



December 2010

## Wage and Benefit Settlements in Construction 2010

Settlements in newly negotiated labor agreements reported to the Construction Labor Research Council in 2010 averaged \$.80 or 1.7 percent for their first year. The average second year increase for multi-year agreements was \$1.16 or 2.1 percent. Results during the past year are a continuation of the trend started in 2009:

- o Average increase declined
- o Average duration decreased
- o A disproportionate amount of new money was allocated to pension funds.

The average first year increase dropped from 2009's \$1.23 or 2.8 percent which was already smaller than any amount in the past decade. The last time the average first year increase was less than two percent was 1985. An average increase under \$1.00 was last recorded in 1998.

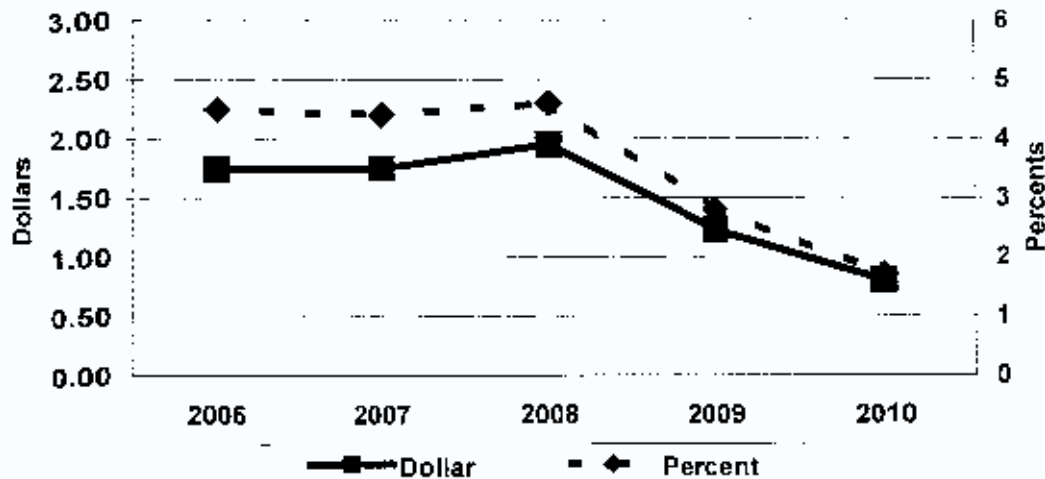
The lower level of first year increases was largely the result of the large number of contracts in which there was no increase. In a quarter of the new agreements wages and fringes were frozen or reduced. Almost half (\$.38) of the average total package increase was designated for higher contributions to pension funds. Average second and third year increase was also below the amounts of 2009.

### Regional Variation

The average first year percentage increase in the three regions with the most workers covered by new agreements was either 1.8 or 2.0 percent. There was a range of \$.20 in their dollar increases. This is less variability than in most years.

Lower first year increases were recorded in all regions (dollars and percents). Freezes and decreases were least likely in the Middle Atlantic. Almost half the multi-year agreements were in the East North Central.

**Construction Settlements**  
**First Year Increase in Wage Plus Benefit Rate**  
**Dollars and Percents 2006 through 2010**



Craft Variation

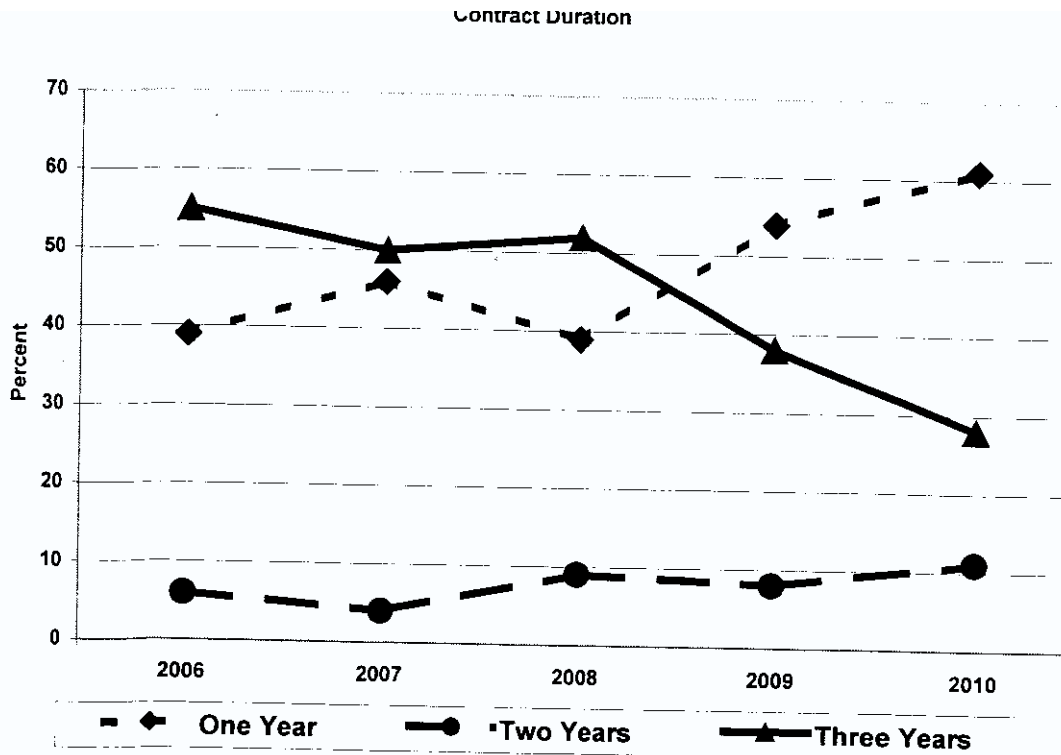
Average first year increases for most crafts were clustered around the all crafts average. All were within one percentage point of the national average. Even with the narrow range, craft differences primarily reflect the regions of the country in which the contracts were negotiated.

Industry Economic Climate

Construction employment has been stable throughout the year at just above 5.6 million. This is, however, a further 400,000 decline from 2009. Industry employment peaked in 2006 at 7.7 million.

Volume was down overall with reductions recorded throughout the private sector. Small gains in the public sector will still leave total activity down close to 10 percent. Within public construction only power and sewage and waste disposal were up more than 10 percent. They only account for just over 10 percent of public construction.

Inflation, as measured by the Consumer Price Index, will increase by less than two percent in 2010. The annual increase in construction wages and fringes has exceeded increases in the CPI for over a decade.



Contract Duration

As has historically been the case, low average settlement level has been accompanied by shorter term of contract. Close to 60 percent of new agreements were negotiated for one year. Prior to 2009, one year contracts accounted for close to 40 percent of the total with three year agreements most prevalent.

### Settlement Dollar Report by US (Summary)

U.S.TOTALS	Year											Total	Average	Covered
		.59 or Less	.60	.80	1.00	1.20	1.40	1.60	1.80	2.00	2.20			
	1	176	40	23	31	26	33	10	10	11	19	379	\$0.80	410,950
	2	36	20	10	21	19	17	9	4	7	4	147	\$1.16	232,171
	3	8	6	15	21	26	10	10	3	4	3	106	\$1.39	142,773

### Settlement Percent Report by US (Summary)

U.S.TOTALS	Year											Total	Average	Covered
		0 or less	.0	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0			
	1	101	29	81	70	66	18	9	2	1	2	379	1.7%	410,950
	2	16	10	30	57	28	5	1				147	2.1%	232,171
	3		1	18	64	23						106	2.7%	142,773

Wage and Benefit Settlements  
United States, Selected Regions and States<sup>1</sup>

	<u>Settlements</u>	<u>Coverage</u> <u>Workers</u>	<u>Average 1st Year Increase<sup>2</sup></u>	
			<u>Dollar</u>	<u>Percent</u>
United States	379	410,950	\$ 80	1.7
		<u>Regions</u>		
Middle Atlantic	54	81,573	\$1.03	1.8
New York	22	31,691	1.27	2.0
Pennsylvania	23	38,758	0.92	1.8
Southeast	102	56,405	0.53	1.8
Alabama	24	7,476	0.51	1.8
Tennessee	42	23,775	0.59	2.2
East North Central	147	132,572	1.04	2.0
Illinois	45	55,692	1.76	3.2
Michigan	18	7,890	0.49	1.5
Minnesota	22	33,583	0.08	0.2
Ohio	41	25,839	0.74	1.8
South Central	19	15,840	0.17	0.3
Southwest Pacific	21	67,102	0.83	1.8
California	18	64,914	0.85	1.8

<sup>1</sup> Areas with a sufficient number of settlements to show a meaningful average.

<sup>2</sup> Weighted by number of workers covered.

\* Too few agreements to show a meaningful average.

## Settlement Dollar Report by Craft (Summary)

Craft	Year	.59 or Less	.60	.80	1.00	1.20	1.40	1.60	1.80	2.00	2.19	Over	Total	Average	Covered
<b>Bricklayers</b>	1	23	2	2	1	1	1	1	1	1	1	1	29	\$0.29	14,855
<b>Carpenters</b>	1	23	1	2	2	1	2	1	3	3			34	\$0.70	105,345
<b>Cement Masons</b>	1	10	3	1	1	4	5						24	\$0.59	7,688
<b>Crane Operators</b>	1	11	1	6	4	1	2	1	1	1	6		33	\$1.31	63,727
<b>Electricians</b>	1	22	3	3	5	4	1	2	3	1	4		45	\$0.40	41,006
<b>Ironworkers-Struct.</b>	1	25	2	2	1	3	2	3	1	1	3		42	\$0.54	38,443
<b>Laborers-Bldg.</b>	1	20	5	1	2	7	7	2	3	1	1		41	\$0.86	80,499
<b>Millwrights</b>	1	11	1	2	1	4	2						20	\$0.53	5,945
<b>Pipefitters/Plumbers</b>	1	5	4	2	1	3	3	1	1	2	3		25	\$1.02	18,869
<b>Sheet Metal Workers</b>	1	10	4		5	2	2	1					24	\$0.78	15,038

## Settlement Percent Report by Craft (Summary)

Year	0 or	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	Total	Average Covered
	Less	.9	1.9	2.9	3.9	4.9	5.9	6.9	7.9		
<b>Bricklayers</b>											
1	15	2	6	3	2	1				29	0.8 14,855
<b>Carpenters</b>											
1	13	5	7	1	7			1		34	1.5 105,345
<b>Cement Masons</b>											
1	8	1	3	8	4					24	1.2 7,688
<b>Crane Operators</b>											
1	6	3	3	12	6	1	2			33	2.3 63,727
<b>Electricians</b>											
1	9	4	13	6	7	2	4			45	0.8 41,006
<b>Ironworkers-Struct.</b>											
1	12	8	7	4	8	3				42	1.1 38,443
<b>Laboreers-Bldg.</b>											
1	11		7	7	10	4	2			41	2.1 80,499
<b>Millwrights</b>											
1	7		4	5	2	1	1			20	1.2 5,945
<b>Pipefitters/Plumbers</b>											
1	2	2	4	10	3	3			1	25	2.2 18,869
<b>Sheet Metal Workers</b>											
1	5	4	8	6	1					24	1.5 15,038

### Settlement Dollar Report by Region (Totals)

Region	Year	59 or	.60	.80	1.00	1.20	1.40	1.60	1.80	2.00	2.20	Total	Average	Covered
		Less	.79	.99	1.19	1.39	1.59	1.79	1.99	2.19	Over			
<b>Middle Atlantic</b>														
	1	11	7	7	7	6	2	2	2	4	8	54	\$1.03	81,573
<b>Southeast</b>														
	1	57	17	8	11	4	2	1	1	1		102	\$0.53	56,405
<b>East North Central</b>														
	1	63	9	14	7	8	18	5	6	6	11	147	\$1.04	132,572
	2	22	8	7	12	3	3	4	4	5	1	69	\$1.09	100,758
	3	2	4	14	10	8	2	5	2	4	1	52	\$1.38	94,406
<b>South Central</b>														
	1	15	4									19	\$0.17	15,840
<b>Southwest Pacific</b>														
	1	12	1		1	2	4	1				21	\$0.83	67,102

### Settlement Percent Report by Region (Totals)

Region	Year	0 or	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	Total	Average Covered	
		Less	.9	1.9	2.9	3.9	4.9	5.9	6.9	7.9			Ove
<b>Middle Atlantic</b>													
	1	6	3	11	9	4		2			54	1.8	81,573
<b>Southeast</b>													
	1	30	10	27	11	3	2		1		102	1.8	56,405
<b>East North Central</b>													
	1	36	12	23	35	10	7			2	147	2.0	132,572
	2	8	10	13	25	1	1				69	2.1	100,758
	3		1	8	29		14				52	2.6	94,406
<b>South Central</b>													
	1	9	2	5	3						19	0.3	15,840
<b>Southwest Pacific</b>													
	1	8		6	4	2	1				21	1.8	67,102

## STATES and REGIONS

New England

Connecticut  
 Maine  
 Massachusetts  
 New Hampshire  
 Rhode Island  
 Vermont

Middle Atlantic

District of Columbia  
 Delaware  
 Maryland  
 New Jersey  
 New York  
 Pennsylvania

Southeast

Alabama  
 Florida  
 Georgia  
 Kentucky  
 Mississippi  
 North Carolina  
 South Carolina  
 Tennessee  
 Virginia

East North Central

Illinois  
 Indiana  
 Michigan  
 Minnesota  
 Ohio  
 West Virginia  
 Wisconsin

West North Central

Iowa  
 Kansas  
 Missouri  
 Nebraska

South Central

Arkansas  
 Louisiana  
 New Mexico  
 Oklahoma  
 Texas

Mountain-Northern Plains

Colorado  
 Montana  
 North Dakota  
 South Dakota  
 Utah  
 Wyoming

Southwest Pacific

Arizona  
 California  
 Hawaii  
 Nevada

Northwest

Alaska  
 Idaho  
 Oregon  
 Washington

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