

Quarterly Union Wage Data: First-Quarter 2022

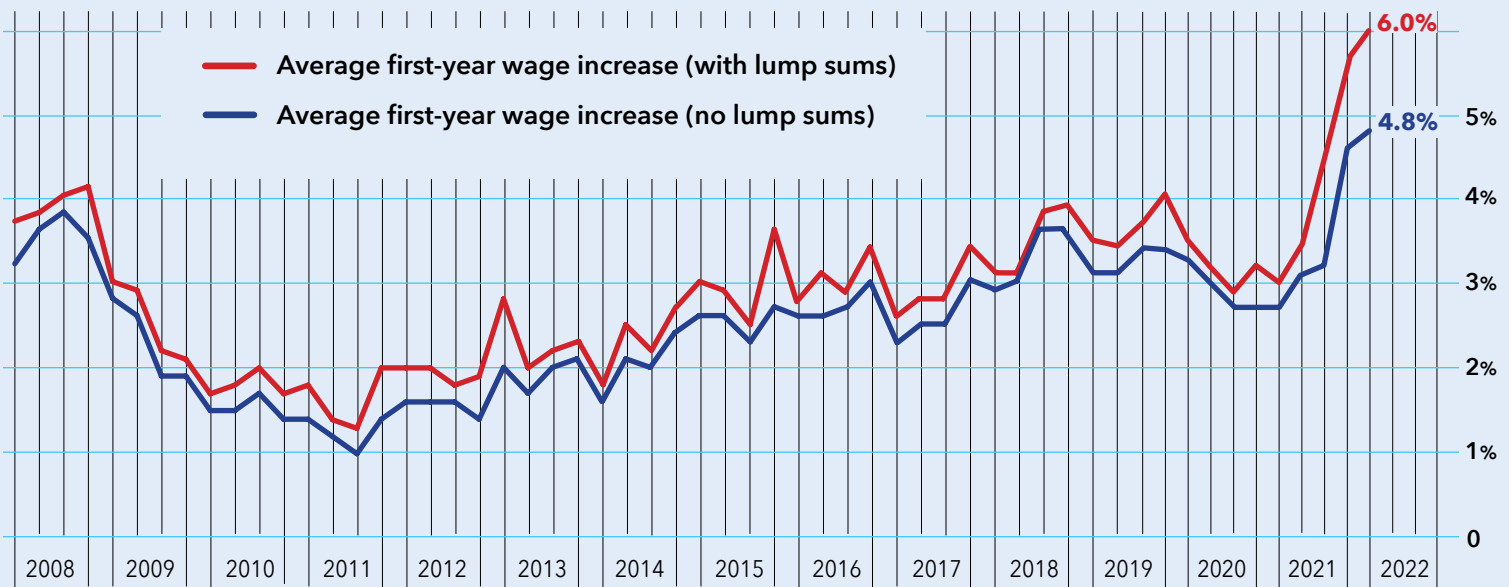
Bloomberg Law analyzed the wage increases negotiated in 182 collective bargaining agreements ratified in the first quarter of 2022. The wage data, covering a total of approximately 367,500 union workers, were calculated using Bloomberg Law's database of U.S. Settlement Summaries.

The following charts provide details of these calculations. Some Bloomberg Law subscribers can access the database and run customized data reports by accessing Labor PLUS in the Labor & Employment Practice Center.

First-Year Wage Increases in Union Contracts, Quarter by Quarter

First-year pay raises negotiated in the 182 contracts ratified in first-quarter 2022 averaged 4.8%, up from 4.7% in the 228 contracts ratified in fourth-quarter 2021. This is the highest average wage increase negotiated by unions since at least 2007, marking only the second time in which raises have averaged greater than 4% in a single quarter.

When lump-sum payments are added to the calculations, the first quarter's average first-year wage increase was 6.0%, following an average raise of 5.7% in fourth-quarter 2021. This is the third straight quarter in which the average has reached a new high mark, going back at least as far as 2007.



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Technical Note:

The line chart above, "First-Year Wage Increases in Union Contracts, Quarter by Quarter," depicts the average wage increase for only those contracts ratified in each quarter. The remaining graphics in this report depict average wage increases in contracts ratified year-to-date.

Starting with first-quarter 2016, the Quarterly Union Wage Data Report's figures represent average wage increases based on each contract's ratification date. Averages prior to 2016 are based on the date each contract was added to the database of wage settlements.

Because new records of previously ratified contracts are regularly added to the database, these averages are subject to small changes. These changes have not amounted to more than plus/minus 0.3 percentage points in any given quarter. All revised calculations will be reflected in future quarterly reports.

Annual Wage Increases Negotiated in 2022 and 2021 (No Lump Sums)

These tables compare the year-to-date average wage increases through the first quarters of 2022 and 2021. For the 182 union contracts ratified in Q1 2022, the average first-year wage increase was 4.8%, up from Q1 2021's average of 2.8%. The Q1 2022 average for union contracts ratified in the private manufacturing sector was 4.6%, up from 2.5% in Q1 2021, and the average for private nonmanufacturing was 6.4%, up from 3.4% in 2021. In state and local government contracts, the average first-year pay raise in Q1 2022 was 2.9%, up from 2.0% in Q1 2021.

2022	1st Year Wage Increases		2nd Year Wage Increases		3rd Year Wage Increases	
	Average (Avg.)	Weighted Average (W.A.)	Avg.	W.A.	Avg.	W.A.
All Industry Sectors	4.8%	3.0%	3.4	2.1	3.2	2.0
Private Manufacturing	4.6	3.8	3.1	1.3	3.0	2.7
Private Nonmanufacturing	6.4	6.5	4.3	4.0	3.8	3.4
State & Local Government	2.9	1.5	2.6	1.4	2.7	1.4

2021	1st Year Wage Increases		2nd Year Wage Increases		3rd Year Wage Increases	
	Average (Avg.)	Weighted Average (W.A.)	Avg.	W.A.	Avg.	W.A.
All Industry Sectors	2.8%	2.4%	2.6	2.7	2.6	2.8
Private Manufacturing	2.5	2.5	2.4	2.5	2.3	2.3
Private Nonmanufacturing	3.4	2.7	2.9	2.9	3.0	3.0
State & Local Government	2.0	1.9	2.3	2.6	2.3	2.8

Note: All health care and post-secondary education contracts are included in the Private Nonmanufacturing sector. Construction-industry contracts are included in the overall average but not in any sector.
Source: Bloomberg's Law's database of wage settlements

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Annual Wage Increases Negotiated in 2022 and 2021 (w/Lump Sums)

With lump sum payments—in the form of ratification bonuses or other one-time payouts—included in the calculations, the average first-year wage increase for union contracts ratified in Q1 2022 was 6.0%, up from 3.1% in Q1 2021. Average wage hikes in Q1 2022, with lump sums included, were 5.9% in the manufacturing sector (up from 2.8% in 2020), 7.2% in nonmanufacturing (up from 3.8%) and 4.6% in state and local government (up from 2.2%).

2022	1st Year Wage Increases		2nd Year Wage Increases		3rd Year Wage Increases	
	Average (Avg.)	Weighted Average (W.A.)	Avg.	W.A.	Avg.	W.A.
All Industry Sectors	6.0%	3.9%	3.5	2.4	3.2	2.1
Private Manufacturing	5.9	6.6	3.2	3.5	3.0	2.8
Private Nonmanufacturing	7.2	8.1	4.3	4.0	3.8	3.4
State & Local Government	4.6	1.9	2.8	1.6	2.7	1.5

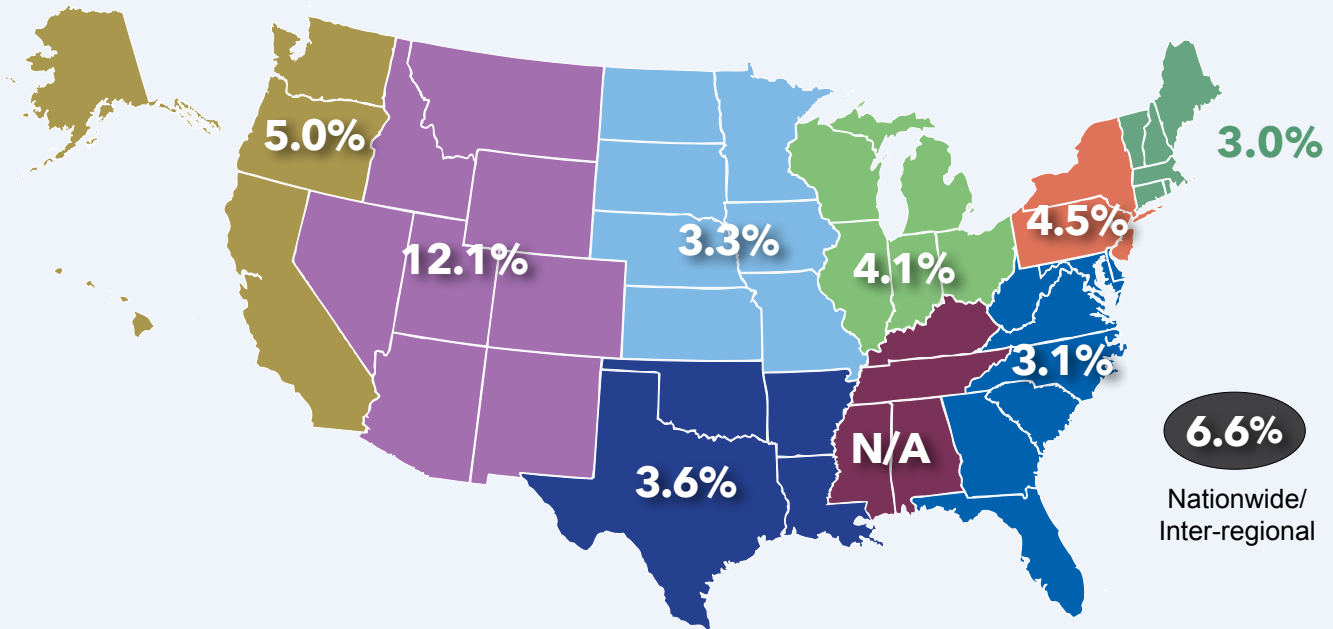
2021	1st Year Wage Increases		2nd Year Wage Increases		3rd Year Wage Increases	
	Average (Avg.)	Weighted Average (W.A.)	Avg.	W.A.	Avg.	W.A.
All Industry Sectors	3.1%	2.7%	2.7	2.7	2.7	3.0
Private Manufacturing	2.8	2.6	2.4	2.5	2.3	2.3
Private Nonmanufacturing	3.8	3.3	3.0	2.9	3.0	3.3
State & Local Government	2.2	2.1	2.4	2.6	2.4	2.8

Note: All health care and post-secondary education contracts are included in the Private Nonmanufacturing sector. Construction-industry contracts are included in the overall average but not in any sector.
Source: Bloomberg's Law's database of wage settlements

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First-Year Averages by U.S. Census Region, First-Quarter 2022

For contracts ratified in 2021, the highest average first-year wage increase (among regions in which 40 or more contracts were ratified) was in the Pacific region (4.5%). Workplaces in the New England region had the lowest average wage increase (3.0%).

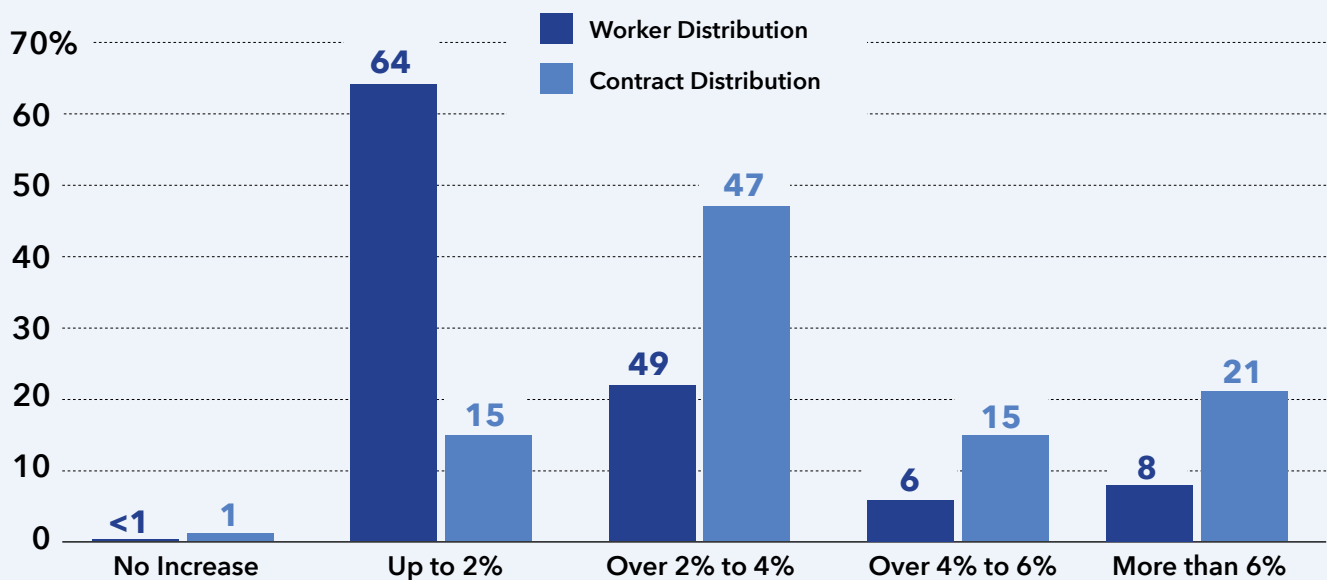


Note: No records were added to the database in Q1 for contracts ratified in Alabama, Kentucky, Mississippi, or Tennessee. Source: Bloomberg's Law's database of wage settlements

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Distribution of First-Year Wage Increases, First-Quarter 2022

Nearly all contracts ratified in Q1 2022 called for some type of first-year wage increase. Only 1% of contracts—covering fewer than 1% of workers overall—agreed to an actual wage freeze in the first year. Only 15% of all contracts called for wage increases of 2% or less. About half of all contracts (47%) settled on wage increases in a range greater than 2% and equal to/less than 4%. Another 15% of contracts called for larger pay raises between 4% and 6%, and 21% provided raises of more than 6% in the first contract year.



Note: Tabulations exclude contract reports that did not include the number of workers. Sums may not add to 100% due to rounding. Source: Bloomberg's Law's database of wage settlements

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