Dear Customer,

In an effort to support you even better, in September 2012 we introduced an upgraded *Settlements Report*. **We trust that you are pleased with the new content and format, which have changed significantly**

Settlements in the construction industry analyzed by the Construction Labor Research Council (CLRC) average the following: **first year—2.0 percent ($0.88), second year—2.3 percent ($1.08), and third year—2.4 percent ($1.13).** Statistics for 2012 in this report reflect wage and fringe benefits combined from January through December 2012. Exhibits 1 and 2 show the 5-year trend.

Exhibit 1
First year settlements, shown as percents

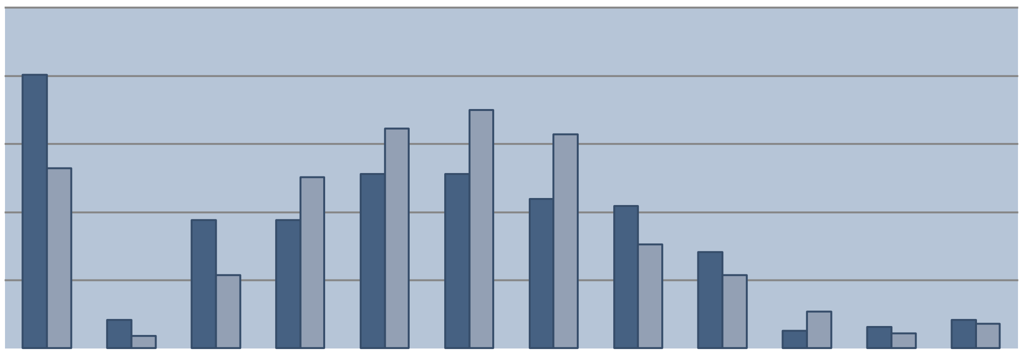
Exhibit 2
First year settlements, shown as dollars

Increases in 2012, as percents, are higher than 2011 for contract year one, lower than 2011First8( )]TJETBT1 0

The median increases in 2012 are similar to the averages outlined earlier, at 2.0 percent ($0.85) for the first year, 2.3 percent ($1.00) for the second year, and 2.4 percent ($1.05) for the third year. The median is the rate at which half of the agreements are higher and half are lower and is a common and useful statistic for evaluating pay data because it is less affected by outliers.

Exhibits 4 and 5 show details about the first year of collectively bargained settlements. In Exhibit 4, the most noticeable feature is that in 2012, 0.0 percent increases were negotiated much less often than in 2011. The most common settlement in 2012 was 2.1 - 2.5 percent.

Exhibit 4
Details for first year settlements shown as percents: 2011 and 2012



Like Exhibit 4, Exhibit 5 shows that in 2012 a $0.00 increase was negotiated much less often than in 2011. The most common agreement in 2012 was for $0.61 - $0.80, whereas in 2011 the most common increase (other than $0.00) was $0.81 - $1.00.

Exhibit 5
Details for first year settlements shown as dollars: 2011 and 2012

Settlements by Craft

First year settlements in 2012 ranged from a low of 0.4 percent (median = 0.0 percent) for Boilermakers to a high of 2.7 percent for Crane Operators (median = 2.6 percent) and Millwrights (median = 2.4 percent), as shown in Exhibit 8.

Exhibit 8
Settlements by craft shown as percents

Craft	Count	Average	Median	Count	Average	Median	Count	Average	Median
Boilermakers	20	0.4%	0.0%	3	2.8%	2.7%	3	2.6%	2.5%
Bricklayers	36	1.3%	1.0%	13	1.9%	1.8%	6	2.2%	2.2%
Carpenters	49	2.4%	2.4%	16	2.4%	2.3%	13	2.5%	2.5%
Cement Masons	45	1.7%	1.9%	24	1.9%	1.9%	18	2.3%	2.4%
Crane Operators	25	2.7%	2.6%	12	2.7%	2.5%	10	2.4%	2.4%
Electricians	40	1.8%	1.6%	16	2.0%	1.9%	13	1.9%	1.6%
Insulators	14	2.2%	2.1%	3	2.6%	2.8%	< 3	-	-
Iron Workers	47	2.1%	2.2%	12	2.4%	2.5%	8	2.5%	2.3%
Laborers	53	2.4%	2.1%	23	2.2%	2.3%	20	2.3%	2.3%
Millwrights	20	2.7%	2.4%	6	2.4%	2.4%	5	2.6%	2.7%
Painters	25	1.9%	2.0%	10	2.0%	2.0%	10	2.3%	2.4%
Pipefitters/Plumbers	22	2.5%	2.5%	10	3.2%	2.8%	8	3.4%	3.5%
Plumbers	5	2.2%	1.7%	3	3.6%	2.6%	< 3	-	-
Plasterers	13	2.4%	2.4%	7	2.0%	2.1%	5	2.1%	2.1%
Sheet Metal Workers	19	1.8%	1.9%	9	1.9%	2.0%	7	2.0%	1.7%
Teamsters	9	2.1%	2.1%	4	2.3%	2.3%	3	1.8%	2.0%
United States	**442**	**2.0%**	**2.0%**	**171**	**2.3%**	**2.3%**	**129**	**2.4%**	**2.4%**

Equal to or lower than United States results   Higher than United States results

The following associations sponsor this report:
- Associated General Contractors of America (AGC)
- Finishing Contractors Association (FCA)
- International Council of Employers of Bricklayers and Allied Craftworkers (ICE)
- Mechanical Contractors Association of America (MCAA)
- National Association of Construction Boilermaker Employers (NACBE)
- National Electrical Contractors Association (NECA)
- National Fire Sprinkler Association (NFSA)
- North American Contractors Association (NACA)

The Association of Union Constructors (TAUC)

Settlements by Craft (continued)

First year settlements in 2012 ranged from a low of $0.27 (median = $0.00) for Boilermakers to a high of $1.36 (median = $1.23) for Millwrights, as shown in Exhibit 9.

Exhibit 9
Settlements by craft shown as dollar amounts

*Source: Bureau of Labor Statistics

Multiyear Settlements Trend

As illustrated by Exhibits 11 and 12, beginning in 2009, the trend was for smaller increases, but with each successive contract year containing a larger increase than the previous year, on average. In other words, year two had a larger increase than year one and year three had a larger increase than year two. This trend continued in 2012, but in a less pronounced manner with year two 0.3 percent greater than year one and year three just 0.1 percent more than year two.

1**Exhibit 11**

Multiyear settlements trend shown. nsnd

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