interactions with other legislation and the effect sectoral bargaining would have on the U.S. labor force.

Read the analysis