

Quarterly Union Wage Data: Second-Quarter 2022

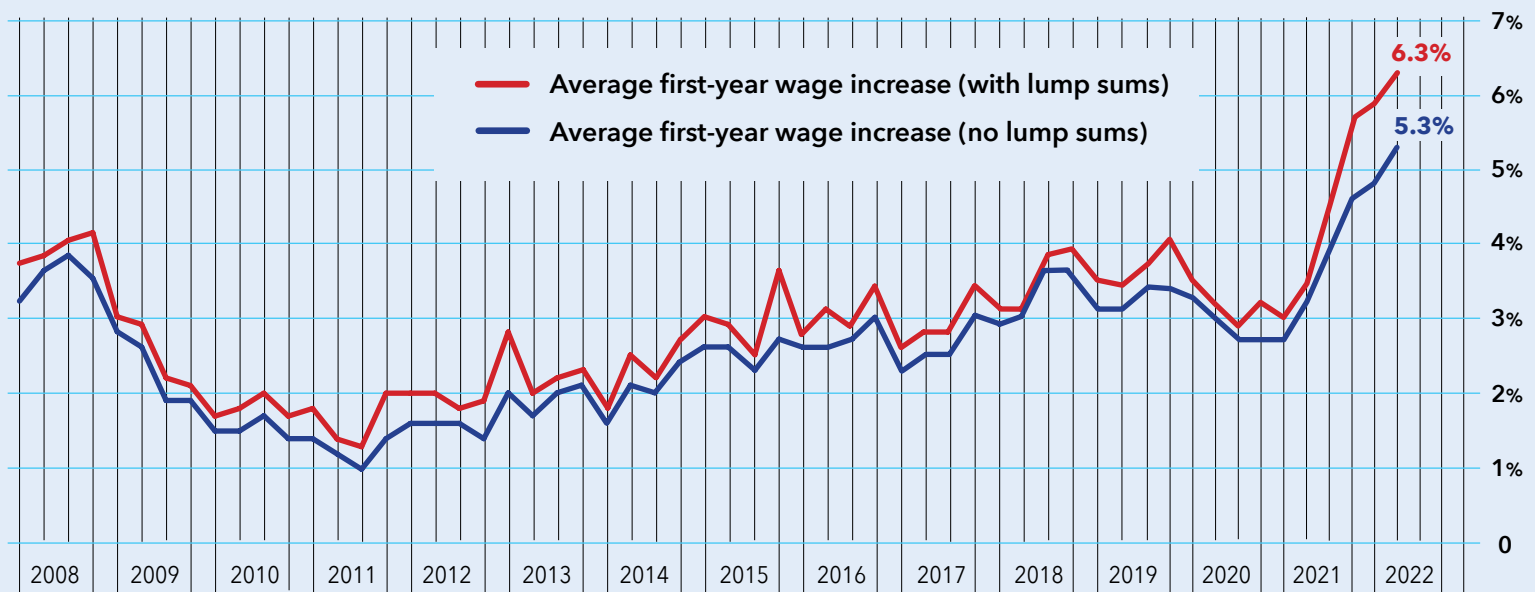
Bloomberg Law analyzed the wage increases negotiated in 411 collective bargaining agreements ratified in the first two quarters of 2022. The wage data, covering a total of approximately 787,000 union workers, were calculated using Bloomberg Law's [database of U.S. Settlement Summaries](#).

The following charts provide details of these calculations. 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 197 contracts ratified in second-quarter 2022 averaged 5.3%, up from 4.8% for contracts ratified in Q1. This is the highest average wage increase negotiated by unions since at least 2008, marking the first time in which raises have averaged greater than 5% in a single quarter.

With lump-sum payments included in the calculations, the second quarter's average first-year wage increase was 6.3%, following an average raise of 5.9% in Q1. This is the fourth straight quarter in which the average has reached a new high mark, going back at least as far as 2008.



Source: Bloomberg's Law's database of wage settlements

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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 two quarters of 2022 and 2021. For the 411 union contracts ratified in first-half 2022, the average first-year wage increase was 5.0%, up from 2022's first-half average of 3.0%. The H1 2022 average for union contracts ratified in the private manufacturing sector was 4.7%, up from 3.0% in H1 2021, and the average for private nonmanufacturing was 6.3%, up from 3.4% in H1 2021. In state and local government contracts, the average first-year pay raise in H1 2022 was 3.4%, up from 2.4% in H1 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.
2022						
All Industry Sectors	5.0%	4.1%	3.6	3.0	3.6	2.9
Private Manufacturing	4.7	4.1	3.2	2.5	3.1	3.2
Private Nonmanufacturing	6.3	5.9	4.3	4.1	4.1	3.9
State & Local Government	3.4	2.1	3.0	1.7	2.9	1.7

	1st Year Wage Increases		2nd Year Wage Increases		3rd Year Wage Increases	
	Average (Avg.)	Weighted Average (W.A.)	Avg.	W.A.	Avg.	W.A.
2021						
All Industry Sectors	3.0%	3.1%	2.7	3.0	2.7	3.2
Private Manufacturing	3.0	4.3	2.5	2.4	2.5	2.3
Private Nonmanufacturing	3.4	3.4	2.9	3.4	3.0	3.4
State & Local Government	2.4	2.4	2.5	2.6	2.4	3.1

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 first-half 2022 was 6.1%, up from 3.3% in first-half 2021. Average wage hikes in H1 2022, with lump sums included, were 6.4% in the manufacturing sector (up from 3.4% in H1 2021), 7.0% in nonmanufacturing (up from 3.8%), and 4.7% in state and local government (up from 2.7%).

	1st Year Wage Increases		2nd Year Wage Increases		3rd Year Wage Increases	
	Average (Avg.)	Weighted Average (W.A.)	Avg.	W.A.	Avg.	W.A.
2022						
All Industry Sectors	6.1%	5.1%	3.7	3.1	3.6	2.9
Private Manufacturing	6.4	8.1	3.4	3.7	3.2	3.4
Private Nonmanufacturing	7.0	6.5	4.3	4.1	4.1	3.9
State & Local Government	4.7	3.2	3.3	1.9	2.9	1.8

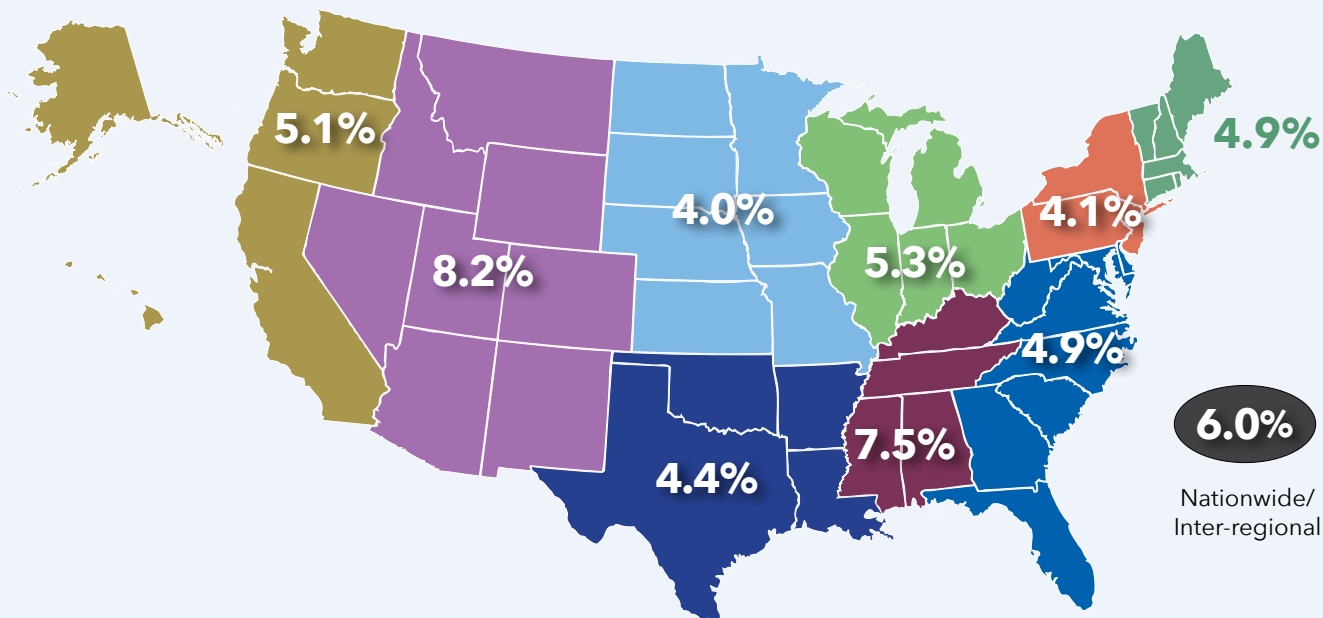
	1st Year Wage Increases		2nd Year Wage Increases		3rd Year Wage Increases	
	Average (Avg.)	Weighted Average (W.A.)	Avg.	W.A.	Avg.	W.A.
2021						
All Industry Sectors	3.3%	3.3%	2.8	3.0	2.7	3.3
Private Manufacturing	3.4	4.7	2.5	2.4	2.5	2.3
Private Nonmanufacturing	3.8	3.7	3.0	3.4	3.0	3.4
State & Local Government	2.7	2.6	2.6	2.6	2.4	3.1

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, Second-Quarter 2022

For contracts ratified through Q2 2022, the highest average first-year wage increase (among regions in which 20 or more contracts were ratified) was in the East North Central region (5.3%). Workplaces in the West North Central region had the lowest average wage increase (4.0%). Contracts covering workers in more than one region had an average increase of 6.0%.

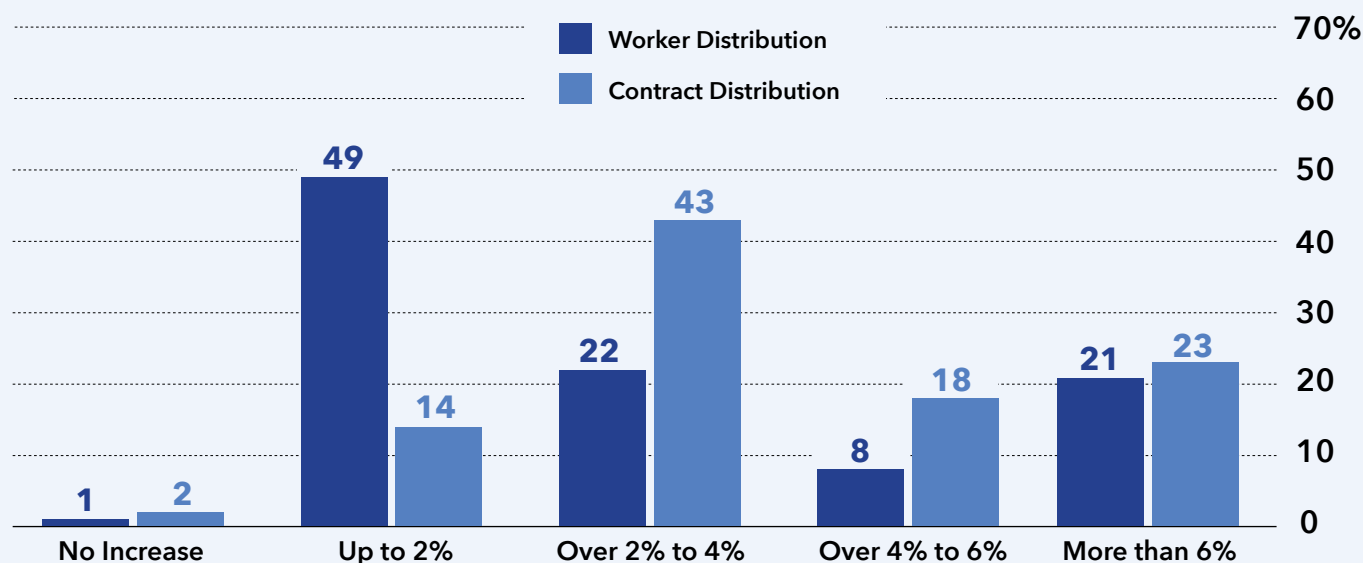


Note: The East South Central region's 7.5% average is based on only two records added to the database in Q1-Q2."

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

Nearly all contracts ratified in first-half 2022 called for some type of first-year wage increase. Only 2% of contracts—covering about 1% of workers overall—agreed to an actual wage freeze in the first year. Only 14% of all contracts called for wage increases of 2% or less, but those contracts covered nearly half (49%) of all workers covered by contracts signed in H1. The largest number of contracts (43%) settled on wage increases in a range greater than 2% and equal to/less than 4%. Another 18% of contracts called for larger pay raises between 4% and 6%, and 23% 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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