

Union Labor Costs In Construction

2020

Construction Labor Research Council



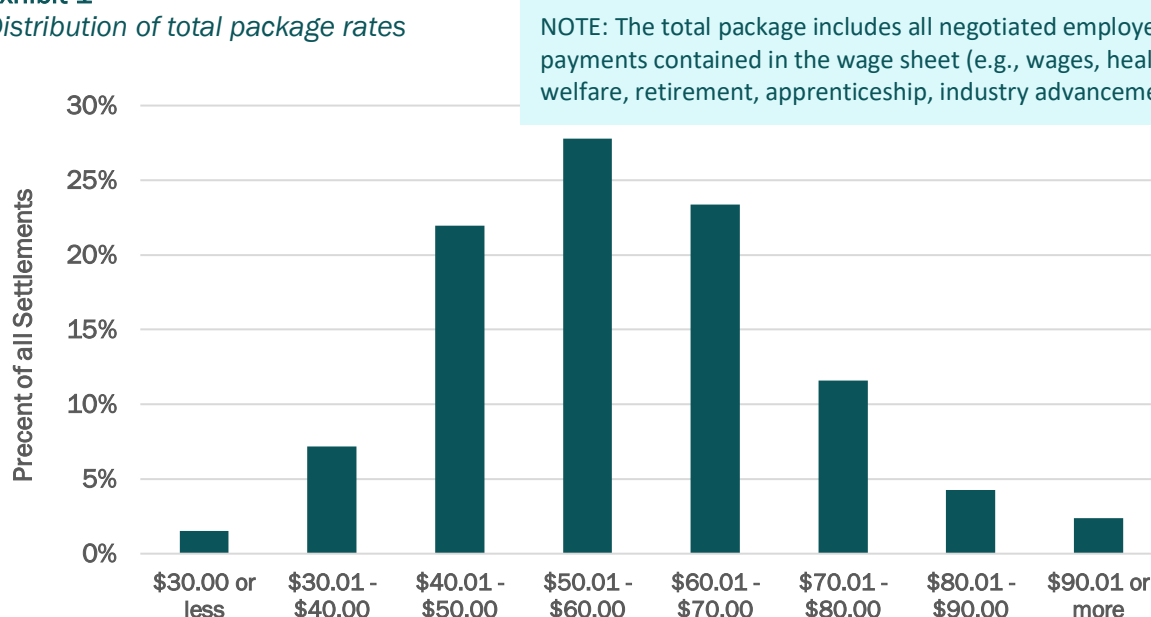
This report (previously called *Trends and Outlook*) contains both general and detailed information on compensation for union craft workers in the construction industry, as analyzed by the Construction Labor Research Council (CLRC). Data are presented for the nation as a whole, nine geographic regions, and 18 different craft breakouts. In addition, the report has trend lines which show the union craft total package increase history, as well as results for already negotiated future increases.

Exhibit 1 illustrates how total package rates in 2019 are distributed across a range. As the exhibit clearly highlights, the plurality of total package rates in 2019 were in the \$50.01–

\$60.00 range. Most other total package rates landed in the adjacent ranges. Consequently, nearly 75 percent of all total package rates were from \$40.01 to \$70.00.

Exhibit 1

Distribution of total package rates



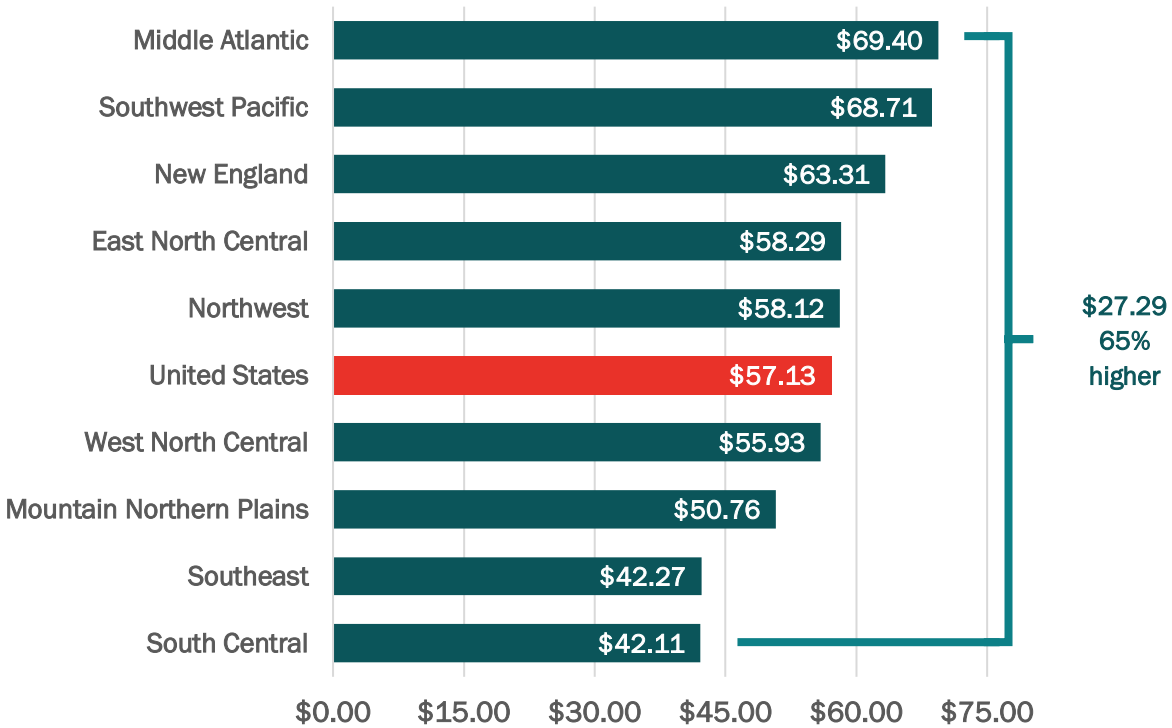
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- North American Contractors Association (NACA)
- Sheet Metal and Air Conditioning Contractors' National Association (SMACNA)
- Signatory Wall and Ceiling Contractors Association (SWACCA)
- The Association of Union Constructors (TAUC)

Exhibit 2 displays results for the total package for 2019 by region. The US average (which is the average of the craft averages) was \$57.13. As shown in **Exhibit 2**, the largest average total package in 2019 was in the

Middle Atlantic region (\$69.40) and the smallest in the South Central (\$42.11). The highest average total package was \$27.29 (65 percent) higher than the smallest.

Exhibit 2
Total package rates 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

NOTE: In addition to actual differences, variation in total package average rates from region to region and craft to craft can be influenced by the composition of the data sample. For example, a craft’s average rate may be partially affected by having more/less data from regions with higher/lower rates. Similarly, the total package average rate in a particular region may be partially due to that region having more/less data from crafts with higher/lower rates. In addition, the sample of available rates may change from year to year, which can affect craft and region averages.

The average total package rates by craft for 2019 are illustrated in **Exhibit 3**. The data ranged from \$46.12 for Laborers to \$66.93 for Boilermakers. The highest rate was \$9.80 (17 percent) higher, and the smallest was \$11.01 (19 percent) lower, than the US

average. There were three crafts with an average total package higher than \$65.00. There were three crafts with an average lower than \$50.00. All 12 of the other craft averages fell between \$50.00 and \$65.00.

Exhibit 3

Total package rates by craft in descending order

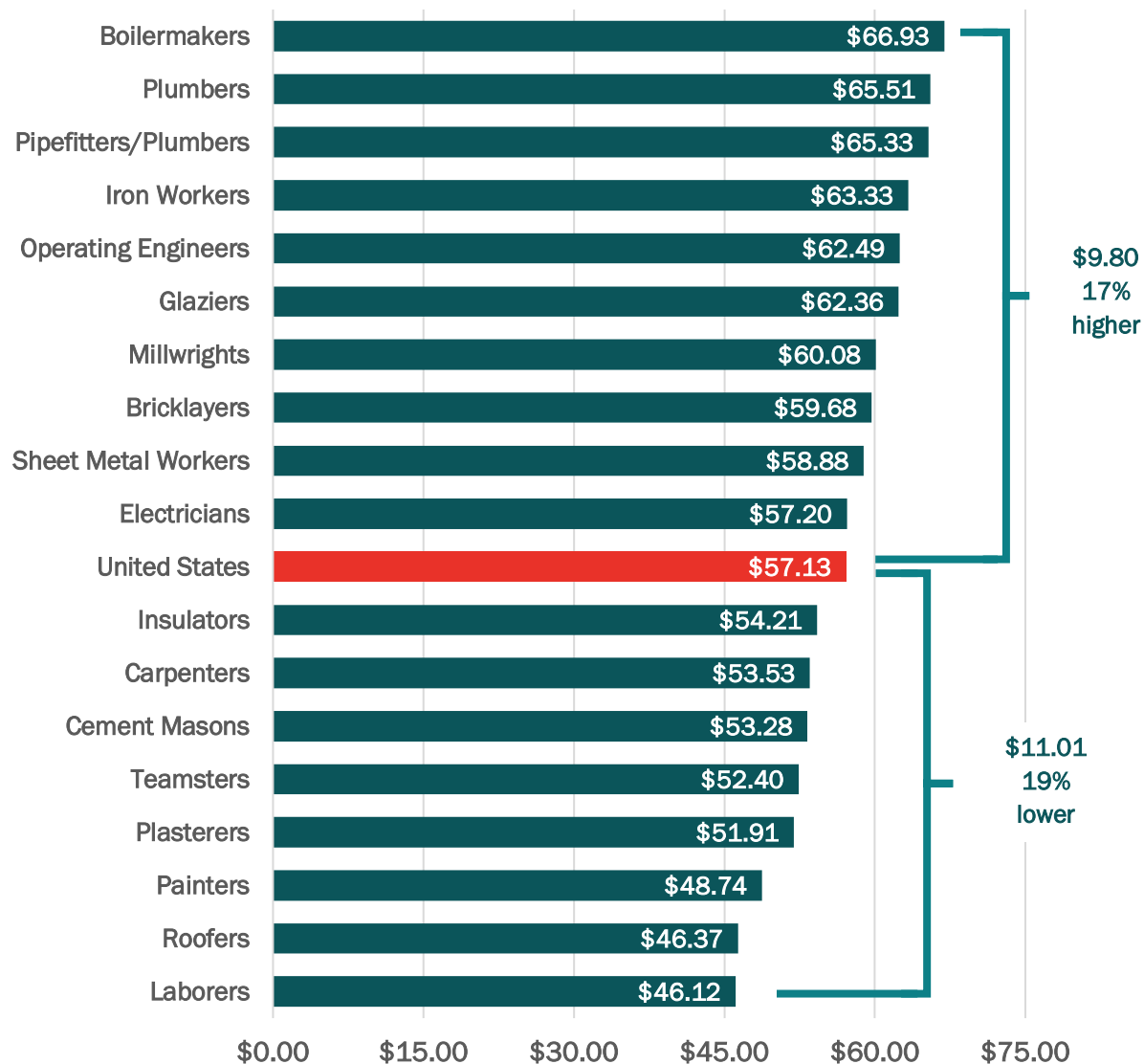


Exhibit 4 gives a detailed look at union craft rates in construction in 2019 using a craft by region matrix. It shows the total package rate,

base wage rate, and fringe benefits & other other rate for each craft for each region, as well as for the US.

Exhibit 4

Total package, wage rate, and fringe benefits & other: craft by region

United States	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$64.99	\$66.51	\$41.92	\$57.97	\$55.10	\$40.21	\$49.87	\$67.04	\$59.92	\$57.13
Wage Rate	\$35.66	\$38.55	\$27.11	\$34.13	\$33.78	\$27.31	\$31.31	\$39.11	\$38.27	\$34.32
Fringe Benefits & Other	\$29.32	\$27.96	\$14.81	\$23.83	\$21.32	\$12.90	\$18.56	\$27.93	\$21.65	\$22.81
Boilermakers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$66.67	\$74.44	\$55.69	\$68.07	\$68.69	\$56.60	\$64.89	\$76.07	\$69.59	\$66.93
Wage Rate	\$41.19	\$42.40	\$31.60	\$37.55	\$38.94	\$30.92	\$34.78	\$40.40	\$39.17	\$37.38
Fringe Benefits & Other	\$25.48	\$32.05	\$24.08	\$30.52	\$29.75	\$25.69	\$30.11	\$35.67	\$30.42	\$29.54
Bricklayers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$73.43	\$70.24	\$35.51	\$59.54	\$57.31	-	-	\$67.98	\$58.82	\$59.68
Wage Rate	\$40.06	\$41.49	\$26.30	\$34.84	\$34.87	-	-	\$41.93	\$39.46	\$36.52
Fringe Benefits & Other	\$33.37	\$28.75	\$9.21	\$24.70	\$22.45	-	-	\$26.05	\$19.36	\$23.17
Carpenters	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$58.65	\$66.10	\$39.36	\$55.47	\$51.44	\$35.15	\$38.89	\$60.22	\$55.46	\$53.53
Wage Rate	\$33.47	\$40.88	\$24.73	\$32.31	\$32.04	\$24.63	\$25.54	\$37.89	\$37.60	\$33.02
Fringe Benefits & Other	\$25.18	\$25.22	\$14.62	\$23.15	\$19.40	\$10.53	\$13.34	\$22.33	\$17.85	\$20.51
Cement Masons	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$72.35	\$70.98	-	\$49.04	\$47.05	\$33.24	\$47.00	\$53.12	\$53.22	\$53.28
Wage Rate	\$35.55	\$40.57	-	\$31.38	\$27.76	\$23.28	\$31.43	\$31.65	\$34.06	\$32.38
Fringe Benefits & Other	\$36.80	\$30.41	-	\$17.66	\$19.29	\$9.97	\$15.57	\$21.47	\$19.16	\$20.90
Electricians	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$69.06	\$71.32	\$40.21	\$61.79	\$56.33	\$39.12	-	\$69.06	-	\$57.20
Wage Rate	\$38.77	\$41.95	\$27.63	\$37.56	\$34.57	\$27.25	-	\$44.31	-	\$35.60
Fringe Benefits & Other	\$30.29	\$29.37	\$12.58	\$24.24	\$21.75	\$11.87	-	\$24.75	-	\$21.60
Glaziers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$53.00	\$72.25	-	\$62.70	\$51.65	-	-	\$74.38	-	\$62.36
Wage Rate	\$30.33	\$42.11	-	\$36.54	\$32.38	-	-	\$44.79	-	\$36.49
Fringe Benefits & Other	\$22.67	\$30.14	-	\$26.16	\$19.27	-	-	\$29.59	-	\$25.86
Insulators	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	-	\$61.25	\$49.23	\$54.51	\$63.41	\$42.05	\$41.19	\$66.37	\$64.78	\$54.21
Wage Rate	-	\$36.77	\$29.52	\$32.31	\$35.96	\$30.19	\$26.84	\$40.31	\$40.69	\$32.93
Fringe Benefits & Other	-	\$24.48	\$19.71	\$22.20	\$27.45	\$11.86	\$14.35	\$26.05	\$24.09	\$21.29
Iron Workers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$72.67	\$68.88	\$47.92	\$61.34	\$60.46	\$43.60	\$62.19	\$74.21	\$71.94	\$63.33
Wage Rate	\$36.67	\$37.16	\$27.79	\$32.76	\$32.12	\$26.50	\$32.55	\$38.25	\$38.75	\$33.78
Fringe Benefits & Other	\$36.00	\$31.72	\$20.13	\$28.57	\$28.34	\$17.10	\$29.64	\$35.96	\$33.19	\$29.55

NE | New England
MA | Middle Atlantic
SE | Southeast

ENC | East North Central
WNC | West North Central
SC | South Central

MNP | Mountain Northern Plains
SWP | Southwest Pacific
NW | Northwest

Exhibit 4 (continued)*Total package, wage rate, and fringe benefits & other: craft by region*

Laborers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$57.19	\$53.52	\$29.75	\$47.08	\$45.60	\$24.82	\$42.79	\$53.56	\$47.23	\$46.12
Wage Rate	\$32.17	\$26.97	\$20.23	\$27.16	\$29.81	\$18.52	\$24.01	\$30.84	\$31.70	\$27.43
Fringe Benefits & Other	\$25.02	\$26.55	\$9.52	\$19.92	\$15.79	\$6.31	\$18.78	\$22.72	\$15.53	\$18.69
Millwrights	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$59.16	\$70.80	\$43.91	\$60.04	-	-	\$47.57	\$76.49	\$59.92	\$60.08
Wage Rate	\$33.10	\$44.00	\$27.62	\$33.35	-	-	\$34.00	\$46.43	\$41.60	\$36.14
Fringe Benefits & Other	\$26.06	\$26.80	\$16.29	\$26.70	-	-	\$13.57	\$30.06	\$18.33	\$23.94
Operating Engineers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$70.64	\$78.09	\$42.81	\$63.90	\$55.25	\$38.78	\$53.20	\$67.25	\$56.46	\$62.49
Wage Rate	\$44.36	\$49.06	\$29.69	\$37.21	\$34.32	\$30.59	\$31.40	\$41.46	\$38.78	\$39.34
Fringe Benefits & Other	\$26.28	\$29.03	\$13.12	\$26.69	\$20.93	\$8.19	\$21.80	\$25.80	\$17.68	\$23.15
Painters	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$53.00	\$48.15	\$34.93	\$52.15	\$49.12	-	-	\$60.63	-	\$48.74
Wage Rate	\$30.33	\$27.66	\$23.13	\$32.36	\$30.46	-	-	\$35.47	-	\$29.56
Fringe Benefits & Other	\$22.67	\$20.48	\$11.81	\$19.79	\$18.66	-	-	\$25.17	-	\$19.18
Pipefitters/Plumbers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	-	\$82.41	\$44.55	\$64.56	\$63.05	\$45.36	\$50.79	\$77.92	\$77.72	\$65.33
Wage Rate	-	\$46.59	\$30.57	\$39.44	\$38.81	\$31.87	\$32.69	\$46.60	\$46.09	\$39.89
Fringe Benefits & Other	-	\$35.82	\$13.98	\$25.12	\$24.25	\$13.49	\$18.10	\$31.32	\$31.63	\$25.43
Plumbers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	-	\$75.33	-	\$68.01	\$63.48	\$47.29	\$55.00	-	-	\$65.51
Wage Rate	-	\$45.72	-	\$38.06	\$40.64	\$33.64	\$36.78	-	-	\$40.34
Fringe Benefits & Other	-	\$29.61	-	\$29.95	\$22.84	\$13.65	\$18.22	-	-	\$25.17
Plasterers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$72.35	\$48.18	-	\$46.80	\$46.21	\$31.40	-	\$44.82	\$59.79	\$51.91
Wage Rate	\$35.55	\$29.31	-	\$31.51	\$27.36	\$21.07	-	\$24.86	\$38.01	\$30.76
Fringe Benefits & Other	\$36.80	\$18.87	-	\$15.28	\$18.85	\$10.33	-	\$19.96	\$21.78	\$21.15
Roofers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$51.27	\$50.13	\$34.01	\$51.21	\$48.85	-	-	-	\$60.75	\$46.37
Wage Rate	\$30.05	\$29.35	\$24.78	\$31.36	\$30.38	-	-	-	\$44.62	\$29.89
Fringe Benefits & Other	\$21.22	\$20.78	\$9.23	\$19.85	\$18.47	-	-	-	\$16.13	\$16.47
Sheet Metal Workers	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	-	\$75.45	\$46.27	\$64.51	\$57.97	\$45.08	\$48.01	\$79.05	\$63.01	\$58.88
Wage Rate	-	\$40.36	\$28.79	\$35.49	\$36.33	\$29.29	\$32.70	\$43.96	\$38.16	\$34.73
Fringe Benefits & Other	-	\$35.09	\$17.48	\$29.01	\$21.64	\$15.79	\$15.31	\$35.09	\$24.85	\$24.16
Teamsters	NE	MA	SE	ENC	WNC	SC	MNP	SWP	NW	US
Total Package	\$54.14	\$59.68	\$40.31	\$52.66	\$48.42	-	-	\$62.20	\$51.51	\$52.40
Wage Rate	\$29.62	\$31.54	\$27.98	\$33.19	\$32.42	-	-	\$29.66	\$33.29	\$31.65
Fringe Benefits & Other	\$24.52	\$28.14	\$12.33	\$19.47	\$16.00	-	-	\$32.54	\$18.23	21

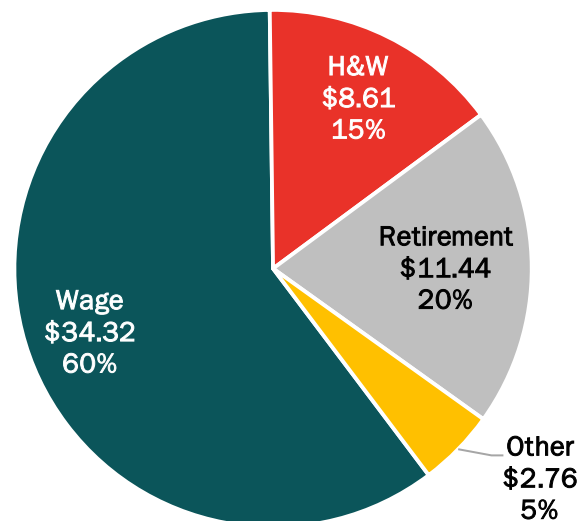
Exhibit 5*Defined contribution retirement and vacation prevalence by craft*

Craft	Defined Contribution	Vacation
Boilermakers	0%	40%
Bricklayers	6%	19%
Carpenters	23%	7%
Cement Masons	1%	24%
Electricians	3%	16%
Glaziers	7%	7%
Insulators	0%	13%
Iron Workers	19%	26%
Laborers	9%	19%
Millwrights	19%	10%
Operating Engineers	12%	18%
Painters	18%	2%
Pipefitters/Plumbers	26%	35%
Plasterers	18%	39%
Plumbers	5%	18%
Roofers	0%	3%
Sheet Metal Workers	14%	4%
Teamsters	0%	17%
United States	10%	18%

Exhibit 5 shows the prevalence of two nonstandard fringe benefits (defined contribution retirement and vacation) for all crafts and the US. Pipefitters/Plumbers had the largest prevalence of defined contributions at 26 percent, meaning that 26 percent of all pipefitter/plumber wage sheets had a line item for defined contribution retirement payments. The largest prevalence for vacation was with the Boilermakers at 40 percent. On average, 10 percent of total packages for union crafts in construction in the US had defined contribution retirement payments and 18 percent had vacation pay.

Exhibit 6*US average rates and proportions*

Exhibit 6 addresses the average US distribution of wages, health & welfare, retirement, and other costs. Both the dollar amount and proportion of the average US total package are shown. Wages made up the majority of the total package at \$34.32 (60%). Of the fringe benefits, retirement was the largest category at \$11.44 (20%), followed by health & welfare at \$8.61 (15%). The “Other” category, which includes vacation, apprenticeship, unallocated and all other payments, was \$2.76 (5%).

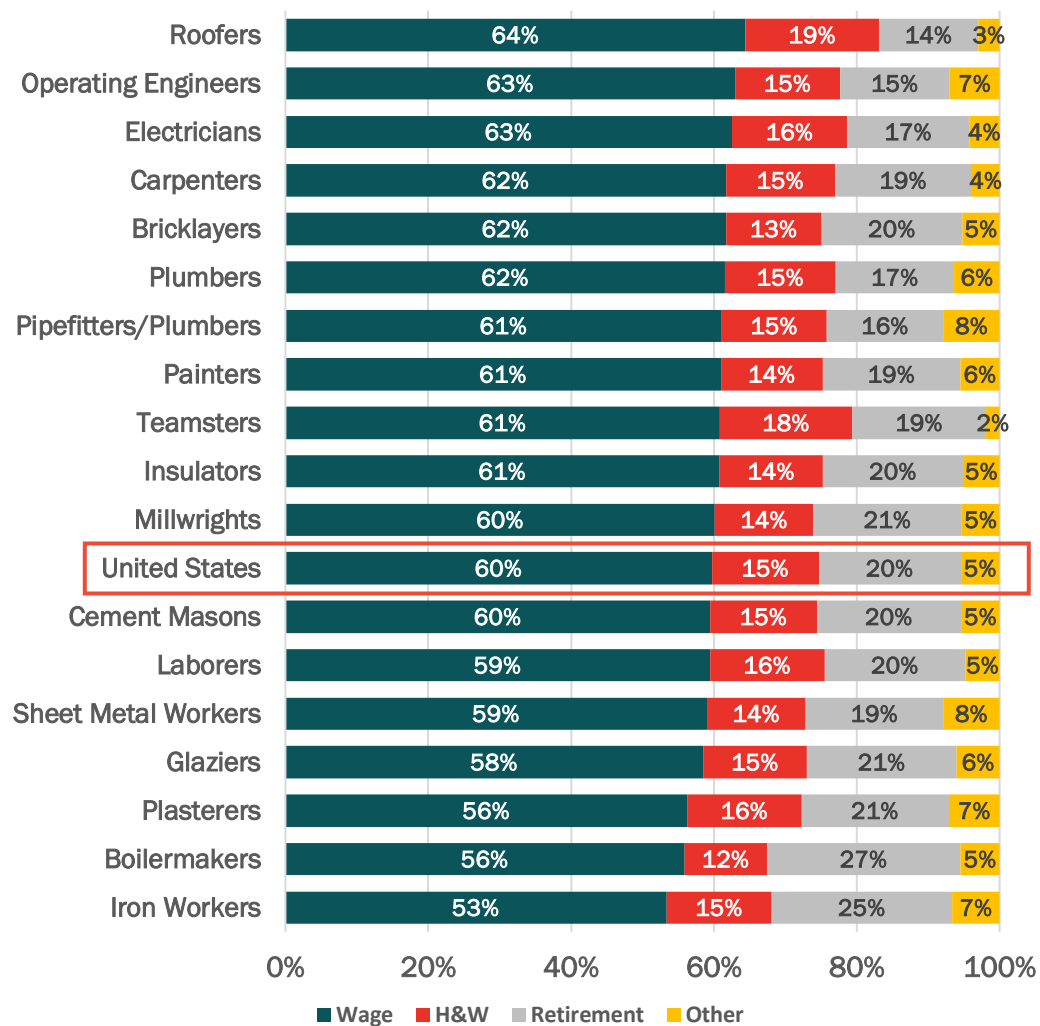


The stacked bar chart in **Exhibit 7** is similar to the pie chart in **Exhibit 6**, showing the proportion of each category in the total package (wage rate, health & welfare, retirement, and other) for the US and each craft. The crafts are in descending order based on the wage percentage. Roofers had the largest proportion of the total package in wages. Interestingly, they also had the largest

proportion for health & welfare. Boilermakers led all crafts in the proportion of their total package funding retirement. Please note that **Exhibit 7** is not indicative of the dollar amount of each craft's total package (all crafts sum to 100 percent). Rather, it illustrates how the total package is distributed across the four categories.

Exhibit 7

Proportions of total package by craft



First Year Total Package Increases (2019)

The first year of new settlements reached in 2019 (includes all data for 2019) for union crafts in the construction industry had an average increase of 2.9 percent (\$1.67). The

median, which is less affected by outliers, was similar at 2.9 percent (\$1.73). **Exhibits 8 and 9** show the 14-year trend, plus a two year forecast, for the total package.

Exhibit 8

First year increases in new settlements, shown as percentages

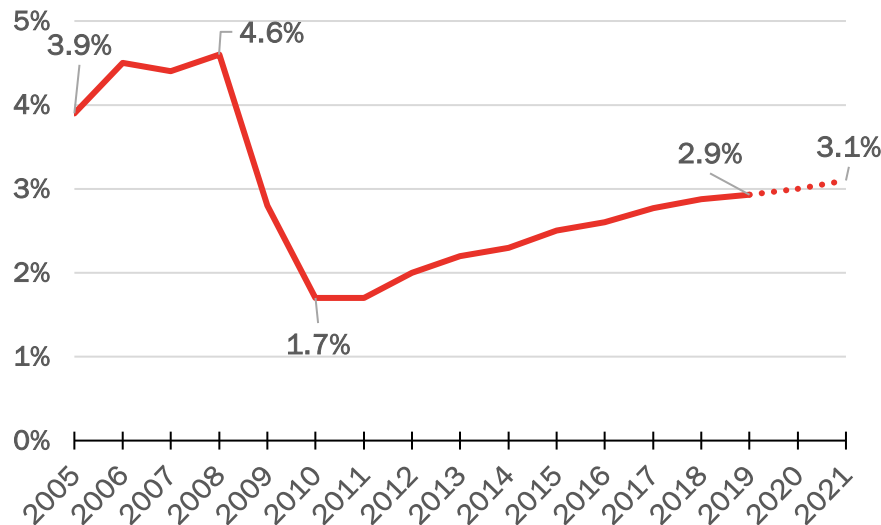


Exhibit 8 shows that, in percentage terms, the average increase for the first year of settlements has slowly and steadily risen since 2010/11, from 1.7 percent in 2010 to 2.9 percent in 2019. The gradual trend is forecasted to extend to 3.1 percent by 2021.

Exhibit 9

First year increases in new settlements, shown as dollars

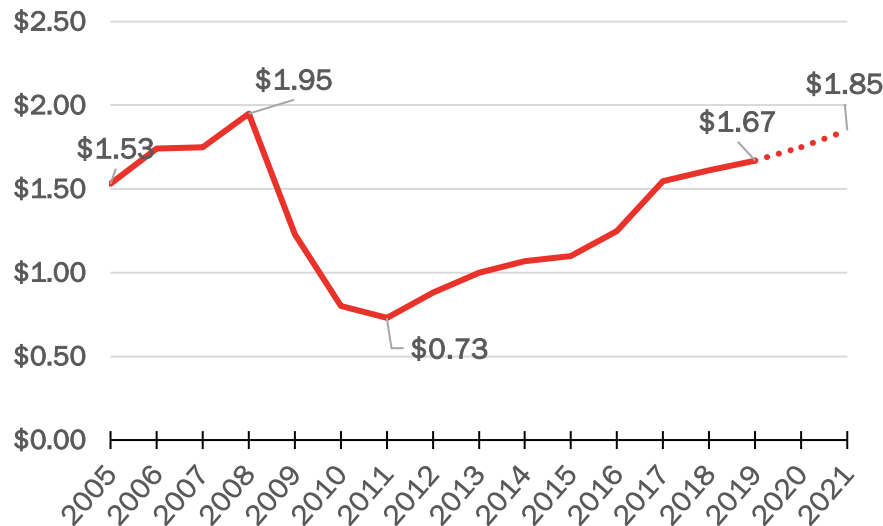


Exhibit 9 similarly shows that the average dollar amount increase for the first year of settlements has grown by nearly \$1.00 since 2011 (\$0.73 in 2011 to \$1.67 in 2019). The average increase is projected to be \$1.85 by 2021.

The first year of settlements is useful for understanding current trends. The all settlements data is better for summarizing the total amount actually paid/earned by contractors/employees and for making projections based on already negotiated future increases (CLRC already has hundreds of data points for 2020 – 2025 increases).

Total Package Increases for All Contract Years

This section of the report includes not only the first year of new settlements, but also the ensuing years (all years after the first year). For example, for the 2019 results, this section includes data from new negotiated settlements in 2019, the 2nd year of settlements reached in 2018, and the 3rd year of settlements from 2017. **Exhibits 10 and 11** show the trend lines

for all negotiated increases from 2005 through 2019, and project the increases for 2020 and 2021. *The average increase for 2019 was 2.9 percent and \$1.60. CLRC projects an increase to 3.1 percent and \$1.80 by 2021. That will be the first time increases have eclipsed 3.0 percent since 2010.*

Exhibit 10

All increases, shown as percentages

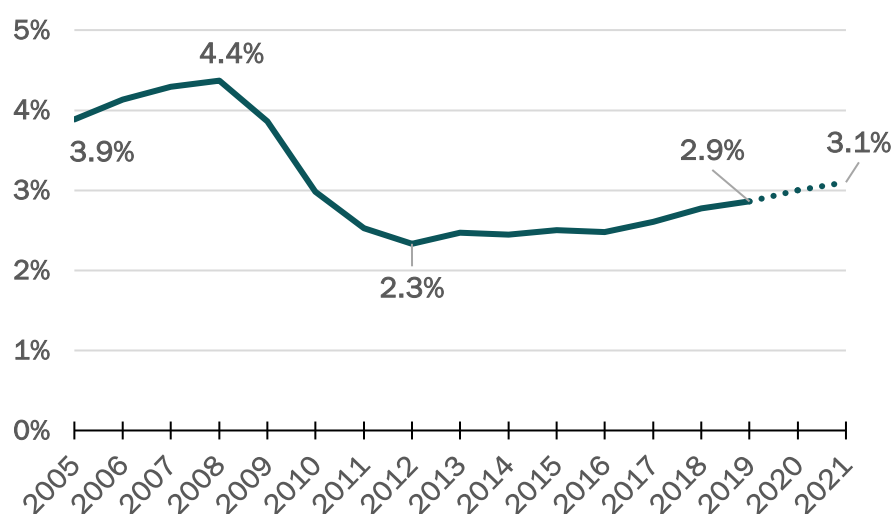


Exhibit 10 shows that, in percentage terms, the average increase rose slowly, by 0.6 percent, from 2012 to 2019. As was the case with first year data, increases before the Great Recession were much higher.

Exhibit 11

All increases, shown as dollars

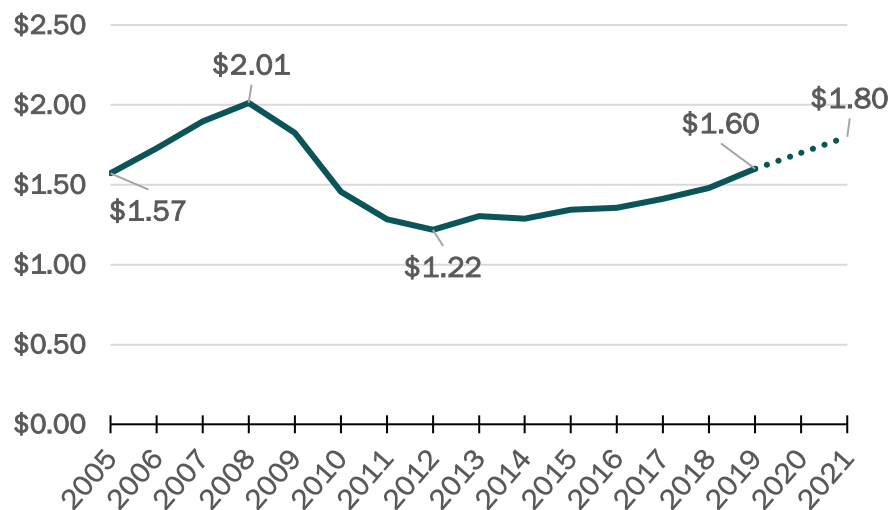


Exhibit 11 shows that the average dollar amount increase grew by \$0.38 from 2012 to 2019 and remains well below the high mark of \$2.01 in 2008. By 2021 CLRC projects the average increase to be \$1.80 for all increases.

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