



# Wage and Fringe Benefits Settlements Analysis

---

*September 2012*

Many people are asking for benchmark data on how collectively bargained increases in the construction industry are being distributed. In other words, what percent is going to wages, health and welfare, pension, or other? This study by the Construction Labor Research Council shows where recently negotiated settlement increases are being allocated for the building and construction trades crafts.

This report shows where recently negotiated settlement increases are being distributed among wages, health and welfare, pension (including annuity where applicable), and other. For this report, 738 settlements were analyzed: 459 for 2011, 191 for 2012 (January–September) and 88 for 2013 and beyond. Each year represents not only the settlements negotiated that year, but also the second year of settlements collectively bargained the previous year, the third year from settlements agreed upon two years earlier, and so on.

### Methodological Notes

The percent values in this report show what percent of the *increases*—not the total package—has been applied to each of the categories covered (i.e., wages, health & welfare, pension, and other). Thus, if the parties settled on a \$1.00 increase and \$0.33 went to pension, this report would show that 33 percent (of the increase) went to pensions.

The statistics presented here reflect increases only for those wages and fringe benefits for which data were available. In other words, if data were not available for pension in a given collective bargaining agreement—either because they did not have a pension contribution or because of missing data—it was not included in the analysis.

Variation from one year to the next and from craft to craft is likely due to actual changes in how increases were distributed; however, it could also be due to changes in the composition of the sample of contracts available for analysis.

At least five contracts were needed in order to publish results. If a craft had fewer than five settlements, results were not displayed for that analysis in order to ensure the reliability of the findings.

Occasionally the results may not add to 100 percent due to rounding and/or incomplete data.

### 2013+

This timeframe refers to increases already negotiated, but scheduled to become effective in 2013 and later. Please note that the data for 2013 should be viewed with caution. First, the sample is smaller and subject to change as additional data are collected.

Second, the sample may be somewhat biased. Many parties have negotiated the increase amount for 2013 and beyond, but they have not yet determined how the money will be allocated. Those who are confident in the status of their pension and health and welfare funds are possibly more likely to have already identified how their increases will be distributed while those with issues to address may be waiting to finalize where their already negotiated increase will be allocated.

For this reason, the 2013+ results are not included in the discussion sections of this report. Statistics for 2013+ are presented only for a preliminary look ahead and should not be considered final in any way.

### Terms

*Craft Weighted (CW)* – This term applies only to results for the United States; it does not apply to craft specific results in Section III. Craft weighted means that an average was taken of the results for the 15 crafts represented in this study. In other words, each craft counted as 1/15<sup>th</sup> of the result. This statistic is useful because each craft is weighted the same, regardless of how many settlements that craft had. On pages 7-9 the results for craft weighted are labeled “United States (CW).”

*Settlement Weighted (SW)* – This term, like the craft weighted term, applies only to results for the United States; it does not apply to craft specific results in Section III. Settlement weighted means that an average was taken of all settlements represented in this study. In other words, each settlement was weighted the same. For example, if one craft had 10 settlements and another craft had 50, the craft with 50 settlements would be much more prominent in the calculation of the average. Settlement weighted provides helpful data for people who want to know the national trend, without equal consideration of the crafts involved. On pages 7-9 the results for settlement weighted are labeled “United States (SW).”

### **Construction Labor Research Council**

1750 New York Avenue, NW  
Fourth Floor  
Washington, DC 20006  
202.347.8440

This report has been prepared from information collected and maintained by CLRC. Reasonable efforts have been made to ensure the accuracy of the data, summaries and analyses. However, accuracy cannot be guaranteed. CLRC disclaims any liability from damages of any kind which may result from the use of this report.

# Section I

# Results for The United States

### Wages

For craft weighted results (see the Terms section for an explanation of craft weighted), 33 percent of the increase amount was applied toward wages in 2011. In 2012 (January—September), the proportion of the settlement amount distributed to wages grew to nearly half of the increase amount—45 percent

For settlement weighted results (see the Terms section for an explanation of settlements weighted), the percent apportioned to wages was steady at about one third of the increase for both 2011 (32 percent) and 2012 (34 percent).

### Health and Welfare

The craft weighted results show a significant decline in the percent of the increase applied toward health and welfare from 2011 to 2012. In 2011, 27 percent of the increase was distributed to health and welfare, but this fell by 11 percent, to 16 percent in 2012. Thus, from 2011 to 2012, the increase in contributions made to wages primarily came from a decrease in health and welfare contributions.

The settlement weighted analysis showed similar results, but less pronounced. Specifically, health and welfare contributions declined by 6 percent, from 22 percent in 2011 to 16 percent in 2012.

### Pension

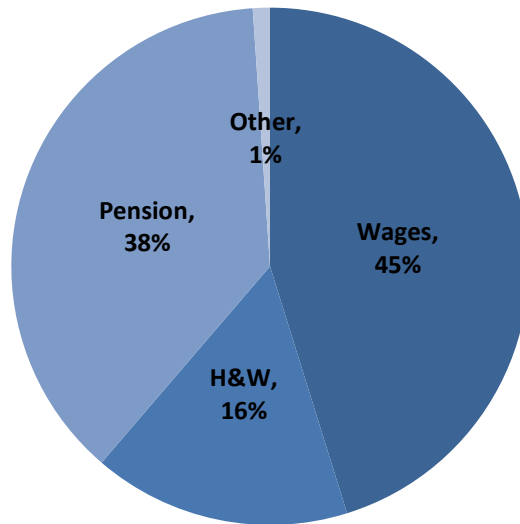
The craft weighted findings for pension were stable at 39 percent in 2011 and 38 percent in 2012. Pensions garnered the largest portion of 2011 increases, but were eclipsed by wages in 2012.

For settlement analyses, pension also was stable in 2011 and 2012, but at a much higher level—46 percent and 49 percent, respectively. Pension was the largest category into which increases were placed when looking at the data using a settlement weighted methodology. The Pension category includes annuity for those instances where a craft has both.

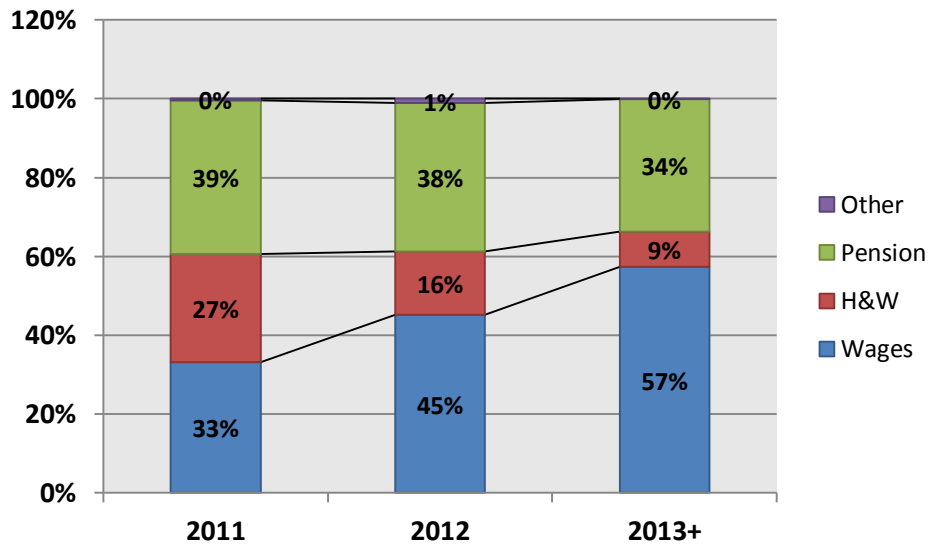
### Other

Other represents all remaining contributions not made to wages, health and welfare, and pension such as vacation and holiday pay. Very little was applied toward these items.

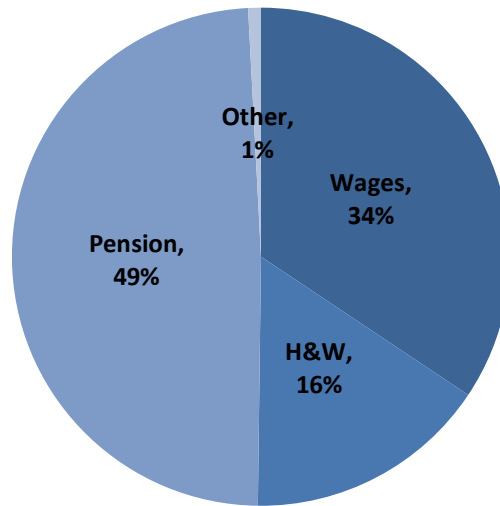
**Results for 2012 (Craft Weighted)**



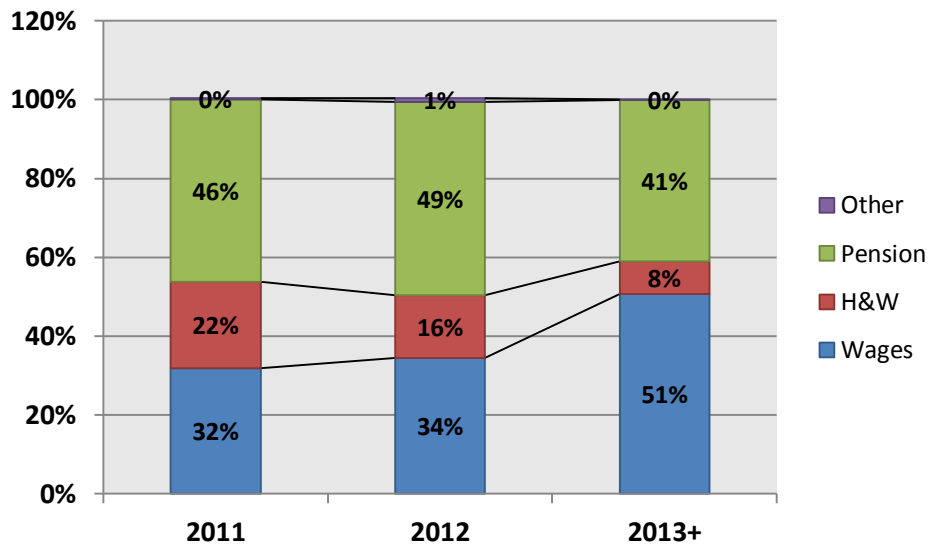
**Multiyear Comparison (Craft Weighted)**



**Results for 2012 (Settlement Weighted)**



**Multiyear Comparison (Settlement Weighted)**



# Section II

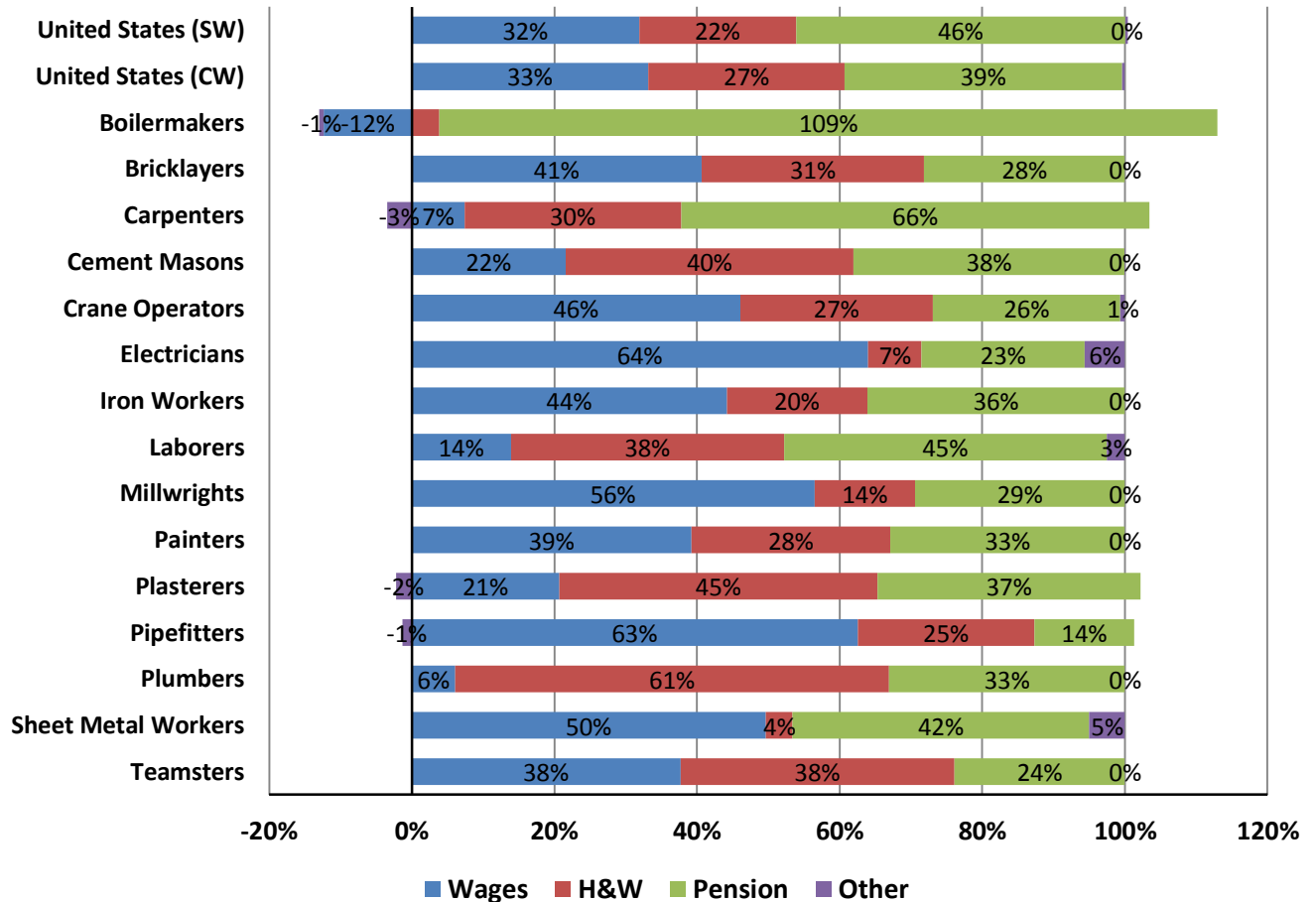
# Craft Comparison



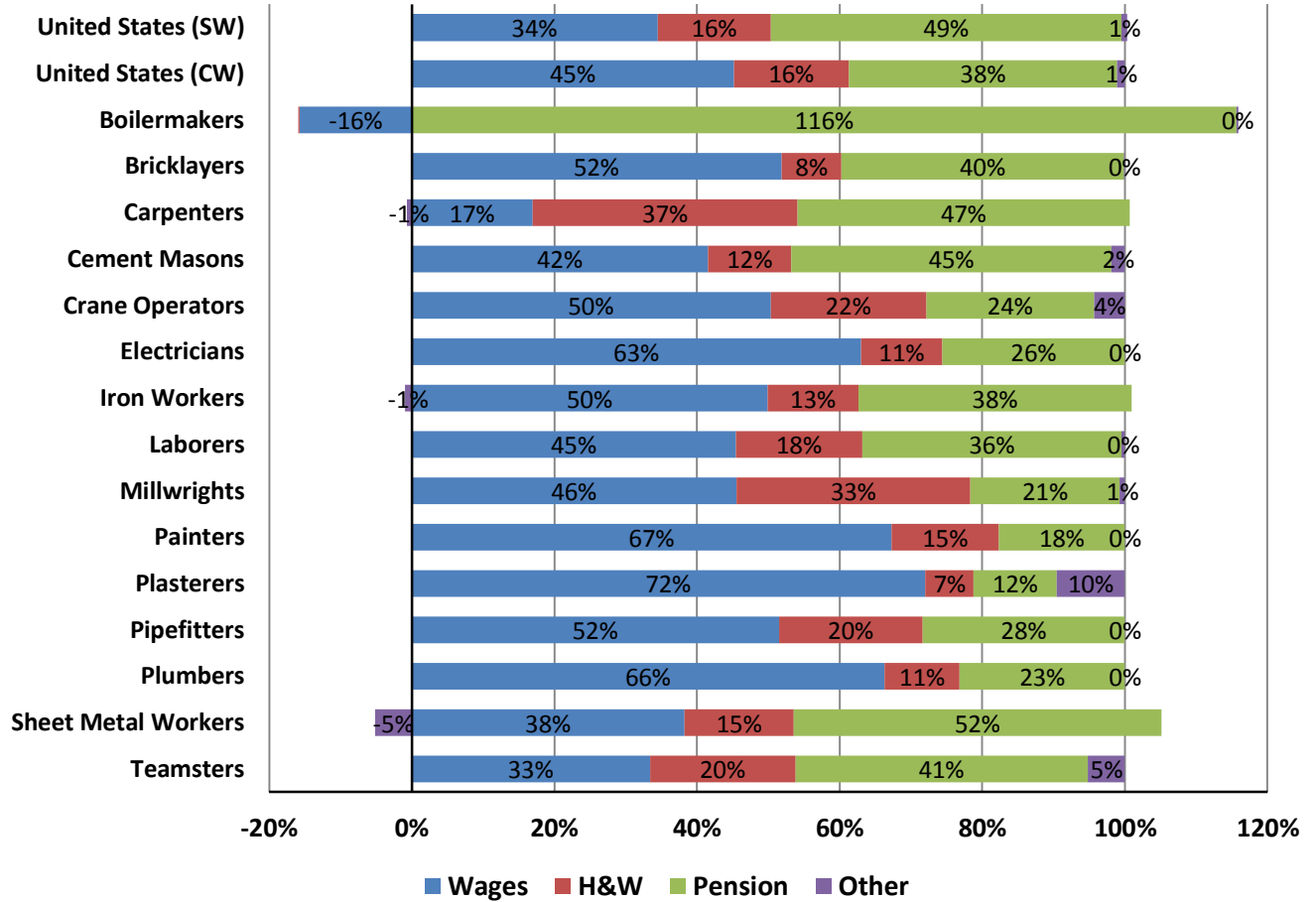
There is an extremely wide variation among the crafts in how 2011 and 2012 increases were distributed. For example, at one extreme Boilermakers actually cut wages in 2011 and 2012, on average, in order to put over 100 percent of the collectively bargained increase into their pension. Thus, their results show a negative value for wages and other, and a greater than 100 percent allocation of the increases to pension.

Electricians, as an example with much different findings, put well over half of their increases into wages (2011 = 64 percent; 2012 = 63 percent) and about one fourth into pension (2011 = 23 percent; 2012 = 26 percent).

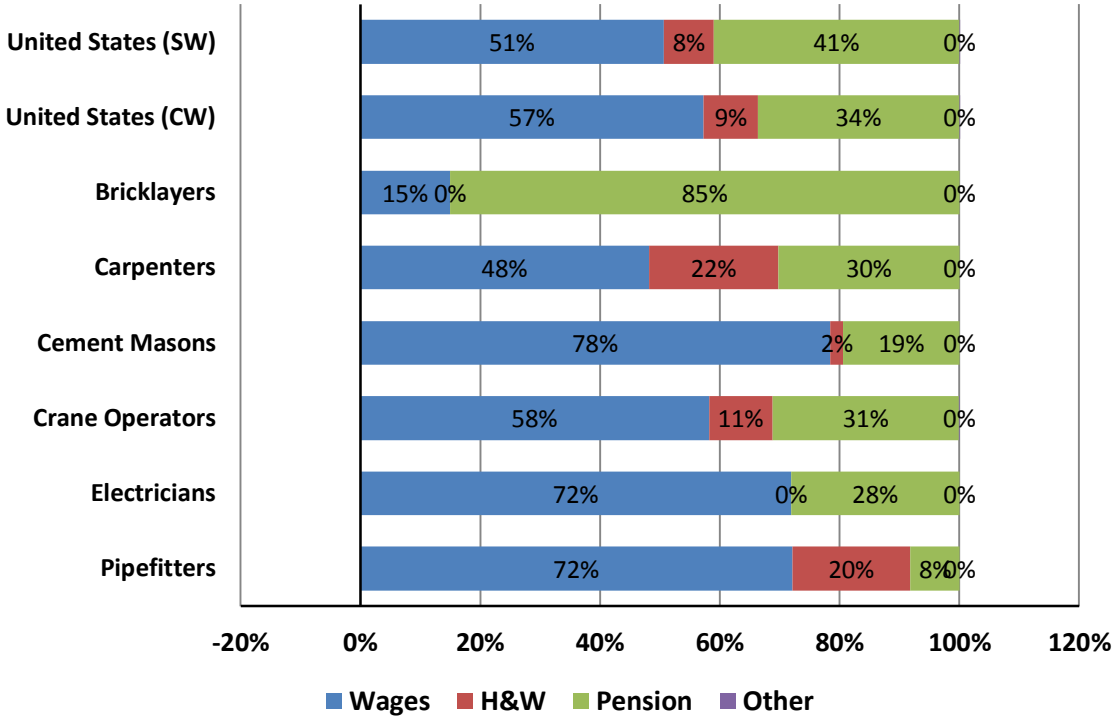
**Results for 2011**



**Results for 2012**



**Results for 2013+**



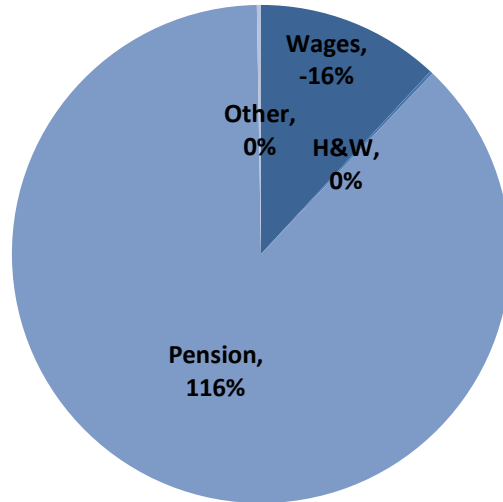
NOTE: Statistics for 2013+ are presented only for a preliminary look ahead and should not be considered final in any way.

# Section III

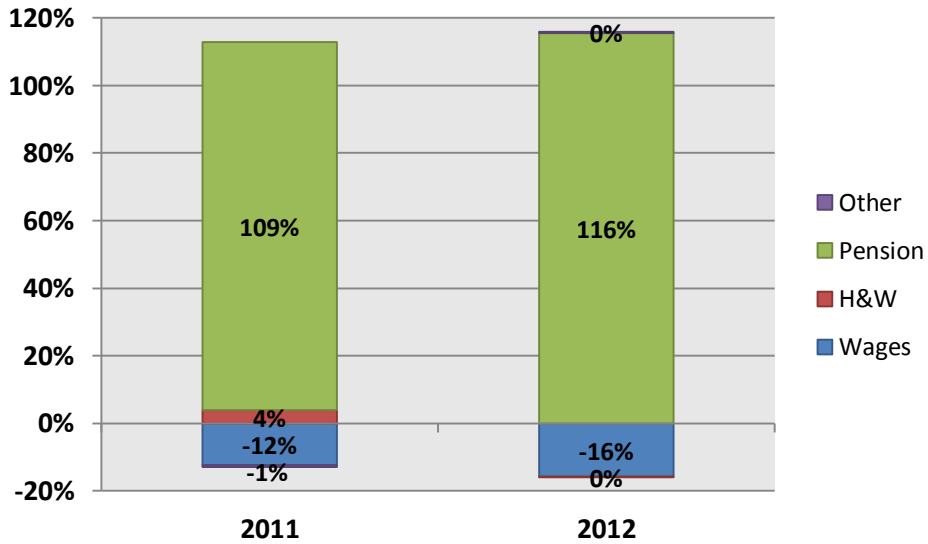
## Craft Specific Results

## Boilermakers

### Results for 2012



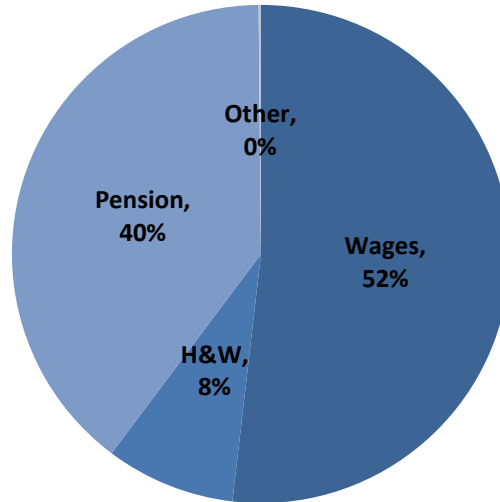
### Multiyear Comparison



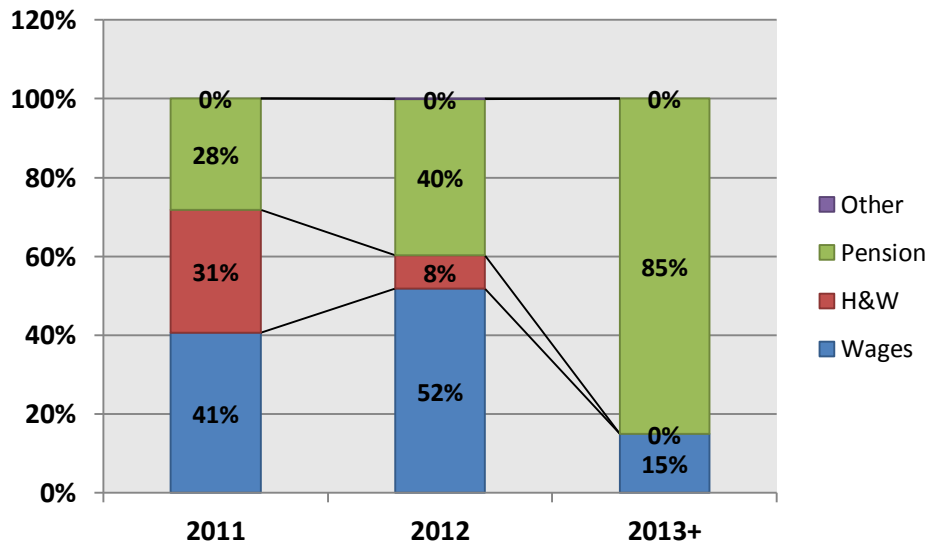
### Summary

## Bricklayers

### Results for 2012



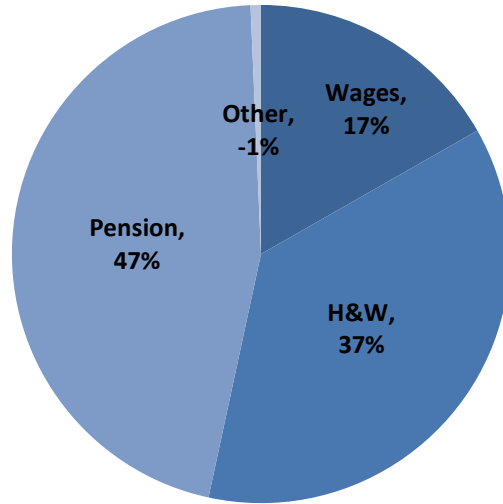
### Multiyear Comparison



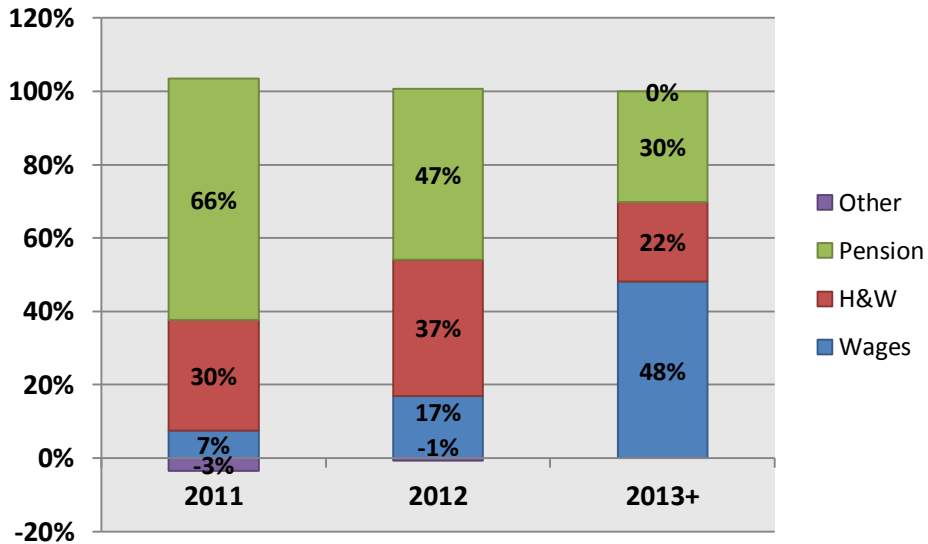
### Summary

## Carpenters

### Results for 2012



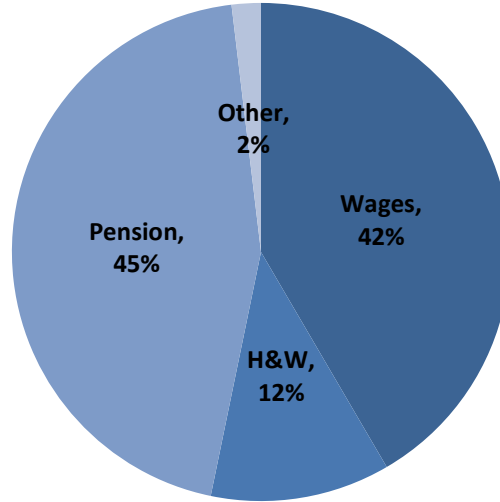
### Multiyear Comparison



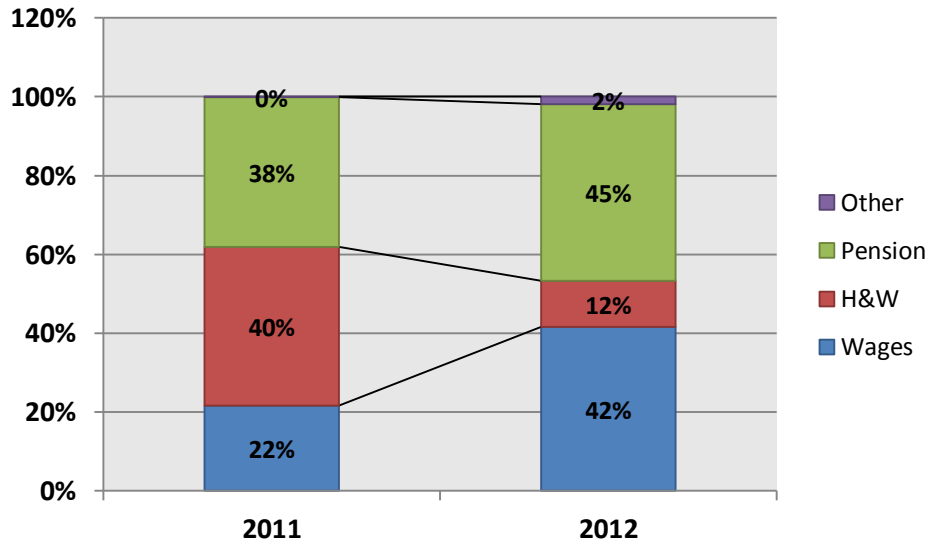
### Summary

## Cement Masons

### Results for 2012



### Multiyear Comparison

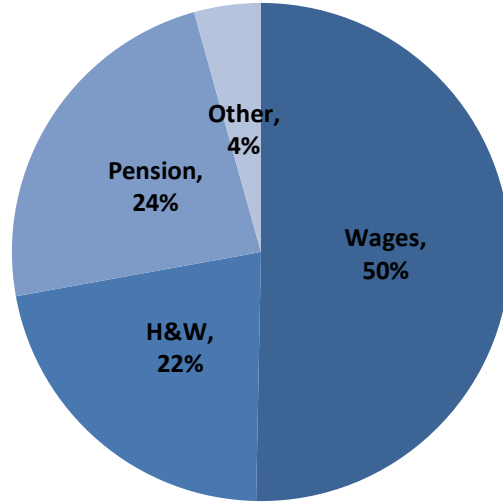


### Summary

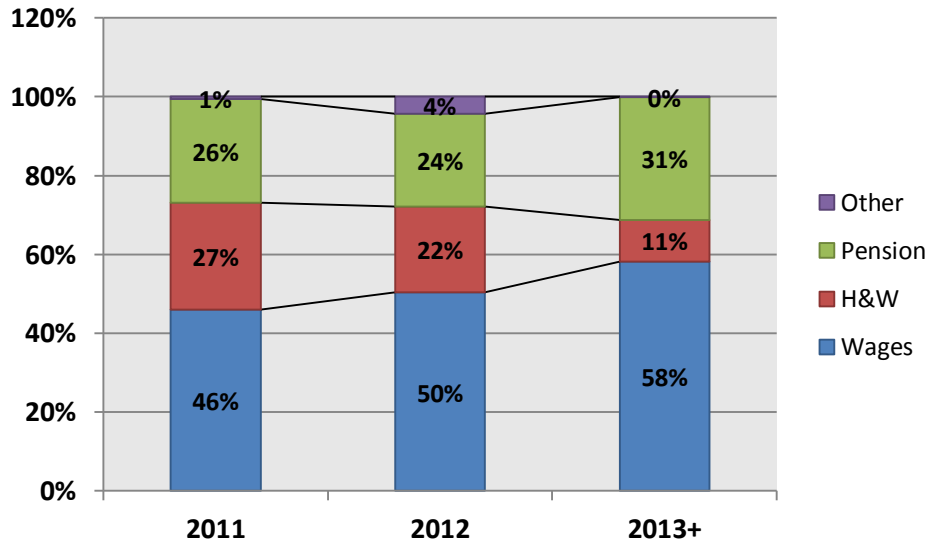


**Crane Operators**

**Results for 2012**



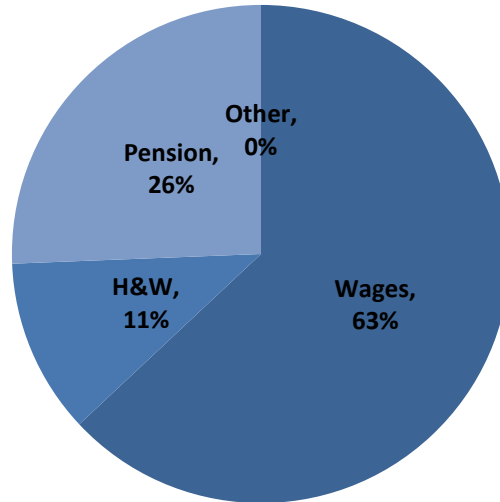
**Multiyear Comparison**



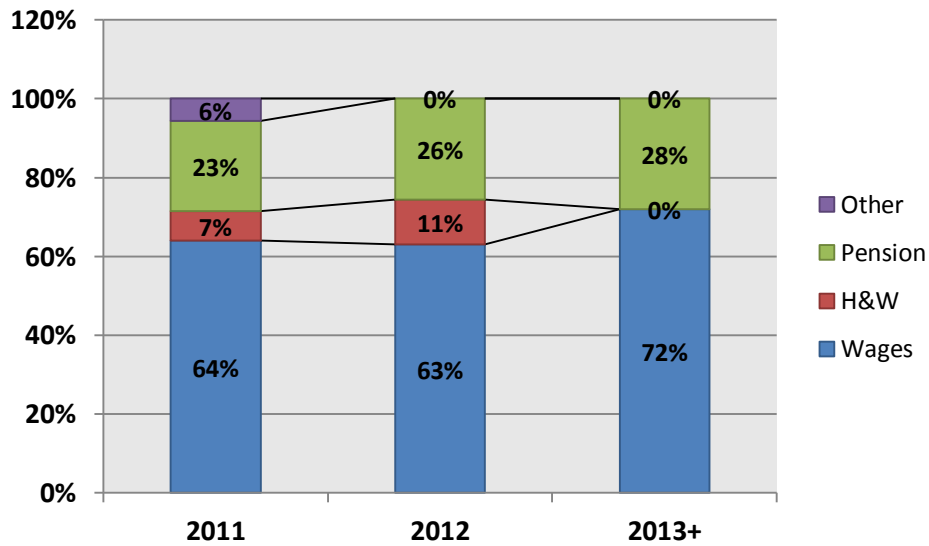
**Summary**

## Electricians

### Results for 2012



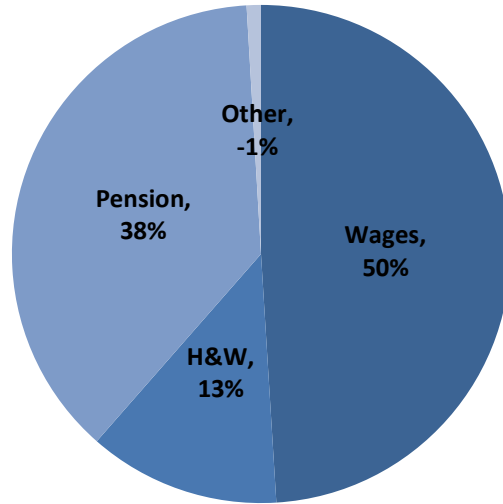
### Multiyear Comparison



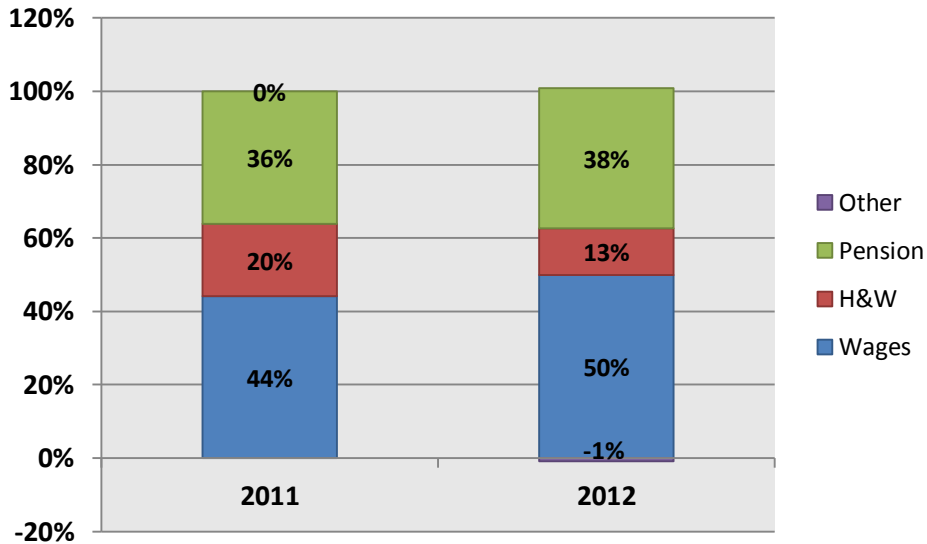
### Summary

**Iron Workers**

**Results for 2012**



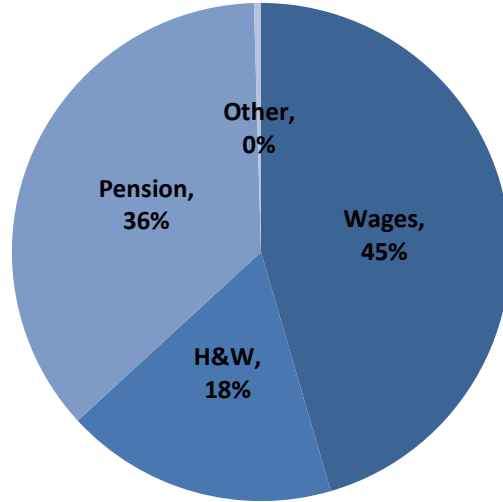
**Multiyear Comparison**



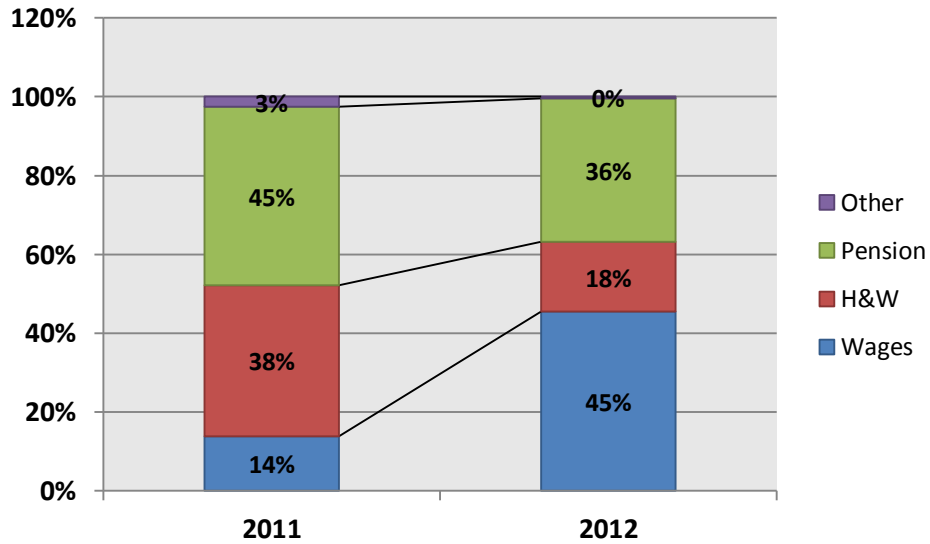
**Summary**

**Laborers**

**Results for 2012**



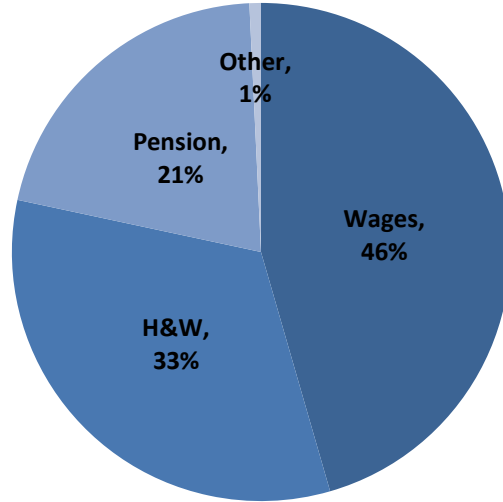
**Multiyear Comparison**



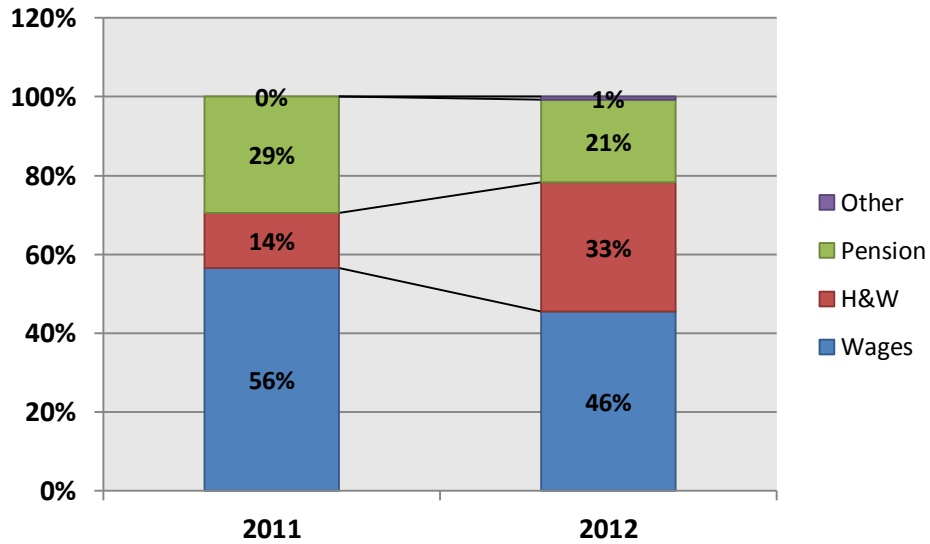
**Summary**

**Millwrights**

**Results for 2012**



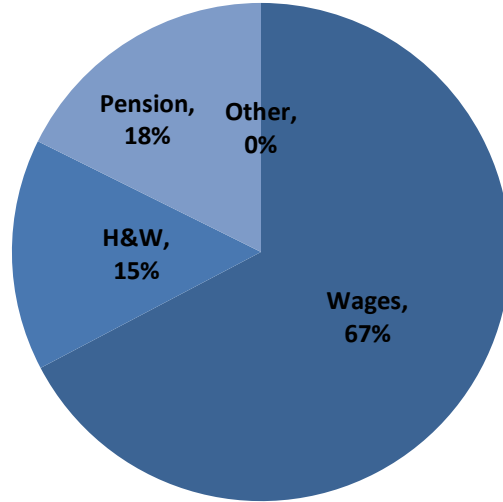
**Multiyear Comparison**



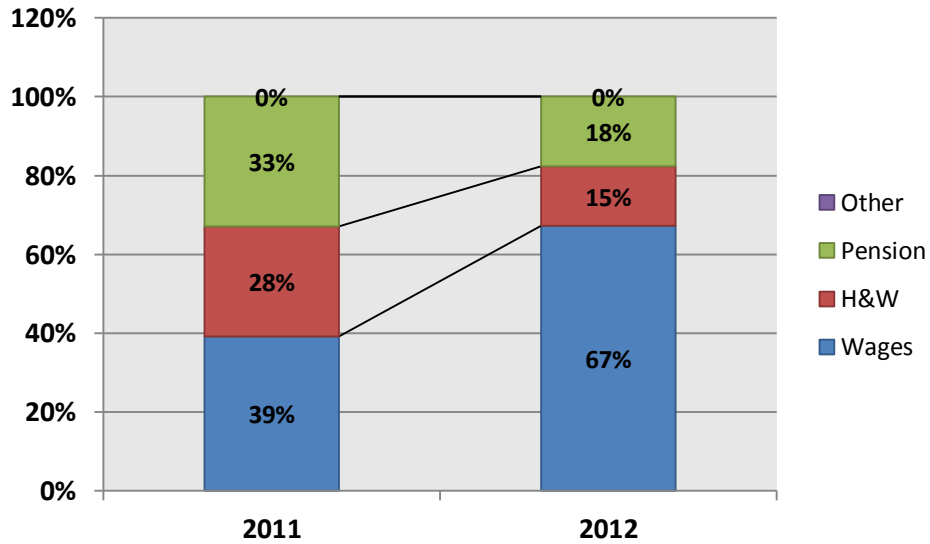
**Summary**

## Painters

### Results for 2012



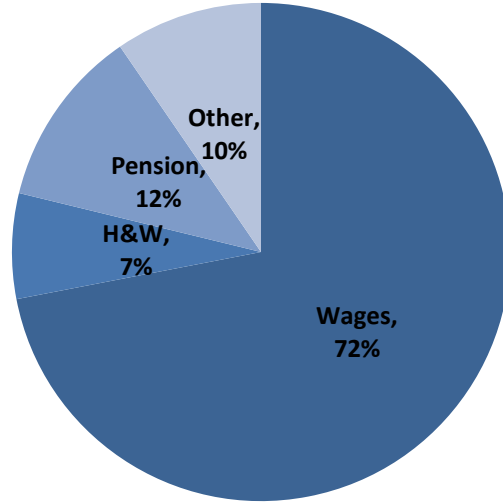
### Multiyear Comparison



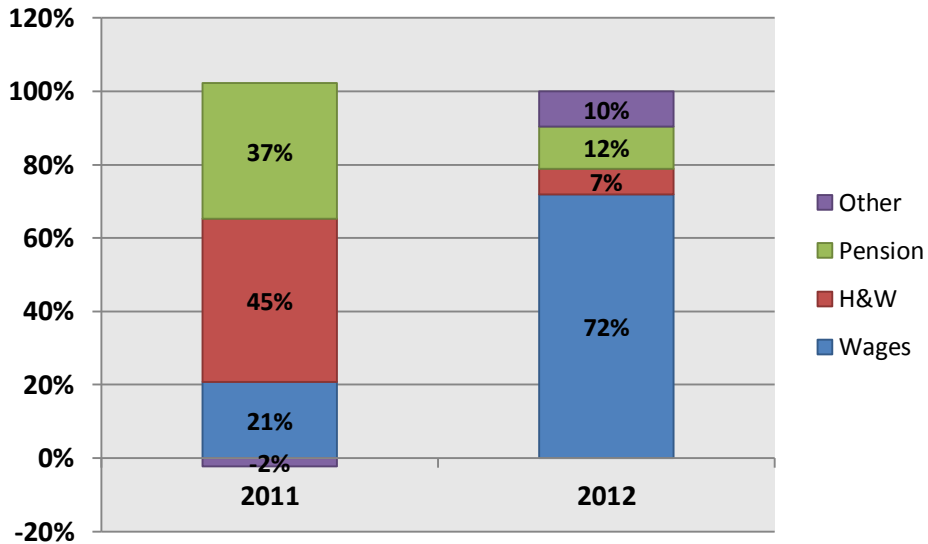
### Summary

**Plasterers**

**Results for 2012**



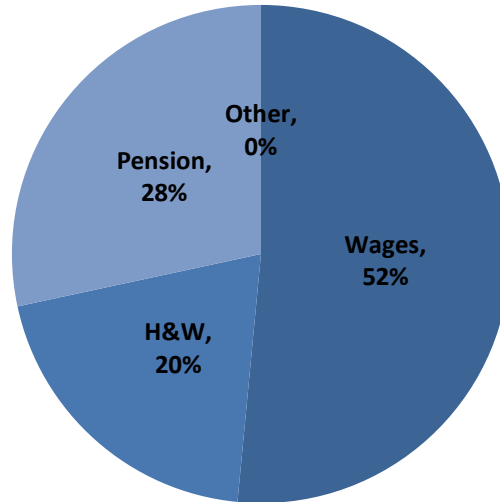
**Multiyear Comparison**



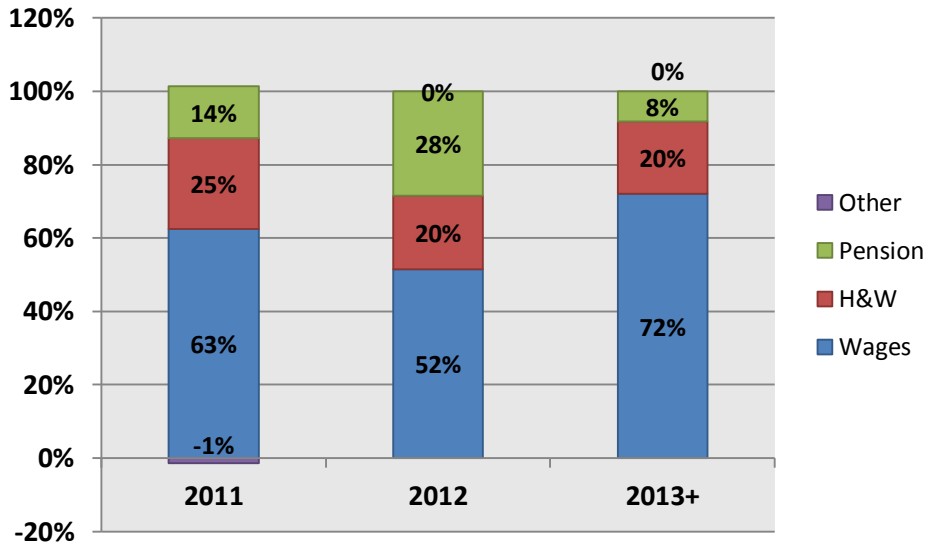
**Summary**

**Pipefitters/Plumbers**

Results for 2012



Multiyear Comparison

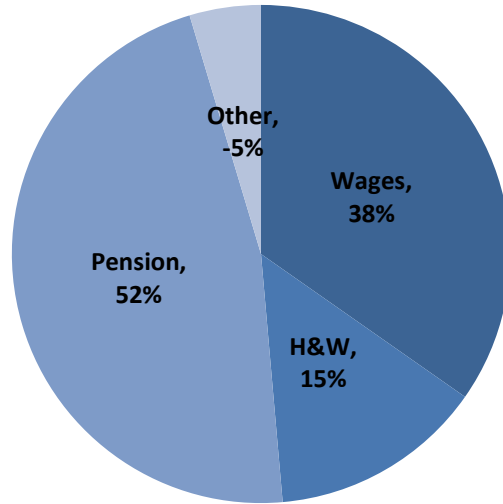


Summary



Sheet Metal Workers

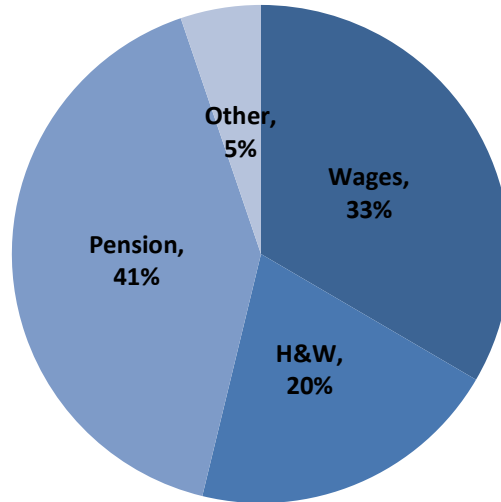
Results for 2012



Summary

## Teamsters

### Results for 2012



### Summary