

Settlements Report

Total Package Increases for
Union Craft Workers in Construction

2023 YEAR END



NOTE: Thank you to those who provide data! We couldn't do it without you.

Our quarterly reports are the result of receiving 100's settlements data from our friends and subscribers. Please continue to provide us with your newly negotiated contracts and wage sheets so that our reports provide a comprehensive overview of each craft and each region. The more data we receive, the better the report is for everyone.

SECTION I. FIRST-YEAR TOTAL PACKAGE INCREASES IN 2023

The Construction Labor Research Council (CLRC) reports that *the first year of new settlements reached in 2023 for union craft workers in the construction industry had an average increase of 4.7 percent*. As **Exhibit 1.1** illustrates, since 2020 increases have risen sharply—by 1.9 percent—going from 2.8 to 4.7 percent in just three years. Compare that to the 10 years from 2010-2020 where the size of total package increases grew by significantly less—1.1 percent (1.7 to 2.8 percent)—during a much longer time span.

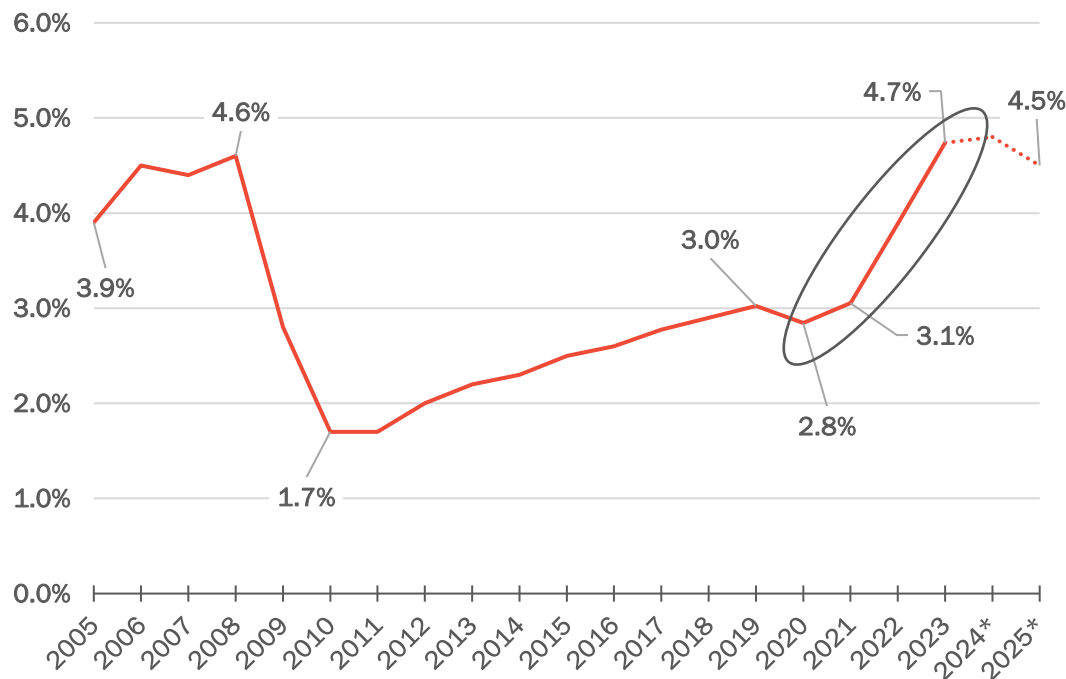
From 2010-2021 there were at least three significant influences affecting union craft workers—a pervasive shortage of workers, challenges to maintain union market share and COVID-19. Pay increases were modest during this time. However, an economic force—the

surge in inflation in 2021 and 2022, appears to have had a much stronger effect on compensation.

Although inflation has significantly influenced union craft increases, there is a lag effect. This is because the vast majority of negotiated union agreements are multiyear (most are three years in length) and are not always negotiated in real time with major economic changes. For example, a typical three-year contract negotiated in 2021 was 3.1 percent per year. When this contract comes up for renewal in 2024, even though inflation has subsided, there may be a larger negotiated increase to “make up” for pay adjustments that were below the peak in the cost of living that fell in the middle of the contract.

Exhibit 1.1

First-year increases, shown as percentages



The average monetary value for first-year increases during 2023 was \$2.98, as shown in **Exhibit 1.2**, a substantial \$1.33 jump from the recent low of \$1.65 in 2020. There was little change in the increases in 2020 and 2021,

likely due to COVID-19. CLRC projects first-year increases to level off in 2024/2025; by then most settlements will reflect the earlier spike in inflation.

Exhibit 1.2

First-year increases, shown as dollar amounts



The following associations sponsor this report:

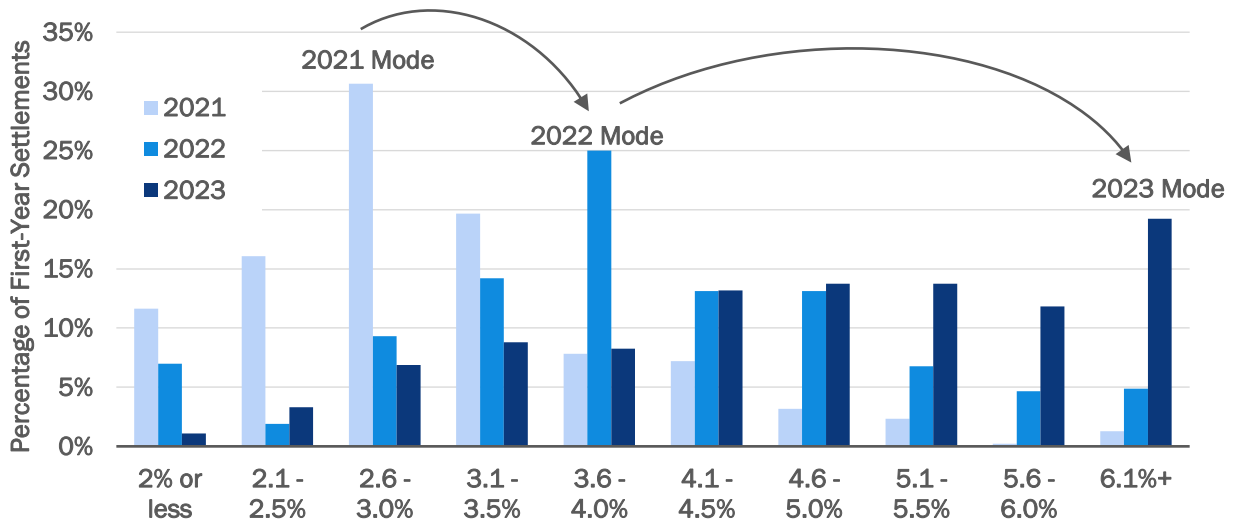
- Associated General Contractors of America (AGC)
- Central States Insulation Association (CSIA)
- FCA International (FCA)
- International Council of Employers of Bricklayers and Allied Craftworkers (ICE)
- Mechanical Contractors Association of America (MCAA)
- National Architectural Glass and Metal Association (NAGMA)
- National Electrical Contractors Association (NECA)
- National Fire Sprinkler Association (NFSA)
- North American Contractors Association (NACA)
- Sheet Metal and Air Conditioning Contractors' National Association (SMACNA)
- Signatory Wall and Ceiling Contractors Alliance (SWACCA)
- The Association of Union Constructors (TAUC)

Exhibit 1.3 displays the percentage distribution for the first-year increases of new settlements reached in 2021, 2022 and 2023. Nearly three fourths (72%) of the settlements in 2023 were greater than 4.0

percent. The most common percentage (the mode) moved dramatically higher from 2021 to 2022 to 2023—2.6-3.0% to 3.6-4.0% to 6.1+%, respectively.

Exhibit 1.3

Distribution of first-year increases in new settlements, shown as percentages

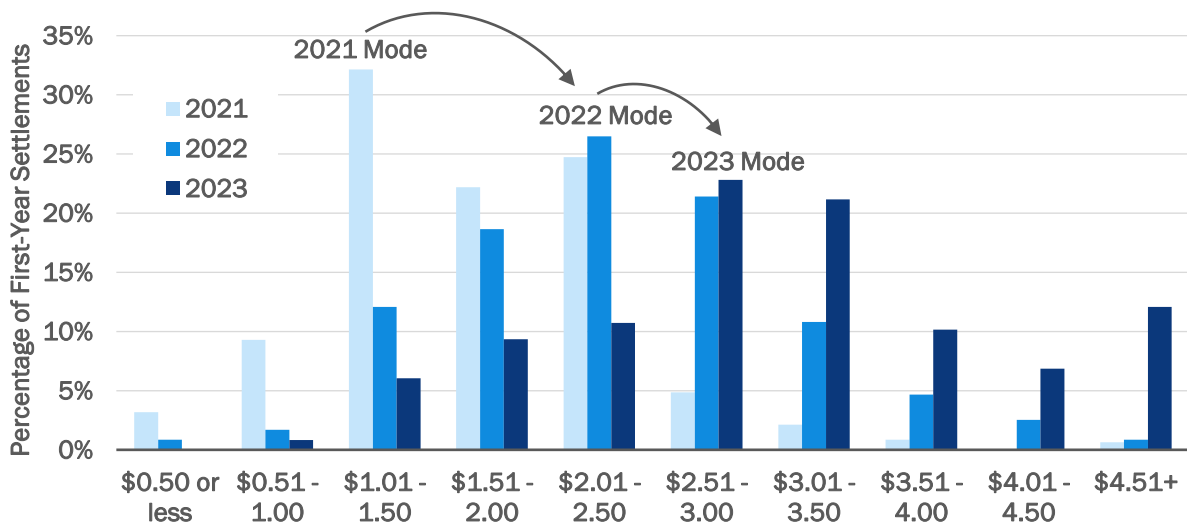


The distribution of first-year increases as dollar amounts for 2021, 2022 and 2023 are shown in **Exhibit 1.4**. Like **Exhibit 1.3**, the mode has migrated to the higher values on

the x-axis in 2022 and 2023. Fifty percent settled at \$3.01 or higher in 2023 compared to 19 percent in 2022 and four percent in 2021.

Exhibit 1.4

Distribution of first-year increases in new settlements, shown as dollar amounts



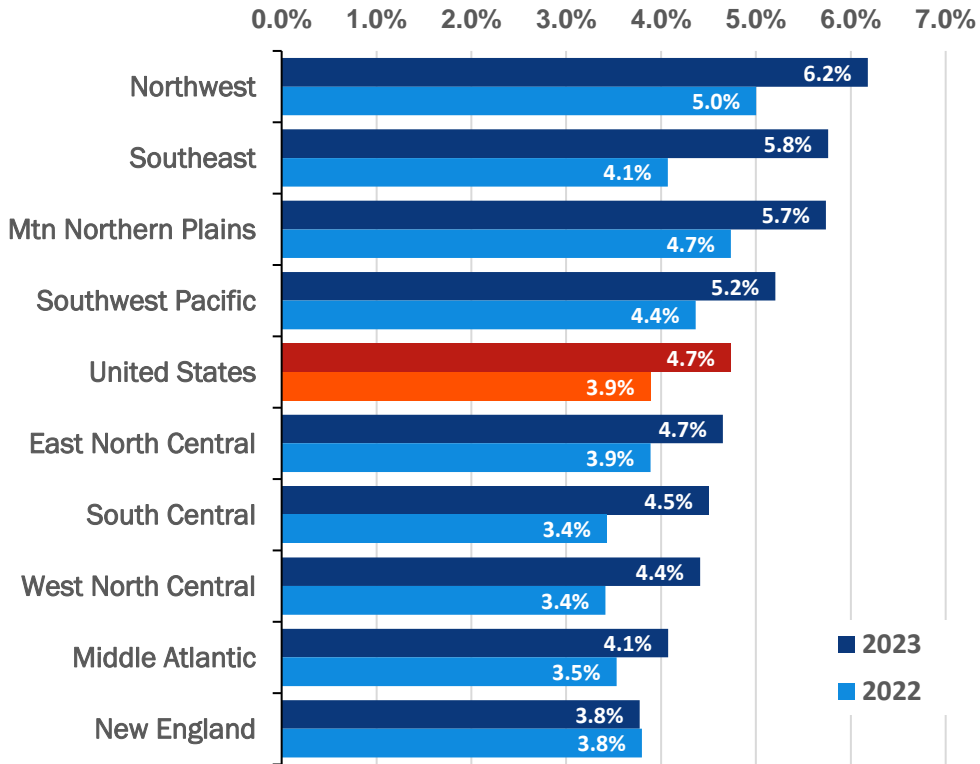
Exhibits 1.5 and 1.6 display the results (percentages and dollar amounts, respectively) for first-year increases for 2022 and 2023 by region in descending order based on 2023 data. As shown in **Exhibit 1.5**, The Northwest continued to lead the way with the largest increases in 2023. The Southeast and Mountain Northern Plains had the second and third highest averages, respectively.

Interestingly, typical union strongholds—West North Central, Middle Atlantic and New England—had the smallest increases as a percentage.

Increases in 2023 were higher than in 2022 for every region except New England, where they averaged the same as in 2022.

Exhibit 1.5

First-year increases in new settlements as percentages, by region in descending order



Regions

New England: CT, MA, ME, NH, RI, VT

Middle Atlantic: DC, DE, MD, NJ, NY, PA

Southeast: AL, FL, GA, KY, MS, NC, SC, TN, VA

East North Central: IL, IN, MI, MN, OH, WI, WV

West North Central: IA, KS, MO, NE

South Central: AR, LA, NM, OK, TX

Mountain Northern Plains: CO, MT, ND, SD, UT, WY

Southwest Pacific: AZ, CA, HI, NV

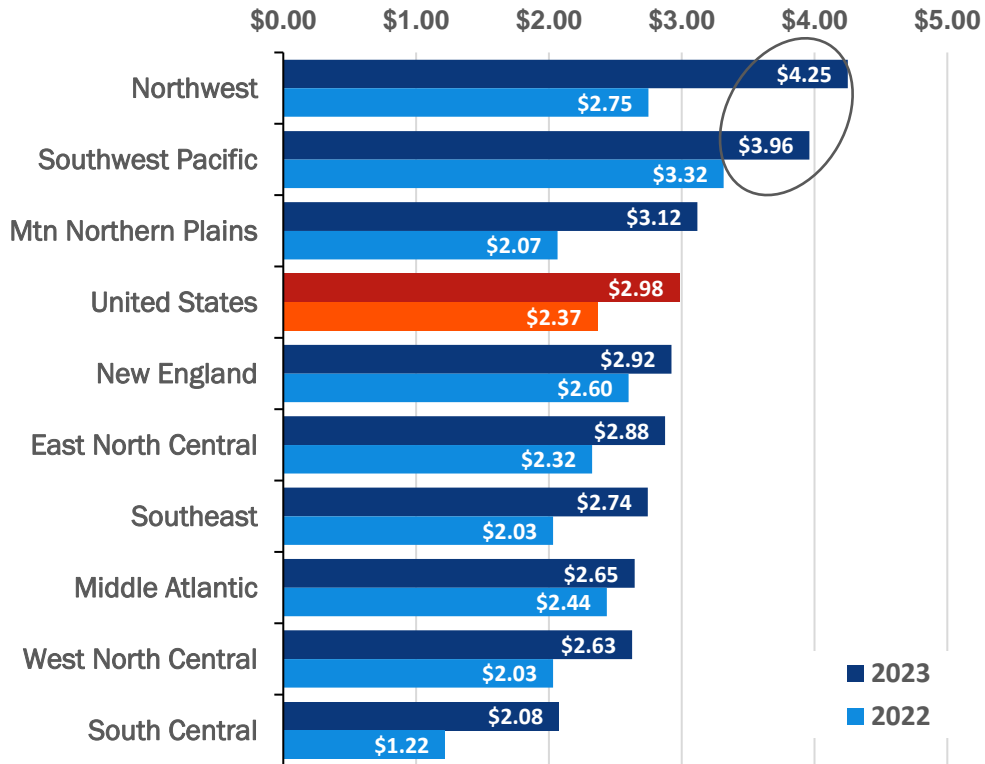
Northwest: AK, ID, OR, WA

Exhibit 1.6 shows the nine CLRC regions with the average dollar amount of their first-year increases. The largest average increases by a wide margin were in the West—the Northwest and Southwest Pacific regions. Even though the South Central region fell near the middle

of the percentage distribution (**Exhibit 1.5**), it had the smallest monetary increase in 2023 since its pay rate is the lowest (see CLRC’s *Union Craft Labor Costs in Construction* report).

Exhibit 1.6

First-year increases in new settlements as dollar amounts, by region in descending order



Exhibits 1.7 and 1.8 display the results (percentages and dollar amounts, respectively) for first-year increases for 2022 and 2023 by craft in descending order based on 2023 data. As displayed in Exhibit 1.7, all

but three crafts averaged at least 4.0 percent in 2023 and all averaged more in 2023 than in 2022. In 2022 just one craft averaged at least 4.4%; in 2023, 13 averaged that amount or more.

Exhibit 1.7

First-year increases in new settlements as percentages, by craft in descending order

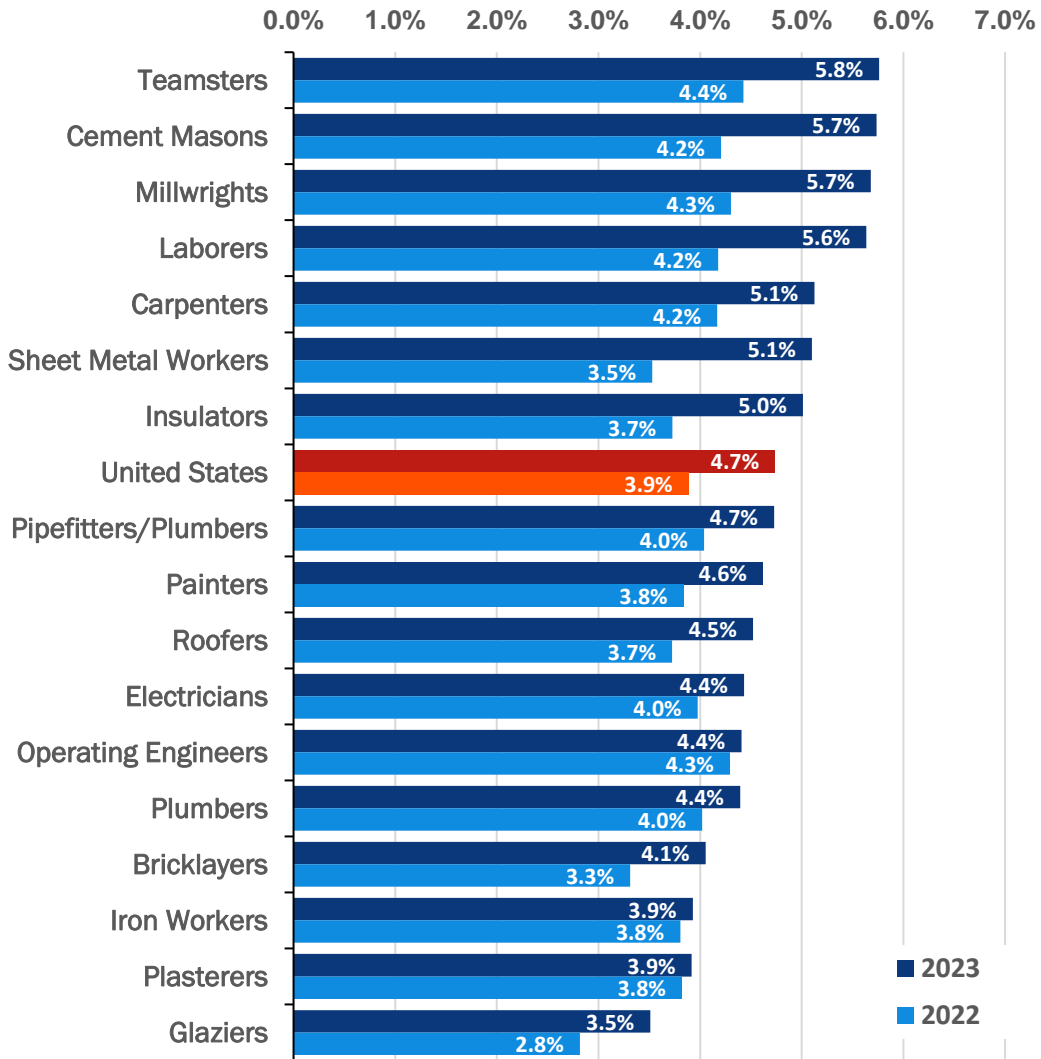
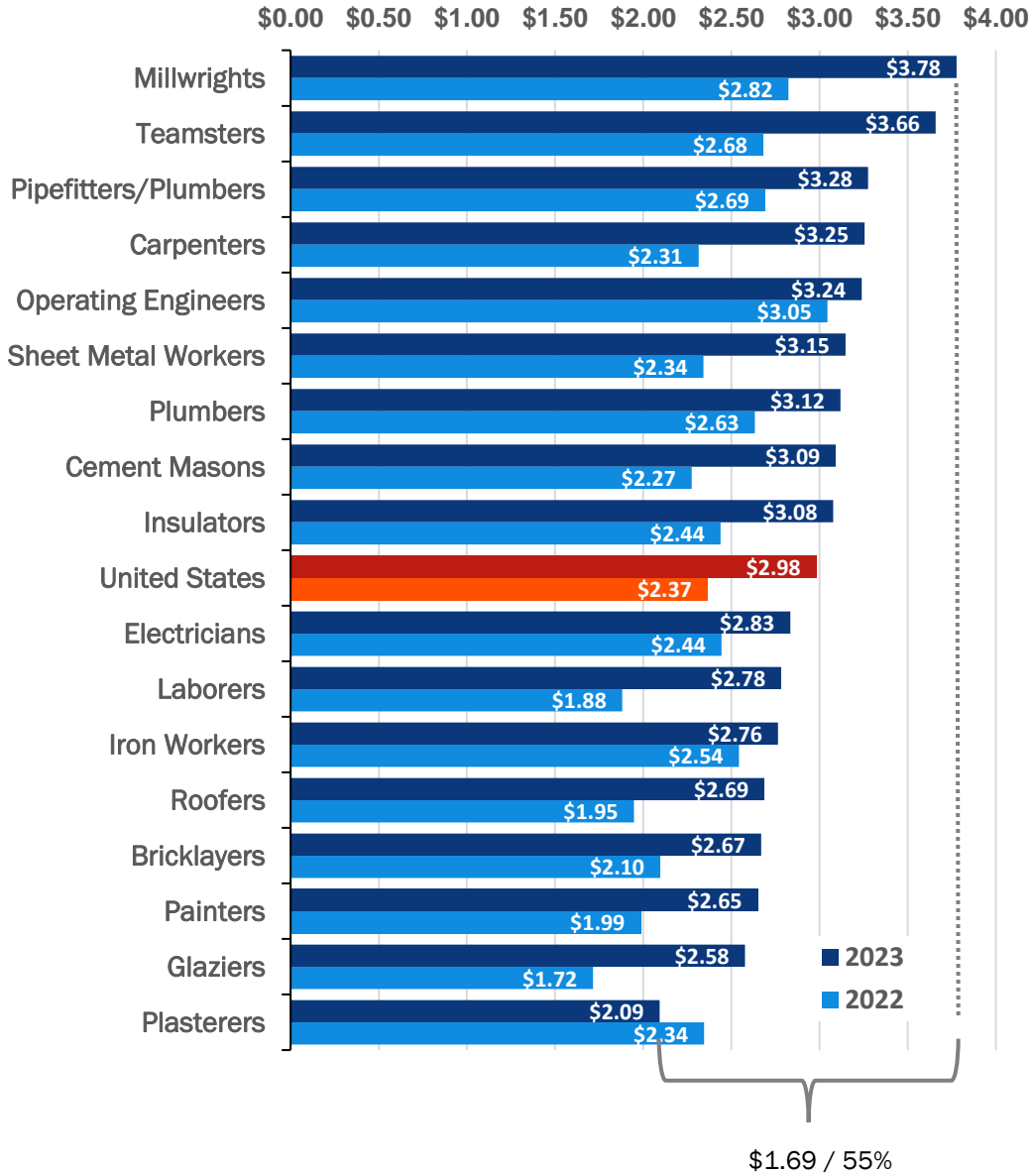


Exhibit 1.8 shows the crafts with the average dollar amount of their first-year increases. In 2022 one craft averaged over \$3.00; in 2023

over half did. The lowest average was \$1.69 lower than the highest, or 55 percent as large.

Exhibit 1.8

First-year increases in new settlements as dollar amounts, by craft in descending order



Technical Notes

Data Contained in this Report

The data in this report are based on the total package (wages, health and welfare, retirement, apprentice, and other employer payments).

Continually Updated Results

CLRC continually updates its database. Consequently, previously published results may change slightly in ensuing issues as new settlements data are added.

Methodology for U.S. Average

The overall/U.S. average is calculated by first averaging each craft, and then averaging those craft averages so that each craft is weighted equally. Interestingly, the settlement weighted average (straight average of all settlements) is remarkably close to the craft weighted average shown here.

Data Savvy

In addition to actual differences, variation in rates from craft to craft, region to region and year to year throughout this report can be influenced by the composition of the data sample. For example, a craft with a large/small average increase may be partially affected by having more data from regions with higher/lower increases. Similarly, high/low increases in a particular region may be partially due to that region having more/less data from crafts with higher/lower increases.

Section I – First Year

This section contains results for the first year of newly bargained settlements and is useful for understanding current trends.

Section II – All Years

Section II of this report covers all years of negotiated settlements. It includes not only the first year of new settlements from Section I, but also the ensuing years (all years after the first year). For example, it includes data from newly negotiated settlements in 2023, the 2nd year of settlements reached in 2022, the 3rd year of settlements from 2021, and so on. This data is useful for understanding the total amount paid/earned by contractors/employees. Data from all years of a contract is also useful for making projections based on already negotiated future increases (CLRC already has hundreds of data points for the years after 2023).

SECTION II. TOTAL PACKAGE INCREASES FOR ALL CONTRACT YEARS

The average total package increase in 2023 for all contract years for union crafts in construction was 3.6 percent. CLRC projects increases to reach approximately 4.6 percent by

2025. These results include those from all years of active settlements (e.g., previous years such as 2021 and 2022 as well as future years).

Exhibit 2.1

All increases, shown as percentages

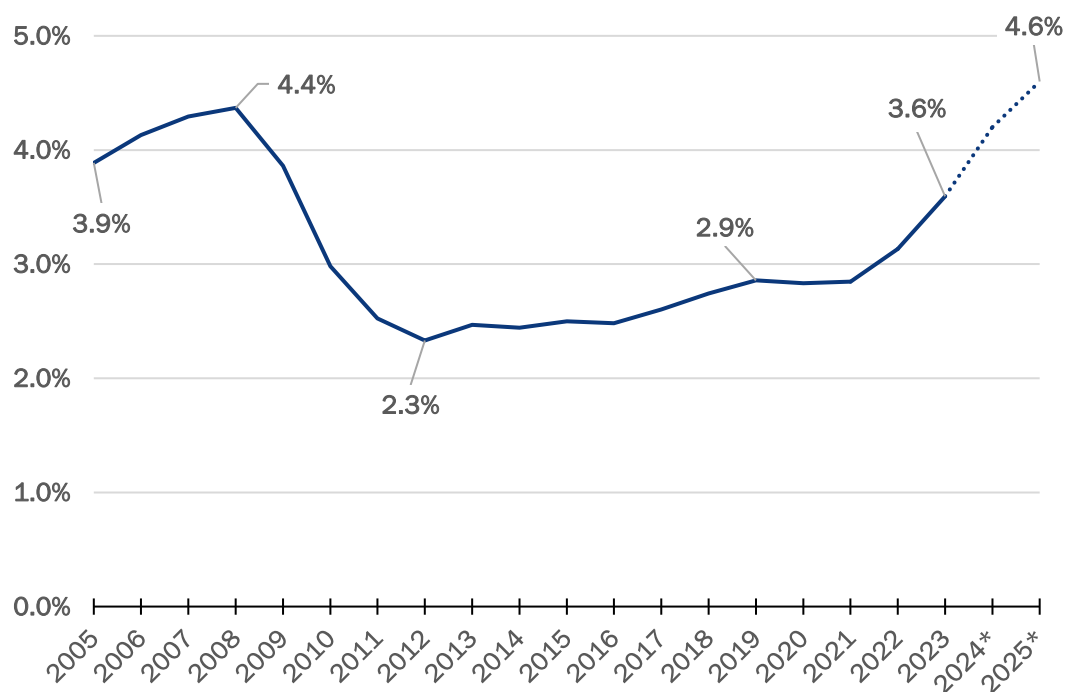


Exhibit 2.2 shows an increase of \$0.57 from 2021 to 2023. The \$2.28 value here for 2023 reflects the average of what contractors are paying across *all* years of settlements

whereas the \$2.98 average for first year settlements (see **Exhibit 1.2**) reflects just those agreed upon in 2023.

Exhibit 2.2

All increases, shown as dollar amounts



Exhibit 2.3 illustrates how increases, as a percentage, are distributed across a range. Even with the recent larger increases (**Section I**), the most common range for all increases has been unchanged for three years

(2.6–3.0%). That is because **Section II** contains data for all years of settlements. The growth in settlements in 2023 that are greater than 4.0 percent is due to the influence of new larger settlements covered in **Section I**.

Exhibit 2.3
Distribution of all increases, shown as percentages

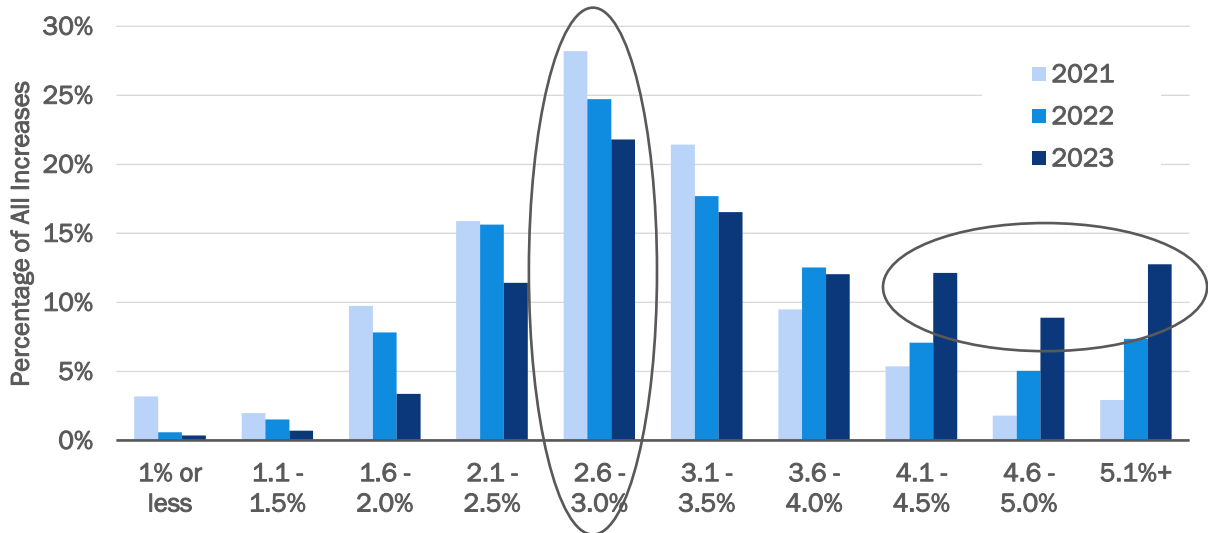
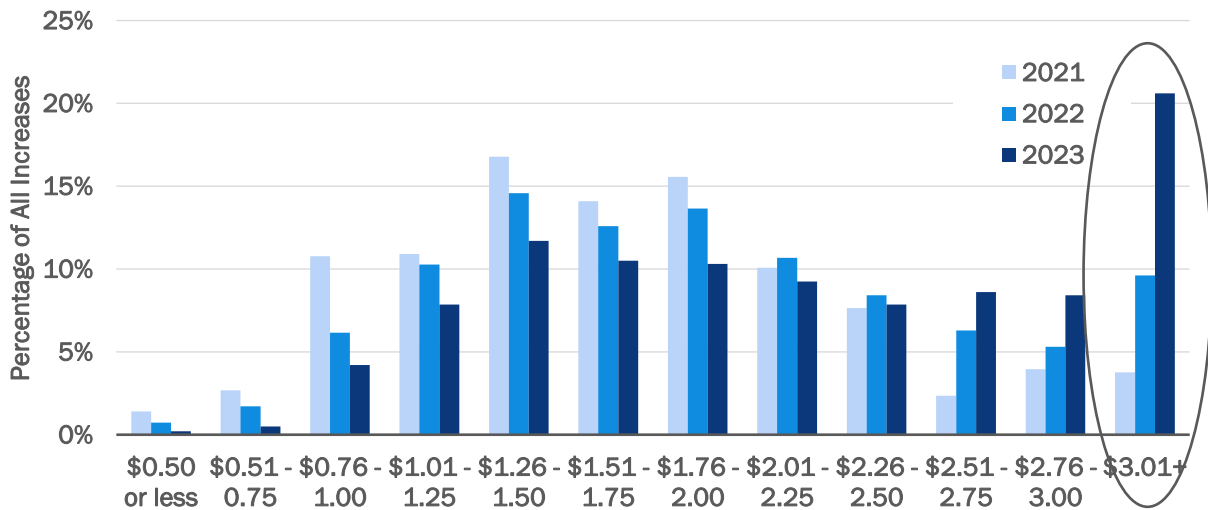


Exhibit 2.4 shows that the most common range, by far, conveyed in monetary values, for 2023 was \$3.01+. There were noticeable

increases in 2023 for the three highest ranges on the x-axis. The mode for 2021 and 2022 was lower—\$1.26–1.50.

Exhibit 2.4
Distribution of all increases, shown as dollar amounts

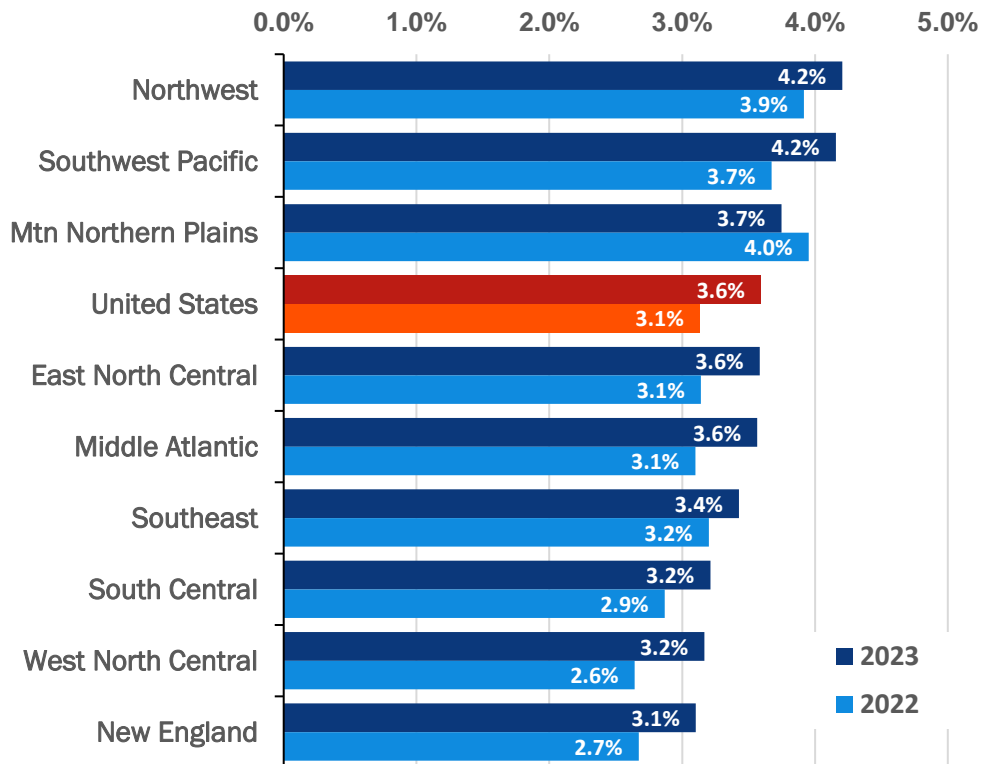


Exhibits 2.5 and 2.6 display the results for all increases for 2022 and 2023 (percentages and dollar amounts, respectively) by region in descending order based on 2023 data. As shown in **Exhibit 2.5**, the largest average

increases in 2023 were in the western part of the U.S., with both of those regions averaging over 4.0 percent. The smallest increases were in the South Central, West North Central, and New England regions.

Exhibit 2.5

All increases as percentages, by region in descending order



Regions

New England: CT, MA, ME, NH, RI, VT

Middle Atlantic: DC, DE, MD, NJ, NY, PA

Southeast: AL, FL, GA, KY, MS, NC, SC, TN, VA

East North Central: IL, IN, MI, MN, OH, WI, WV

West North Central: IA, KS, MO, NE

South Central: AR, LA, NM, OK, TX

Mountain Northern Plains: CO, MT, ND, SD, UT, WY

Southwest Pacific: AZ, CA, HI, NV

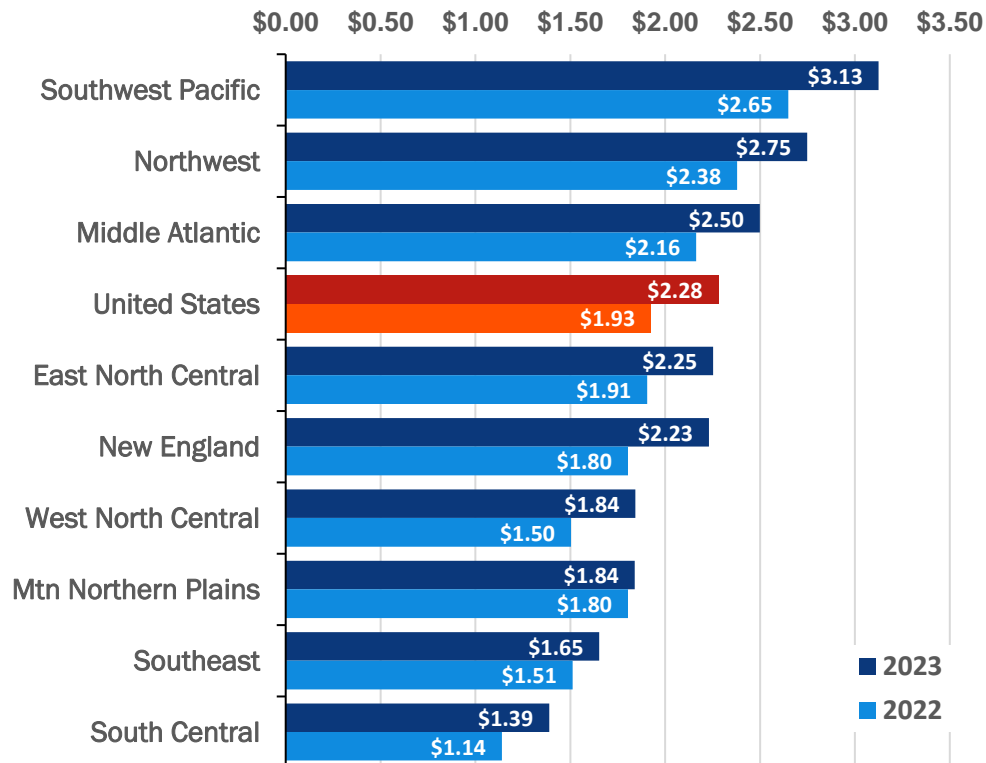
Northwest: AK, ID, OR, WA

Exhibit 2.6 shows the regions with the dollar amount of their increases. Similar to **Exhibit 2.5**, the largest increases were on the West Coast (Southwest Pacific and Northwest regions). Since many of the bigger total package rates* and larger percentage increases are in those regions, it is a natural consequence that the monetary values for increases—a product of those two variables—

are larger there as well. The smallest increases were in the Southeast and South Central regions, which also have the lowest total package rates. One region (Southwest Pacific) averaged over \$3.00 while four averaged less than \$2.00 (West North Central, Mountain Northern Plains, Southeast, South Central).

Exhibit 2.6

All increases as dollar amounts, by region in descending order



* See CLRC's annual publication, *Union Craft Labor Costs in Construction*, for total package rates by craft and region.

Exhibits 2.7 and 2.8 display the results for all increases for 2022 and 2023 by craft (percentages and dollar amounts, respectively) in descending order based on the 2023 data. Exhibit 2.7 shows that the

largest average increases in 2023 belonged to Teamsters and Cement Masons. All crafts were half a percentage or less from the U.S. average.

Exhibit 2.7

All increases as percentages, by craft in descending order

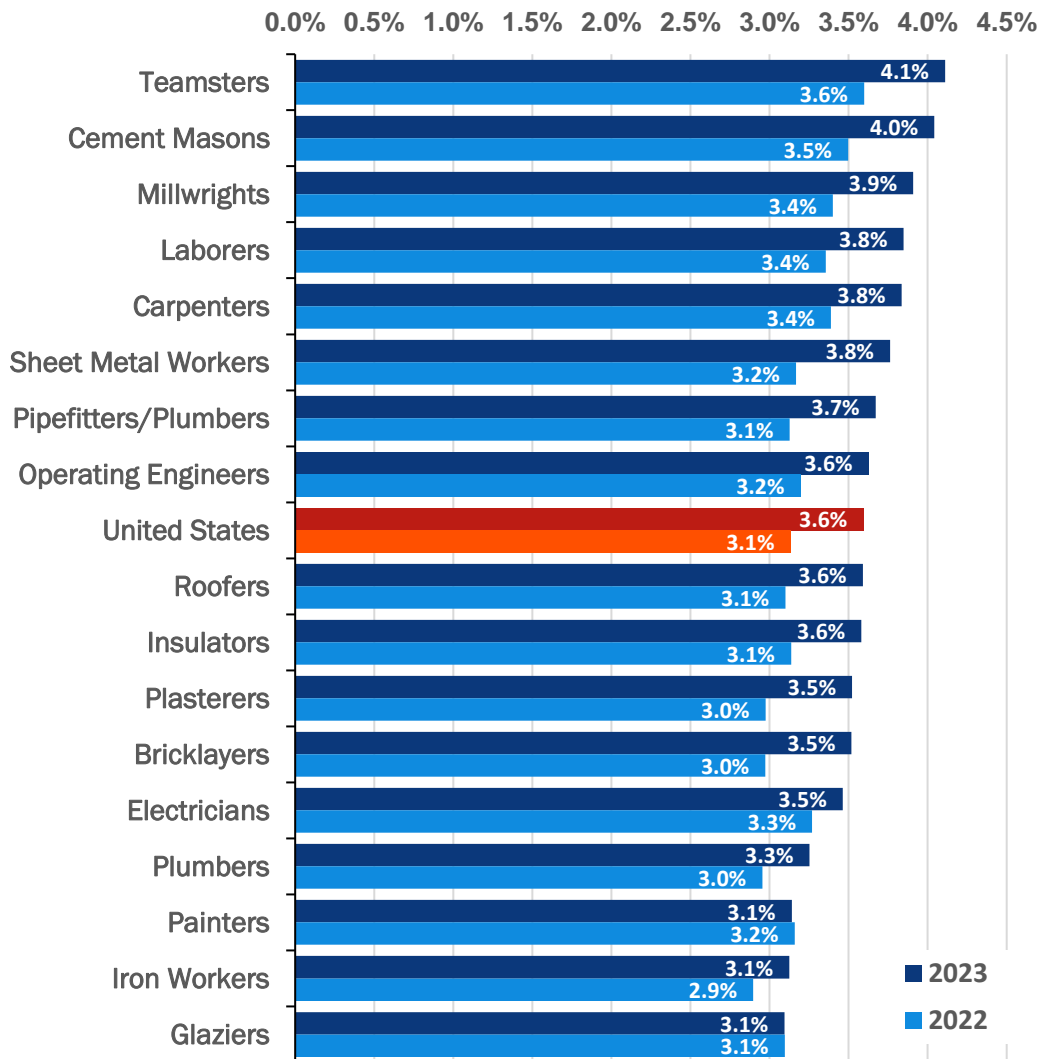


Exhibit 2.8 presents the crafts with the dollar amount of their increases. Most crafts averaged at least \$2.00 in 2023. The range is

tight, with every craft within \$0.51 of the U.S. average.

Exhibit 2.8

All increases as dollar amounts, by craft in descending order

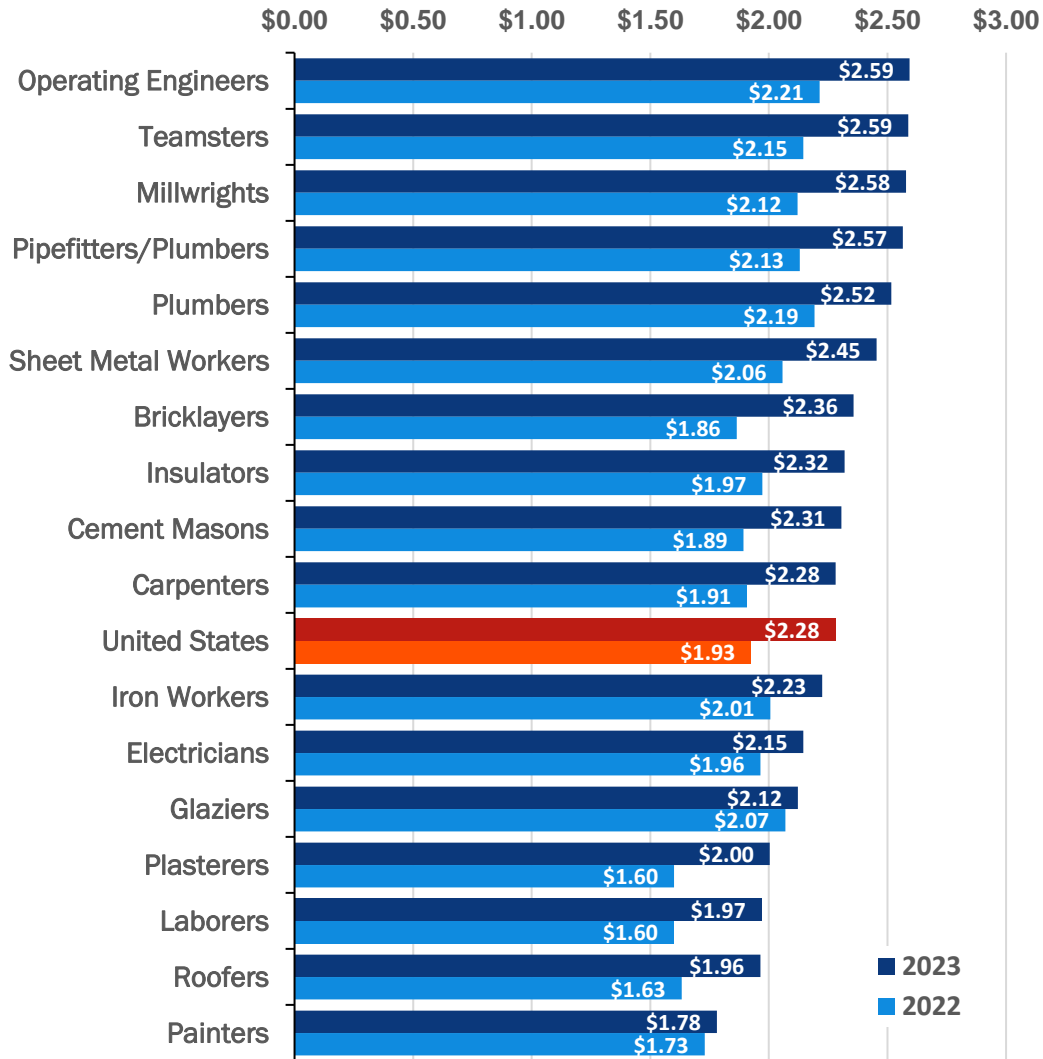


Exhibit 2.9 provides even more specific data cuts. These results reflect all settlements, not just first-year settlements. This matrix contains the total package increase rates (dollar and percentage) for each craft within each region (craft x region). This information

will help users of this report more precisely understand the rates for each craft and each region. This matrix should be used to gain insights about how regional data influence craft averages, and conversely, how craft data influence regional averages.

Exhibit 2.9

All increases, craft by region matrix

United States	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$2.23	\$2.50	\$1.65	\$2.25	\$1.84	\$1.39	\$1.84	\$3.13	\$2.75
Increase %	3.1%	3.6%	3.4%	3.6%	3.2%	3.2%	3.7%	4.2%	4.2%
Bricklayers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$1.91	\$2.83	-	\$2.39	\$1.31	-	-	\$2.35	-
Increase %	2.6%	3.8%	-	3.8%	2.3%	-	-	3.2%	-
Carpenters	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	-	\$2.04	\$1.05	\$2.46	\$2.71	\$1.14	\$1.81	\$4.01	\$1.93
Increase %	-	3.0%	2.2%	4.0%	4.9%	3.0%	4.1%	5.3%	3.2%
Cement Masons	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	-	\$3.50	-	\$2.15	\$1.16	\$0.79	\$1.25	\$2.86	\$2.70
Increase %	-	6.0%	-	3.8%	2.3%	2.4%	2.4%	4.4%	4.5%
Electricians	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$3.20	\$2.62	\$1.41	\$2.29	\$2.45	\$1.41	\$1.65	\$2.73	\$3.02
Increase %	4.3%	3.6%	3.1%	3.4%	3.7%	3.5%	2.9%	3.8%	4.3%
Glaziers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$1.89	\$2.31	-	\$2.03	\$0.93	-	-	\$3.21	-
Increase %	3.0%	3.2%	-	3.0%	1.7%	-	-	4.2%	-
Insulators	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$2.31	\$1.97	\$1.31	\$2.03	-	\$1.25	\$2.44	\$3.60	\$2.55
Increase %	4.0%	3.0%	2.4%	3.4%	-	2.8%	4.7%	4.6%	3.6%
Iron Workers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$3.08	\$1.90	\$1.49	\$2.36	\$2.31	\$0.76	\$3.00	\$2.01	\$3.25
Increase %	3.2%	2.4%	3.0%	3.5%	3.5%	1.7%	4.3%	2.5%	4.2%
Laborers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$1.75	\$2.20	\$0.94	\$2.14	\$1.16	\$0.91	\$1.28	\$2.67	\$2.28
Increase %	2.6%	4.1%	2.3%	4.2%	2.5%	3.5%	3.8%	4.6%	4.0%
Millwrights	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$1.18	-	\$1.70	\$2.85	\$3.02	-	\$3.05	\$4.40	-
Increase %	1.9%	-	3.1%	4.5%	6.2%	-	4.3%	5.1%	-
Operating Engineers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$2.82	\$2.58	\$1.30	\$2.18	\$2.53	\$0.89	\$1.70	\$4.13	\$3.37
Increase %	3.6%	3.4%	2.5%	3.2%	4.3%	2.1%	3.0%	4.8%	5.0%

There is one color scale for dollar increase and one for percentage increase. The lighter cells contain the lowest values, while the darker the blue shaded cell, the higher the value.

Exhibit 2.9 (continued)*All increases, craft by region matrix*

Painters	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$1.86	\$2.18	\$1.37	\$1.76	\$1.25	-	-	\$1.93	\$2.00
Increase %	3.0%	3.7%	3.3%	3.1%	2.4%	-	-	3.1%	4.1%
Pipefitters/Plumbers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$3.19	\$2.55	\$2.45	\$2.47	\$2.05	\$2.10	\$1.57	\$3.09	\$4.41
Increase %	3.7%	3.1%	4.9%	3.5%	3.1%	4.3%	2.8%	3.6%	5.1%
Plumbers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$3.45	\$2.58	-	\$2.62	\$2.77	\$1.05	-	-	-
Increase %	3.4%	3.2%	-	3.2%	4.2%	2.1%	-	-	-
Plasterers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	-	\$2.74	\$1.50	\$1.79	\$0.98	-	\$1.25	\$2.76	\$4.50
Increase %	-	4.1%	3.3%	3.3%	2.1%	-	2.8%	4.3%	7.2%
Roofers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$2.50	\$2.17	-	\$1.49	\$1.73	-	-	-	\$3.00
Increase %	4.4%	3.9%	-	2.8%	3.5%	-	-	-	4.7%
Sheet Metal Workers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$2.80	\$2.47	\$1.92	\$2.64	\$1.81	\$1.43	\$2.44	\$3.22	\$3.90
Increase %	3.1%	3.3%	3.7%	3.8%	2.8%	3.0%	4.6%	3.6%	6.0%
Teamsters	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW
Increase \$	\$2.73	\$3.58	-	\$1.67	\$1.20	-	-	\$3.81	\$2.10
Increase %	4.5%	5.5%	-	2.8%	2.4%	-	-	5.5%	3.4%

Regions**NE—New England:** CT, MA, ME, NH, RI, VT**MA—Middle Atlantic:** DC, DE, MD, NJ, NY, PA**SE—Southeast:** AL, FL, GA, KY, MS, NC, SC, TN, VA**ENC—East North Central:** IL, IN, MI, MN, OH, WI, WV**WNC—West North Central:** IA, KS, MO, NE**SC—South Central:** AR, LA, NM, OK, TX**MNP—Mountain Northern Plains:** CO, MT, ND, SD, UT, WY**SWP—Southwest Pacific:** AZ, CA, HI, NV**NW—Northwest:** AK, ID, OR, WA

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