Issue Date: October 13, 2023

Settlements Report

Total Package Increases for Union Craft Workers in Construction

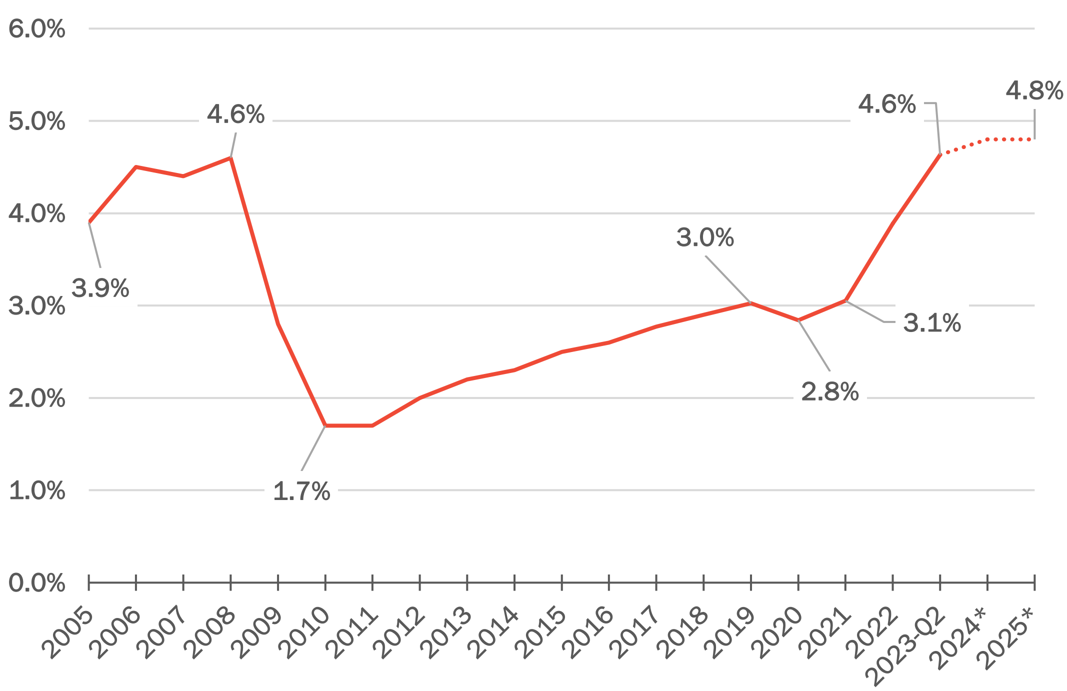
SEPTEMBER 2023

CLRC Construction Labor Research Council

SECTION I. FIRST-YEAR TOTAL PACKAGE INCREASES JANUARY – SEPTEMBER 2023

The Construction Labor Research Council (CLRC) reports that *the first year of new settlements reached from January through September of 2023 (2023-Q3) for union craft workers in the construction industry had an average increase of 4.6 percent.* Total package increases have risen more in the past two years than in the decade prior (2011-2021). As shown in **Exhibit 1.1**, settlements grew by 1.5 percent from 2021 to 2023-Q3 and by nearly 2.0 percent (1.8 percent) from 2020 to 2023-Q3. The settlements average tends to lag the cost of living since most union locals have multiyear agreements (most are three years in length). Those who negotiated prior to the surge in inflation appear to be catching up now during their 2023 negotiations, even though inflation has subsided. By the end of 2025, most unions will have negotiated new rates that reflect the impact of the jump in inflation. Because of this, CLRC projects that the steep growth in the size of increases will slow.

Exhibit 1.1
First-year increases, shown as percentages



NOTE: *Settlements Reports* published later in the year may have slightly different results than those earlier in the year as additional data are added.

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 (page 9) of this report covers all years of negotiated settlements and is better for summarizing the total amount actually paid/earned by contractors/employees. It also contains data on already negotiated future increases, which is useful for making projections.

The average monetary value for first-year increases during the first three quarters of 2023 was $2.97, as shown in **Exhibit 1.2**, a substantial $1.32 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 average approximately $3.40 in 2025.

Exhibit 1.2
First-year increases, shown as dollar amounts

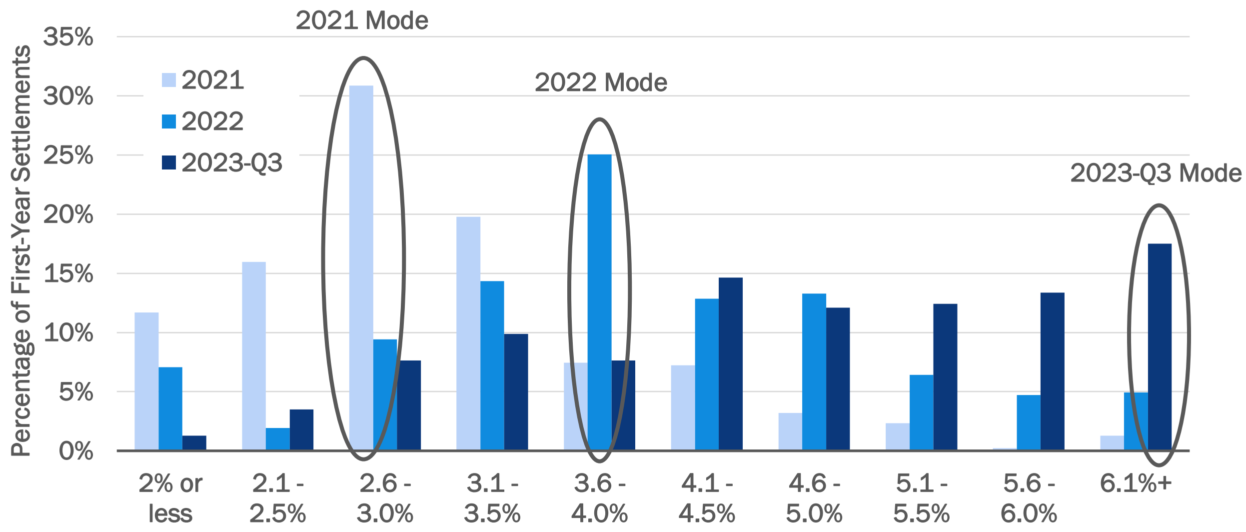
The following associations sponsor this report:

- 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-Q3. Seventy percent of the settlements so far in 2023 have been greater than 4.0 percent. The mode continues to shift higher; in 2021 it was 2.6-3.0%, in 2022 it was 3.6-4.0%, and in 2023-Q3 it was in the 6.1+% category.

Exhibit 1.3

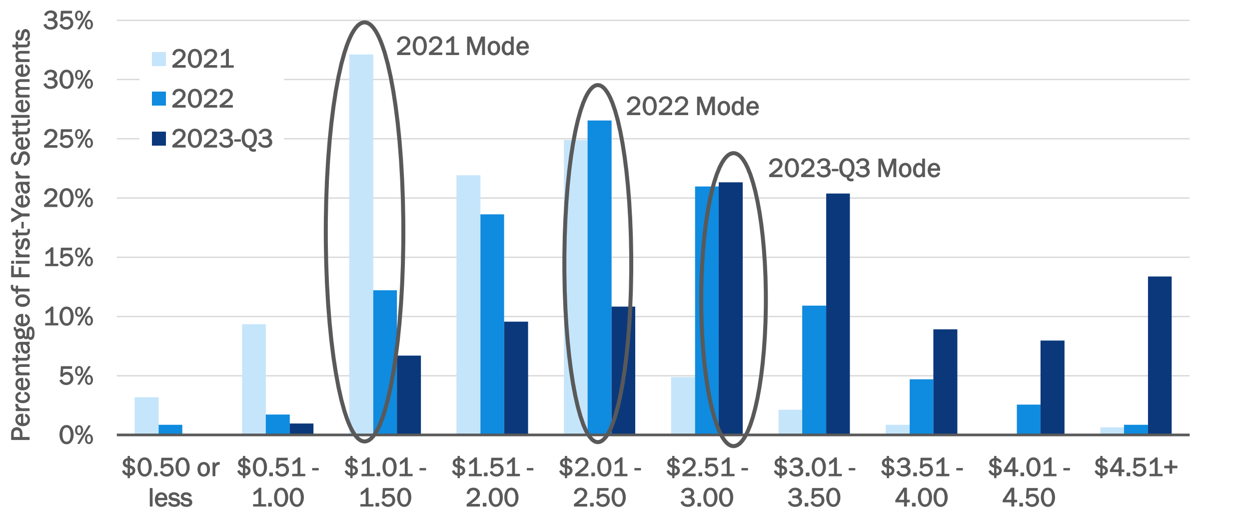
Distribution of first-year increases in new settlements, shown as percentages



The distribution of first-year increases as dollar amounts for 2021, 2022 and 2023-Q3 are shown in **Exhibit 1.4.** Like **Exhibit 1.3**, the most common increase amounts have moved to the higher values on the x-axis in 2023-Q3. Fifty-one percent settled at $3.01 or higher in 2023-Q3 compared to 19 percent in 2022 and four percent in 2021.

Exhibit 1.4

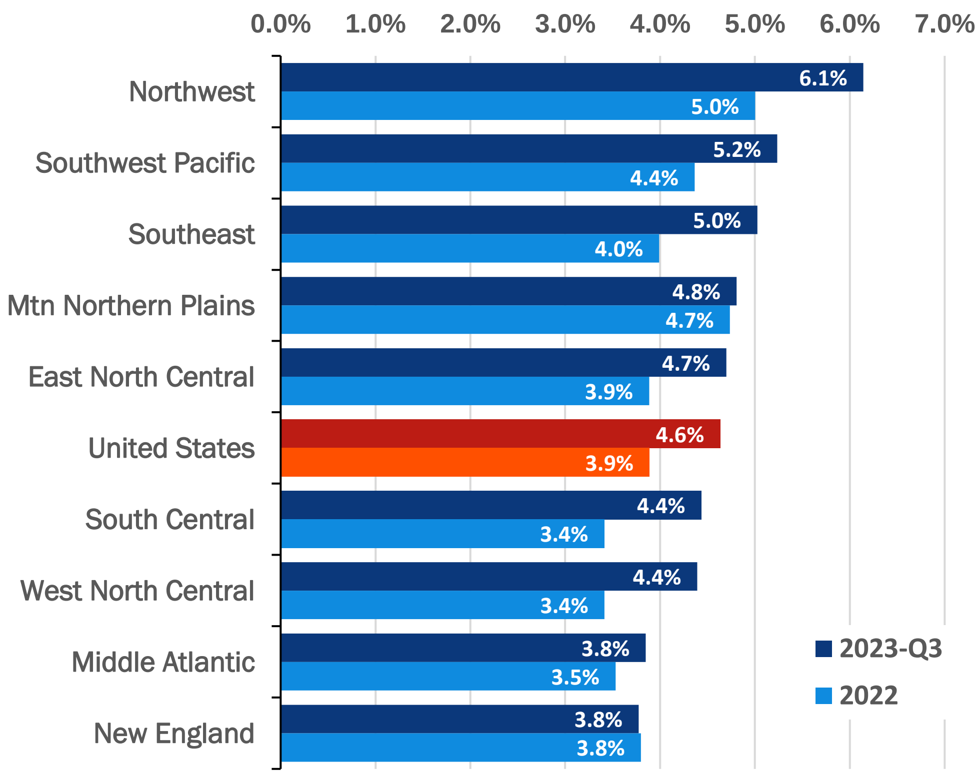
Distribution of first-year increases in new settlements, shown as dollar amounts



Exhibits 1.5 and 1.6 display the results (percentages and dollar amounts, respectively) for first-year increases for 2022 and 2023-Q3 by region in descending order based on 2023-Q3 data. As shown in **Exhibit 1.5,** increases so far this year have been higher than last year for every region except New England, where they are the same as last year. The Northwest continued to lead the way with the largest increases in 2023-Q3, by far. The Southwest Pacific region had the second highest average, making the western part of the U.S. clearly the leader in size of increases. Conversely, on the other side of the country the New England and Middle Atlantic regions contained the lowest averages.

Exhibit 1.5

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



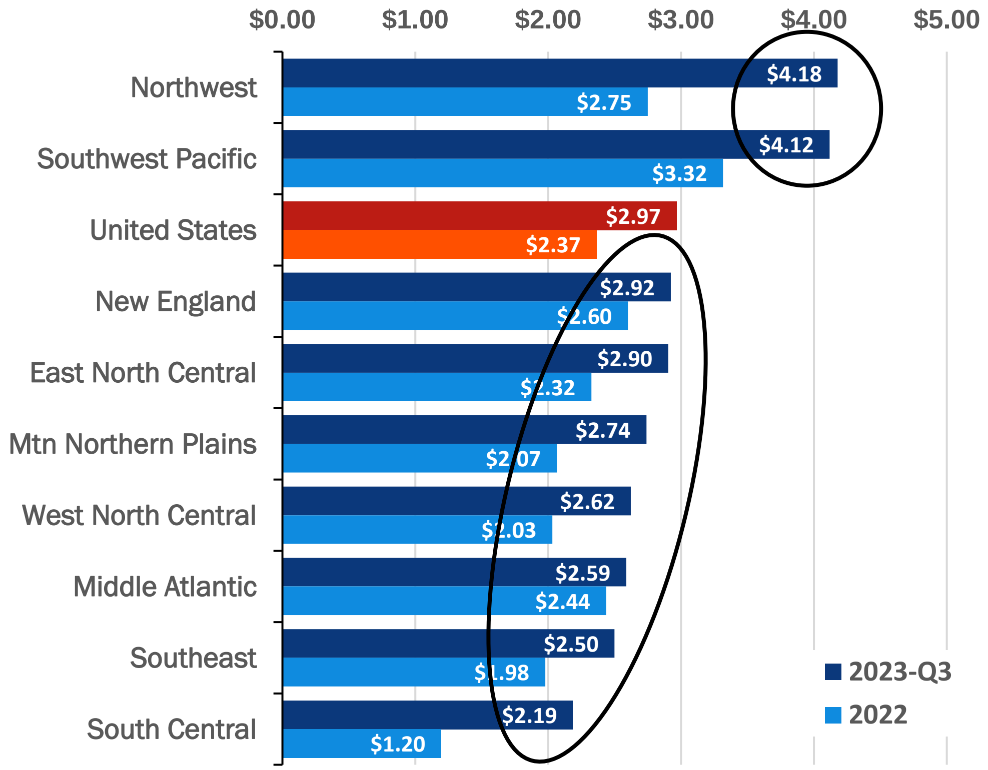
Regions

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. The two southern regions again had the lowest averages. The rather skewed distribution led to the atypical location of the U.S. average—with two regions above it and seven below. Interestingly, the two regions in the West averaged over $4.00 in 2023-Q3 while all other regions averaged below $3.00, resulting in a somewhat bimodal distribution with no regions averaging in the three dollar range.

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-Q3 by craft in descending order based on 2023-Q3 data. As displayed in **Exhibit 1.7**, all but three crafts averaged at least 4.0 percent; one craft had the same average in 2023-Q3 as in 2022 and all others had an increase. Several crafts had a notable jump in 2023. Last year there were no crafts that averaged above 4.4 percent while so far this year 13 averaged that amount or more.

Exhibit 1.7

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

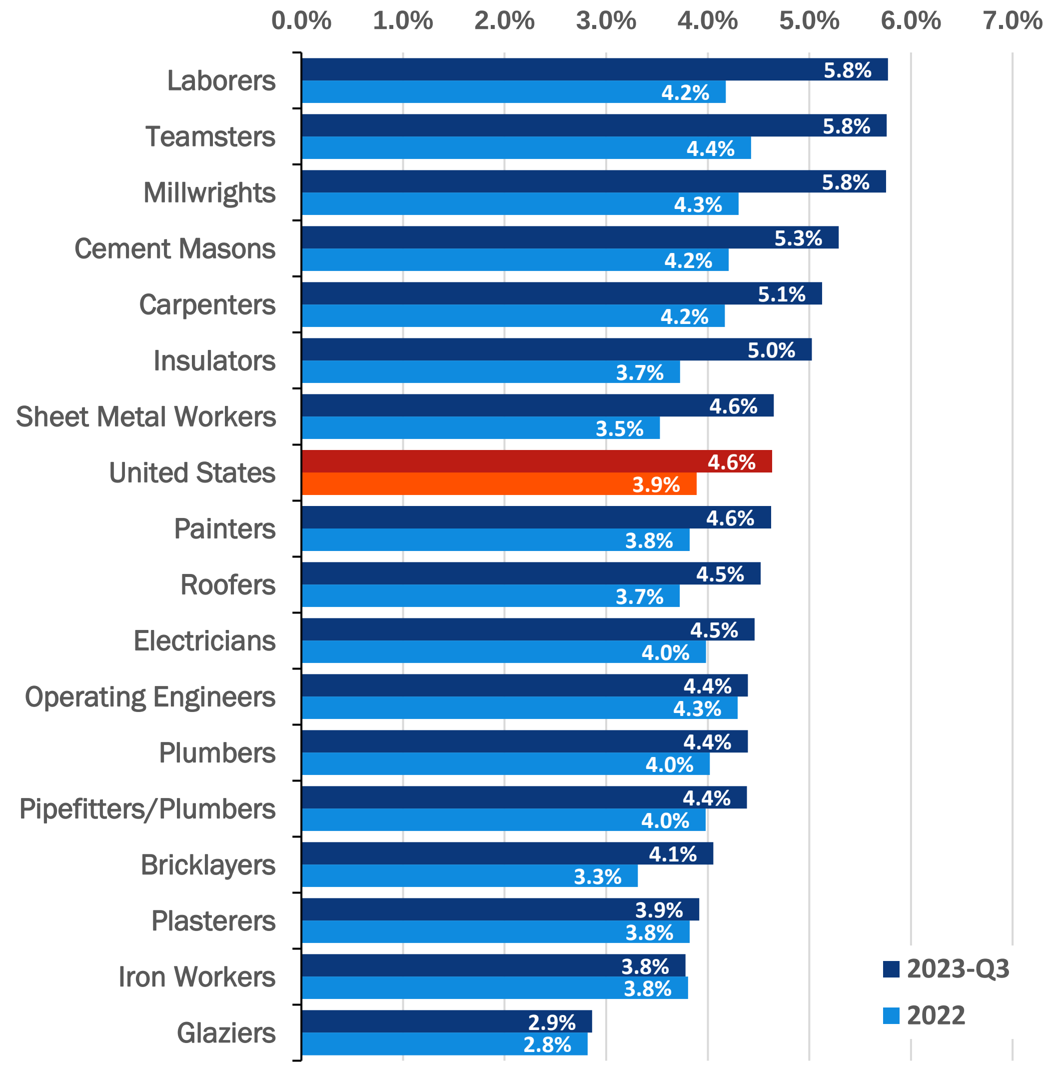
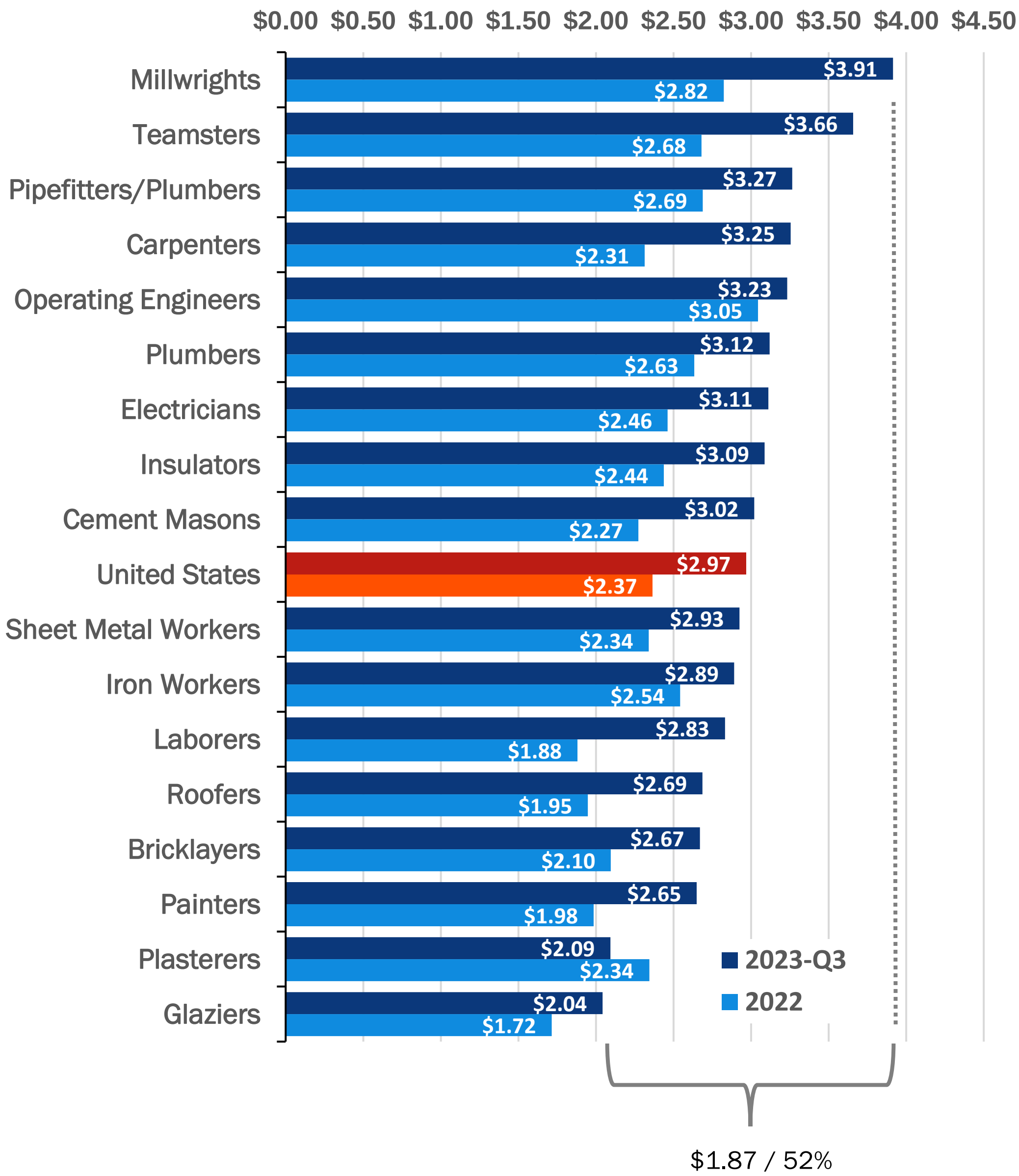


Exhibit 1.8 shows the crafts with the average dollar amount of their first-year increases. In 2022 no craft averaged $3.00 or more; this year over half did. The lowest average was $1.87 lower than the highest, or 52 percent as large.

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, 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 II Explanation
Section II of this report includes not only the first year of new settlements, but also the ensuing years (all years after the first year). For example, it includes data from newly negotiated settlements in 2023 (this is what is analyzed in Section I), the 2nd year of settlements reached in 2022 and 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-Q3 for all contract years for union crafts in construction was 3.6 percent. CLRC projects increases to reach approximately 4.5 percent by 2025. These results are lower than those shown in **Exhibit 1.1** (first year only settlements) since they reflect many more settlements and include data from 2022, 2021 and even earlier (prior to the recent uptick in increases).

Exhibit 2.1

All increases, shown as percentages

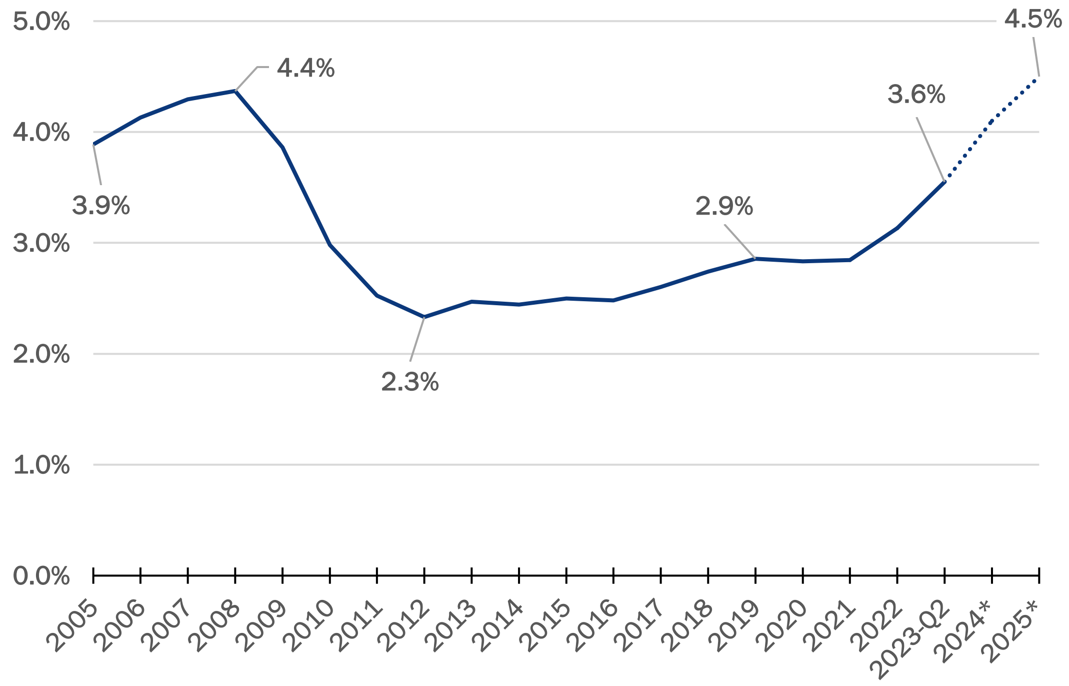


Exhibit 2.2 shows an increase of $0.56 in 2023-Q3 from 2021. CLRC projects that the average monetary increase will be approximately $2.80 by 2025. New, first-year settlements negotiated in 2023-Q3 averaged $2.97 (see **Exhibit 1.2**); the $2.27 value here reflects the average of what contractors are paying across *all years* of settlements, which includes the out years of multiyear settlements negotiated two or more years ago, before the recent large increases in new settlements.

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 exhibits in **Section II** contain data for all years of settlements. The growth in settlements in 2023-Q3 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

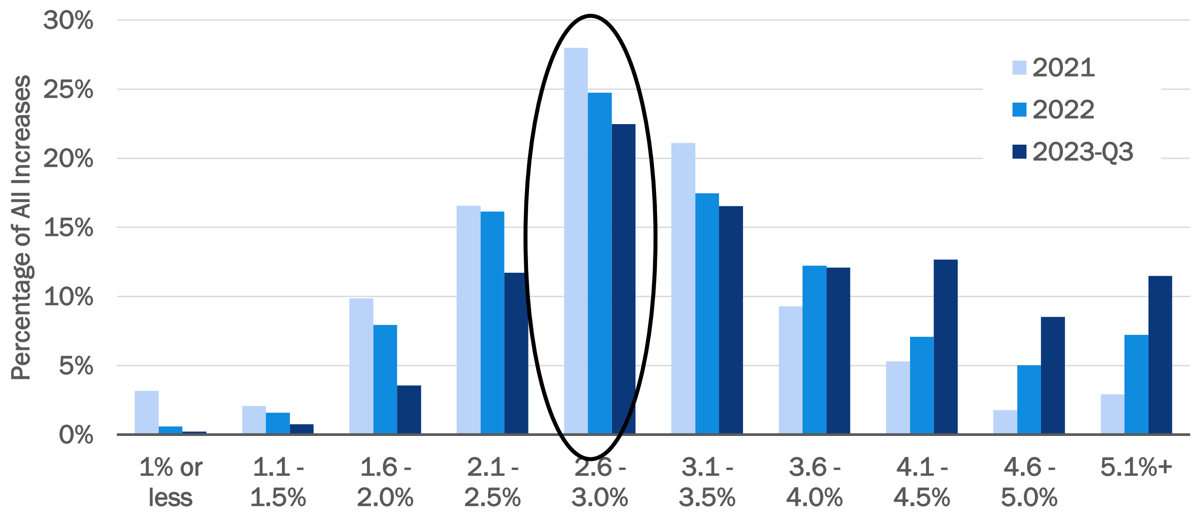
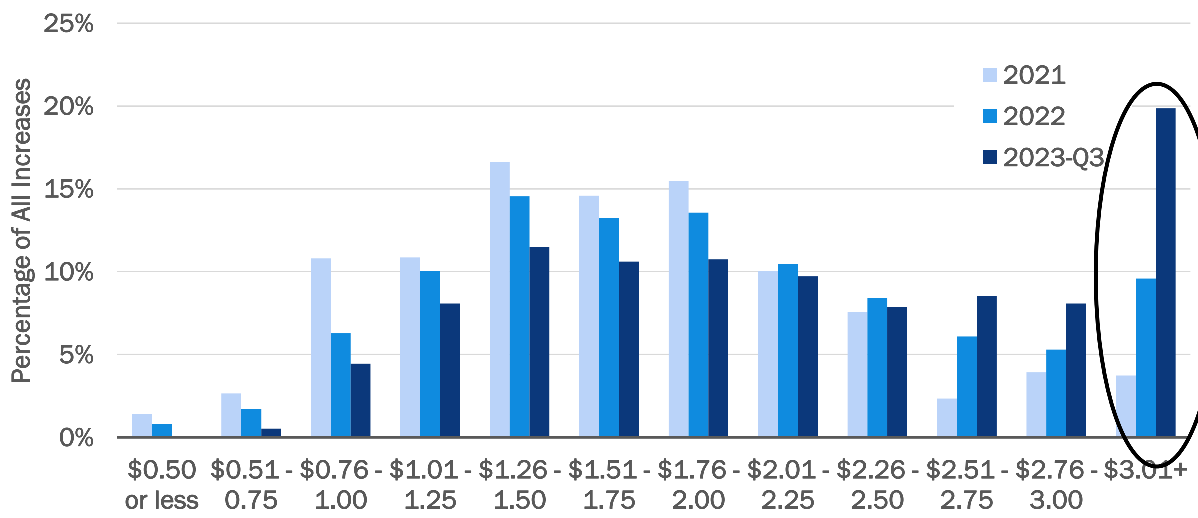


Exhibit 2.4 shows that the most common range, by far, conveyed in monetary values, for 2023-Q3 was $3.01+. There were noticeable increases in 2023-Q3 for the three highest ranges on the x-axis. The mode for 2021 and 2022 was lower—$1.26–1.50.

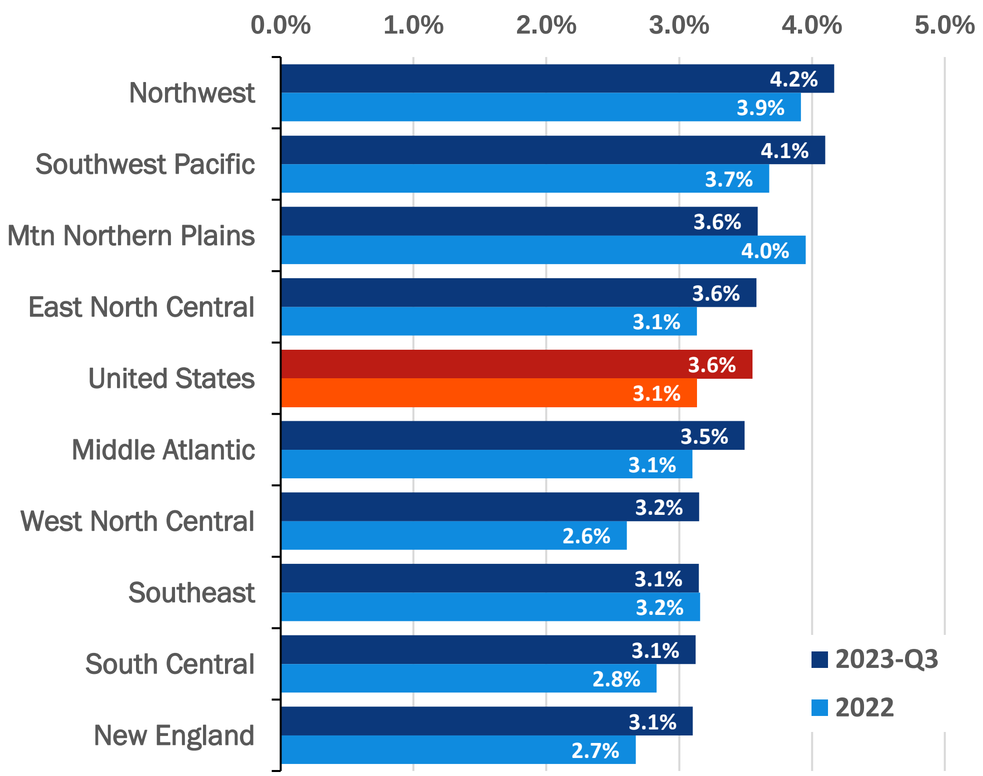
Exhibit 2.4
Distribution of all increases, shown as dollar amounts



Exhibits 2.5 and 2.6 display the results for all increases for 2022 and 2023-Q3 (percentages and dollar amounts, respectively) by region in descending order based on 2023-Q3 data. The largest average increases in 2023-Q3, as shown in **Exhibit 2.5**, 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 Southeast, South Central and New England regions, all at 3.1 percent.

Exhibit 2.5

All increases as percentages, by region in descending order



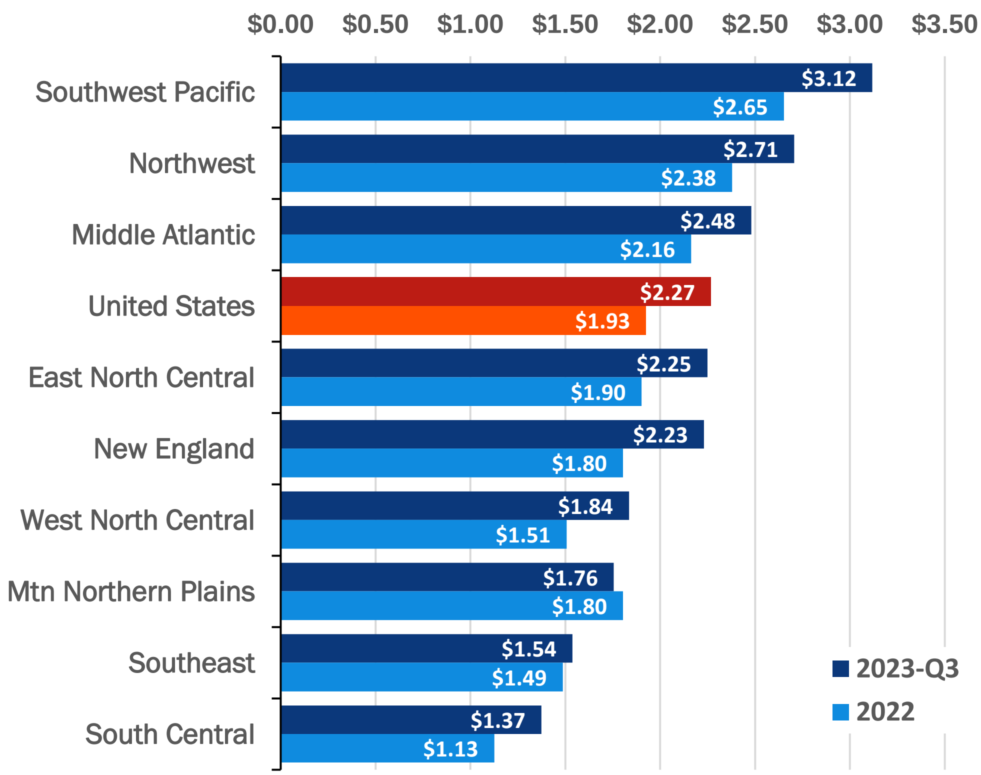
Regions

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 on the West Coast, 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 and 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-Q3 by craft (percentages and dollar amounts, respectively) in descending order based on the 2023-Q3 data. **Exhibit 2.7** shows that the largest average increases in 2023-Q3 belonged to Teamsters at 4.1 percent. Most crafts were clustered near the U.S. average.

Exhibit 2.7

All increases as percentages, by craft in descending order

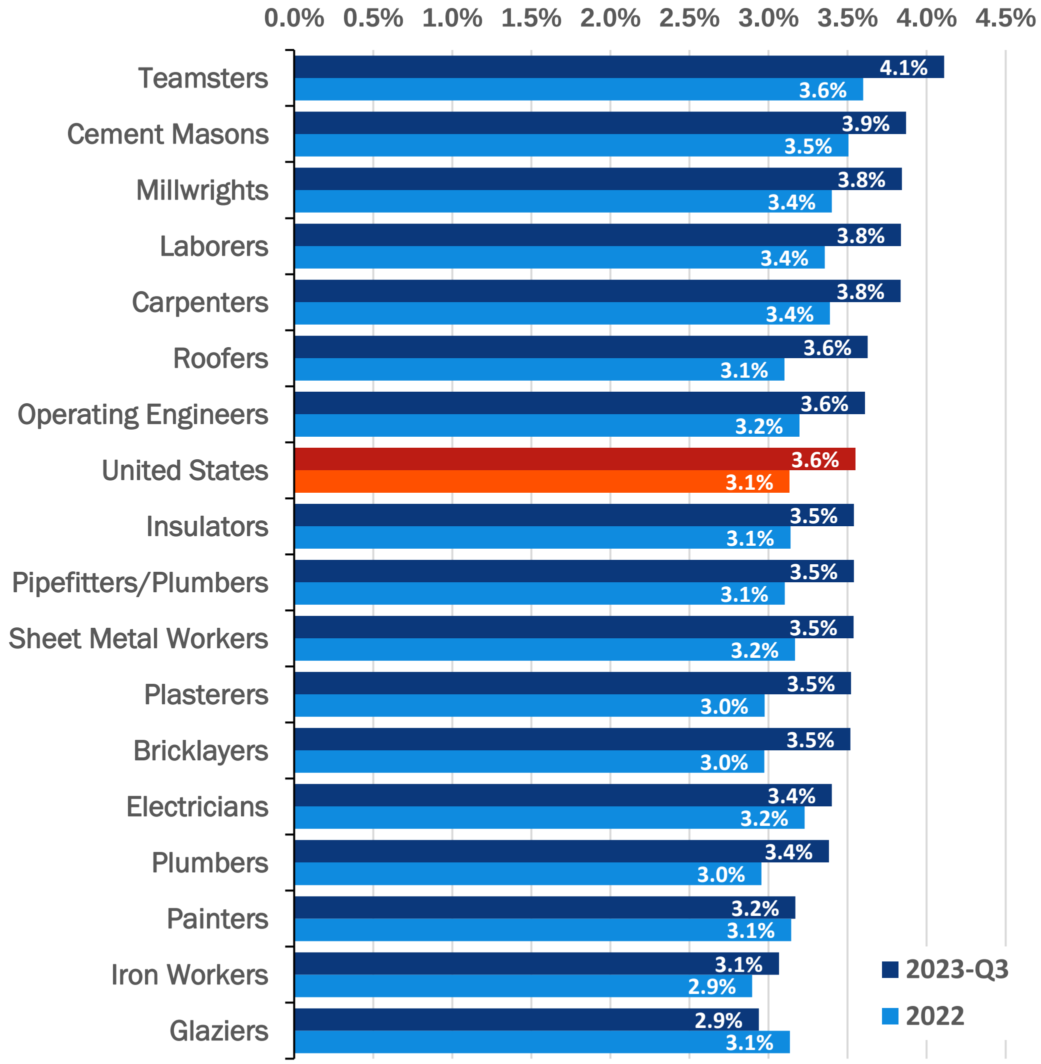


Exhibit 2.8 presents the crafts with the dollar amount of their increases. Nearly all crafts averaged at least $2.00 in 2023-Q3. Every craft was within $0.50 of the U.S. average.

Exhibit 2.8

All increases as dollar amounts, by craft in descending order

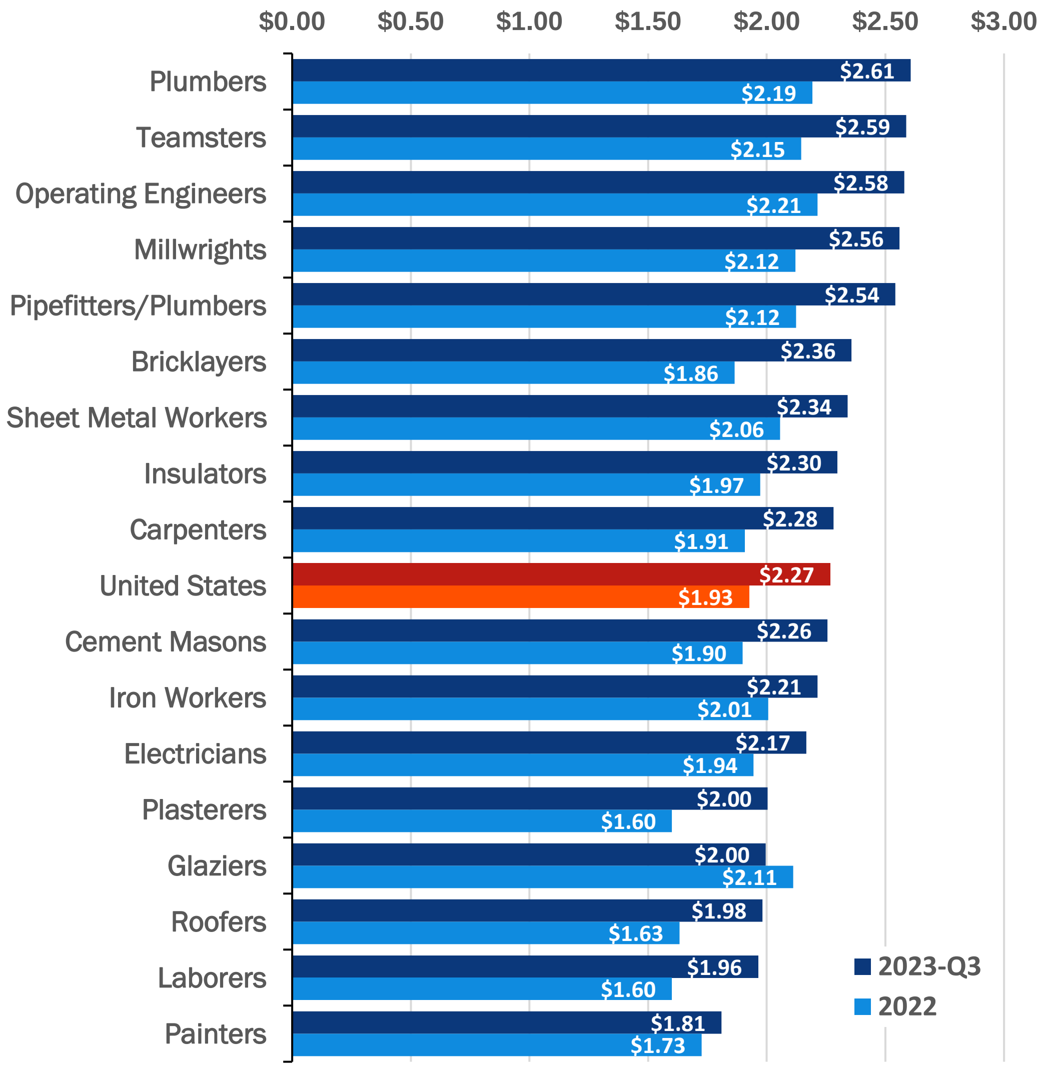


Exhibit 2.9 provides even more specific data cuts. These results reflect all settlements, not just first-year settlements. This matrix contains the total package increase rates (dollar and percentage) for each craft within each region (craft x region). This information will help users of this report 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	$2.48	$1.54	$2.25	$1.84	$1.37	$1.76	$3.12	$2.71
Increase %	3.1%	3.5%	3.1%	3.6%	3.2%	3.1%	3.6%	4.1%	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 $	-	$3.36	$2.50	$2.15	$1.16	$0.79	$1.25	$2.83	$2.70
Increase %	-	4.6%	6.6%	3.8%	2.3%	2.4%	2.4%	4.0%	4.5%
Electricians	**NE**	**MA**	**SE**	**ENC**	**WNC**	**SC**	**MNP**	**SWP**	**NW**
Increase $	$3.20	$2.62	$1.40	$2.21	$2.45	$1.31	$1.65	$2.73	$3.02
Increase %	4.3%	3.6%	3.1%	3.2%	3.7%	3.1%	2.9%	3.8%	4.3%
Glaziers	**NE**	**MA**	**SE**	**ENC**	**WNC**	**SC**	**MNP**	**SWP**	**NW**
Increase $	$1.89	$2.31	-	$2.18	$0.93	-	-	-	-
Increase %	3.0%	3.2%	-	3.1%	1.7%	-	-	-	-
Insulators	**NE**	**MA**	**SE**	**ENC**	**WNC**	**SC**	**MNP**	**SWP**	**NW**
Increase $	$2.31	$1.97	$1.31	$2.03	-	$1.25	$2.44	$3.72	$2.55
Increase %	4.0%	3.0%	2.4%	3.4%	-	2.8%	4.7%	4.5%	3.6%
Iron Workers	**NE**	**MA**	**SE**	**ENC**	**WNC**	**SC**	**MNP**	**SWP**	**NW**
Increase $	$3.08	$1.90	$1.07	$2.38	$2.25	$0.76	$3.00	$2.01	$3.25
Increase %	3.2%	2.4%	2.3%	3.5%	3.3%	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	$2.13	$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	$2.84	$3.02	-	$3.05	$4.40	-
Increase %	1.9%	-	3.1%	4.4%	6.2%	-	4.3%	5.1%	-
Operating Engineers	**NE**	**MA**	**SE**	**ENC**	**WNC**	**SC**	**MNP**	**SWP**	**NW**
Increase $	$2.82	$2.58	$1.30	$2.13	$2.53	$0.89	$1.70	$4.13	$3.37
Increase %	3.6%	3.4%	2.5%	3.1%	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	$1.50	$1.82	$1.25	-	-	$1.93	$2.00
Increase %	3.0%	3.7%	3.8%	3.2%	2.4%	-	-	3.1%	4.1%
Pipefitters/Plumbers	**NE**	**MA**	**SE**	**ENC**	**WNC**	**SC**	**MNP**	**SWP**	**NW**
Increase $	$3.19	$2.55	$2.07	$2.49	$2.05	$2.10	$1.57	$3.09	$4.34
Increase %	3.7%	3.1%	3.6%	3.6%	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	-	$3.19	$2.77	$1.05	-	-	-
Increase %	3.4%	3.2%	-	3.9%	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	$2.40	$1.92	$2.62	$1.81	$1.43	$1.95	$3.22	$3.38
Increase %	3.1%	3.2%	3.7%	3.8%	2.8%	3.0%	3.6%	3.6%	5.4%
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

Construction Labor Research Council
1250 Connecticut Avenue NW, Suite 700
Washington, DC 20036
202-347-8440
www.clrcconsulting.org

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.