

# Quarterly Union Wage Data: Year-End 2023

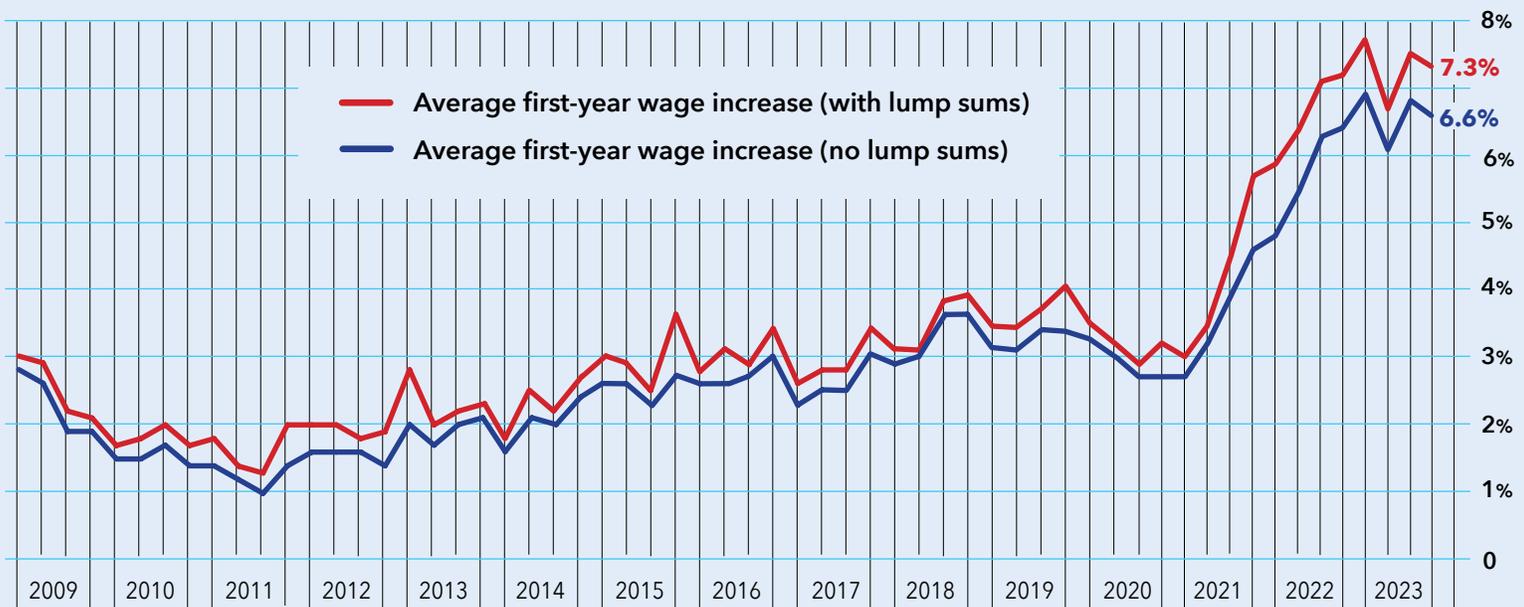
Bloomberg Law analyzed the wage increases negotiated in 952 collective bargaining agreements ratified in 2023. The wage data, covering a total of approximately 2.8 million union-represented workers, were calculated using Bloomberg Law's database of US settlement summaries.

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's [Negotiated Wage & Benefit Changes tracker](#) on the [Labor Relations & Collective Bargaining page](#).

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

First-year pay raises negotiated in the 217 contracts ratified in fourth-quarter 2023 averaged 6.6%, down from the 6.8% average for the 227 contracts ratified in Q3 2023. This represents only the second quarter-to-quarter decline in union wage increases since Q4 2020. Q4 2023's 6.6% average is still the third-highest average wage increase negotiated by unions since at least 2008.

With lump-sum payments included in the calculations, the fourth quarter's average first-year wage increase was 7.3%, down from Q3 2023's 7.5%, but still the third-highest pay raise since at least 2008.



Source: Bloomberg Law's database of wage settlements

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### Technical Note:

The line chart above 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 during the entire year.

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 2023 and 2022 (No Lump Sums)

These tables compare the average wage increases negotiated in 2023 and 2022. For the 952 union contracts ratified in 2023, the average first-year wage increase was 6.6%, up from 5.7% in the 848 contracts ratified in 2022. The 2023 average for union contracts ratified in the private manufacturing sector was 5.8% in 2023, up from 5.4% in 2022, and the average for private nonmanufacturing was 7.5%, up from 6.8% in 2022. In state and local government contracts, the average first-year pay raise was 5.5%, up from 4.1% in 2022.

2023	1st Year Wage Increases		2nd Year Wage Increases		3rd Year Wage Increases	
	Average (Avg.)	Weighted Average (W.A.)	Avg.	W.A.	Avg.	W.A.
<b>All Industry Sectors</b>	<b>6.6%</b>	<b>6.2%</b>	4.3	4.3	4.1	3.9
<b>Private Manufacturing</b>	<b>5.8</b>	<b>9.3</b>	3.9	3.2	3.8	3.4
<b>Private Nonmanufacturing</b>	<b>7.5</b>	<b>6.6</b>	4.8	4.6	4.5	4.3
<b>State &amp; Local Government</b>	<b>5.5</b>	<b>5.0</b>	3.6	4.0	3.3	3.3

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.
<b>All Industry Sectors</b>	<b>5.7%</b>	<b>5.0%</b>	3.9	3.9	3.7	3.7
<b>Private Manufacturing</b>	<b>5.4</b>	<b>5.5</b>	3.6	3.5	3.5	3.8
<b>Private Nonmanufacturing</b>	<b>6.8</b>	<b>6.3</b>	4.3	4.9	4.1	4.6
<b>State &amp; Local Government</b>	<b>4.1</b>	<b>2.6</b>	3.3	2.1	3.2	2.2

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. Weighted Averages are calculated by multiplying each contract's wage increase by the number of workers covered by that contract.

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## Annual Wage Increases Negotiated in 2023 and 2022 (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 2023 was 7.3%, up from 6.6% in 2022. Average wage hikes in 2023, with lump sums included, were 7.2% in the manufacturing sector (up from 7.1% in 2022), 8.0% in nonmanufacturing (up from 7.5%) and 6.2% in state and local government (up from 4.9%).

2023	1st Year Wage Increases		2nd Year Wage Increases		3rd Year Wage Increases	
	Average (Avg.)	Weighted Average (W.A.)	Avg.	W.A.	Avg.	W.A.
<b>All Industry Sectors</b>	<b>7.3%</b>	<b>7.6%</b>	4.3	4.3	4.1	3.9
<b>Private Manufacturing</b>	<b>7.2</b>	<b>15.1</b>	4.0	3.4	3.9	3.4
<b>Private Nonmanufacturing</b>	<b>8.0</b>	<b>7.2</b>	4.8	4.6	4.5	4.3
<b>State &amp; Local Government</b>	<b>6.2</b>	<b>6.6</b>	3.6	4.0	3.3	3.3

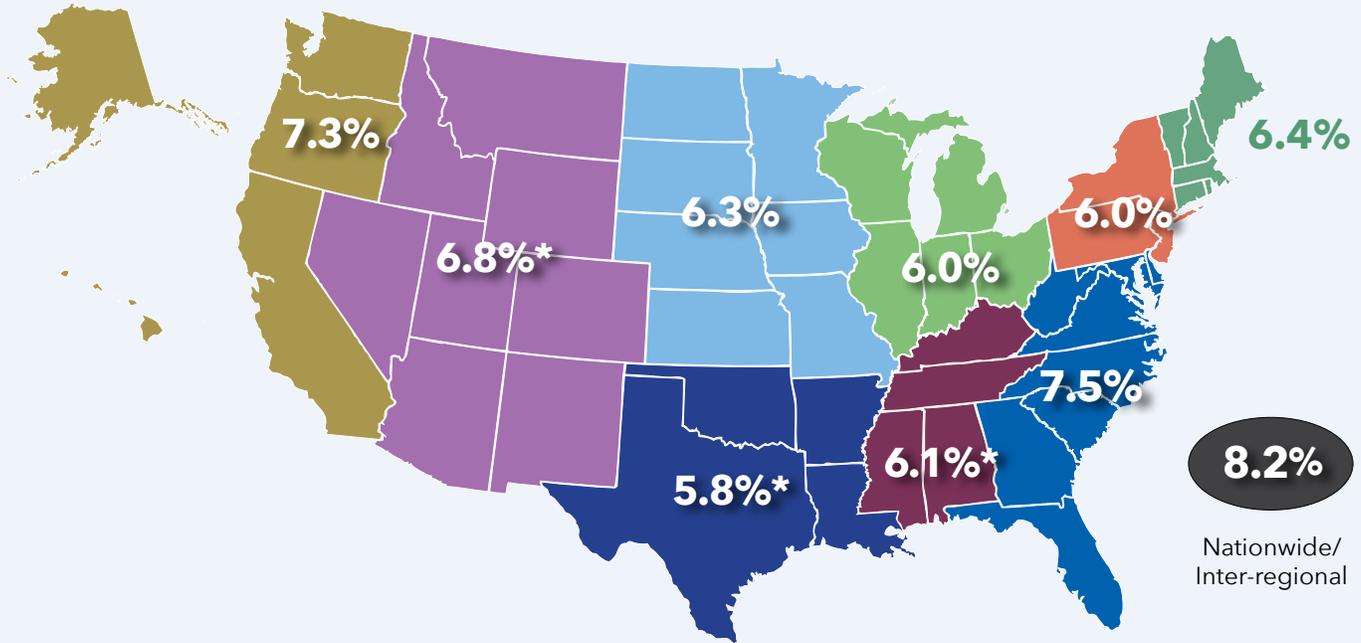
2022	1st Year Wage Increases		2nd Year Wage Increases		3rd Year Wage Increases	
	Average (Avg.)	Weighted Average (W.A.)	Avg.	W.A.	Avg.	W.A.
<b>All Industry Sectors</b>	<b>6.6%</b>	<b>6.0%</b>	4.0	4.1	3.7	3.9
<b>Private Manufacturing</b>	<b>7.1</b>	<b>9.1</b>	3.8	4.1	3.6	4.0
<b>Private Nonmanufacturing</b>	<b>7.5</b>	<b>7.3</b>	4.3	5.1	4.1	4.8
<b>State &amp; Local Government</b>	<b>4.9</b>	<b>3.6</b>	3.5	2.3	3.2	2.3

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. Weighted Averages are calculated by multiplying each contract's wage increase by the number of workers covered by that contract.

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## First-Year Averages by U.S. Census Region, 2023

For contracts ratified in 2023, the highest average first-year wage increase (among regions in which 50 or more contracts were ratified) was in the South Atlantic region (7.5%). Workplaces in the East North Central and Middle Atlantic regions had the lowest average wage increase (6.0%). Contracts covering workers in more than one region had an average increase of 8.2%.

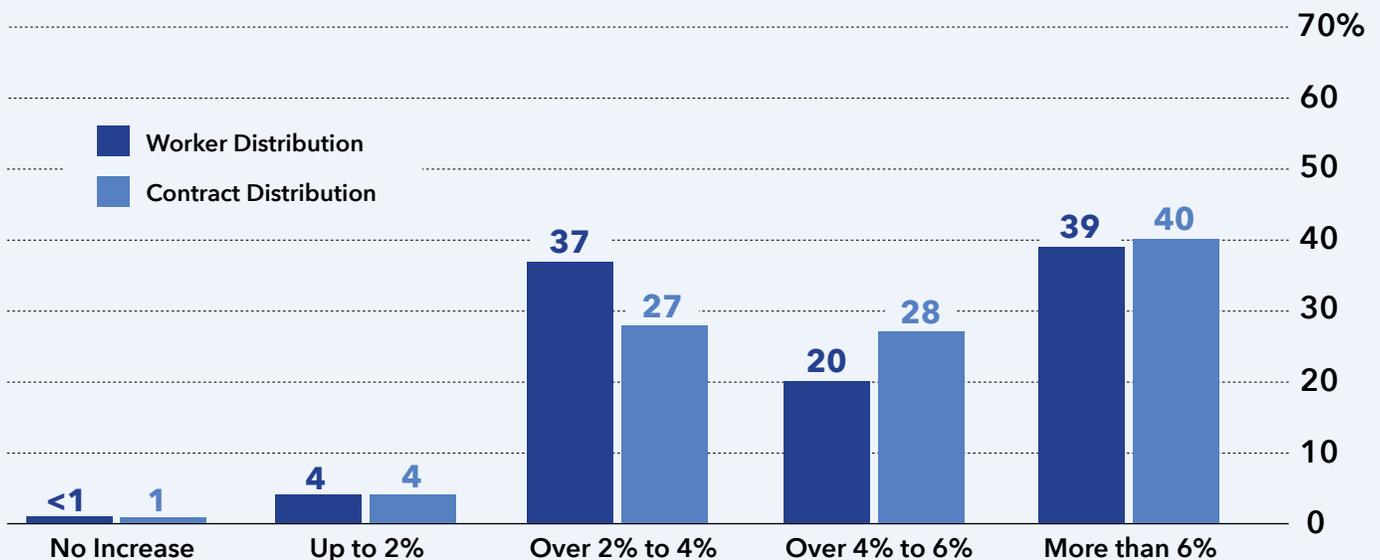


\* Averages in the East South Central, West South Central, and Mountain regions are based on data from fewer than 50 contracts.

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## Distribution of First-Year Wage Increases, 2023

Nearly all contracts ratified in 2023 called for some type of first-year wage increase. Only 1% of contracts—covering fewer than 0.1% of workers overall—agreed to an actual wage freeze in the first year. Only 4% of all contracts called for wage increases of 2% or less. A roughly equal number of contracts settled on wage increases in either the 2%-to-4% range (27% of all contracts) or the 4%-to-6% range (28%). A full 40% of contracts provided raises of more than 6% in the first contract year, covering 39% of workers overall.



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

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