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NECA
2018
PHILADELPHIA
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SEPTEMBER 29–OCTOBER 2

CONVENTION EDUCATION

Wages, Workers and Winning Scoreboards



Wages, Workers and Winning Scoreboards

Carey Peters



**This session is eligible for
1 Continuing Education Hour**

For these hours to appear on your certificate, you must:

- Have your badge scanned at the door
- Attend 90% of this presentation
- Fill out the online evaluation for this session: www.necanet.org/neca2018

CLRC

We support the union construction Industry!

- Wage and Fringe Benefits
- Market Share
- Union-Nonunion Wage and Fringe Benefits Comparison
- Contract Cost Analysis
- Benchmarking
- Workforce/Labor Analysis
- Safety Surveys
- Custom Research
- Collective Bargaining Support



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Agenda

- Dollars and Cents
 - Making “Sense” of the Dollars in the Union Construction Industry
- Union Craft Labor Supply Study
 - Highlights from the 2018 Labor Supply Survey Conducted by CLRC for TAUC
- Assistance
 - Three Products to Support Contractors, Associations and Others

Wages

Workers

Winning
Scoreboards

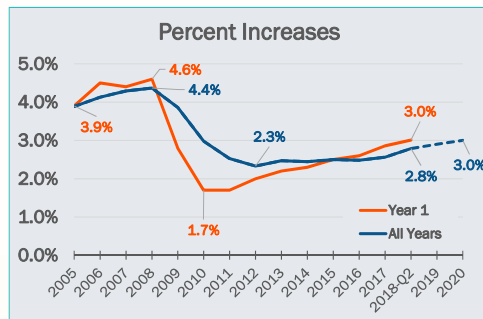
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Dollars and Cents

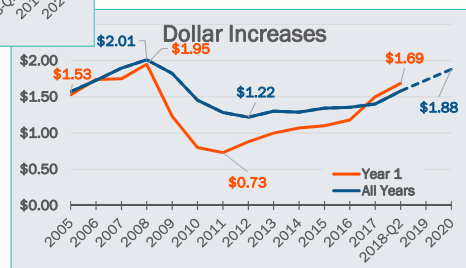
Making "Sense" of Dollars in the Union Construction Industry

Wages

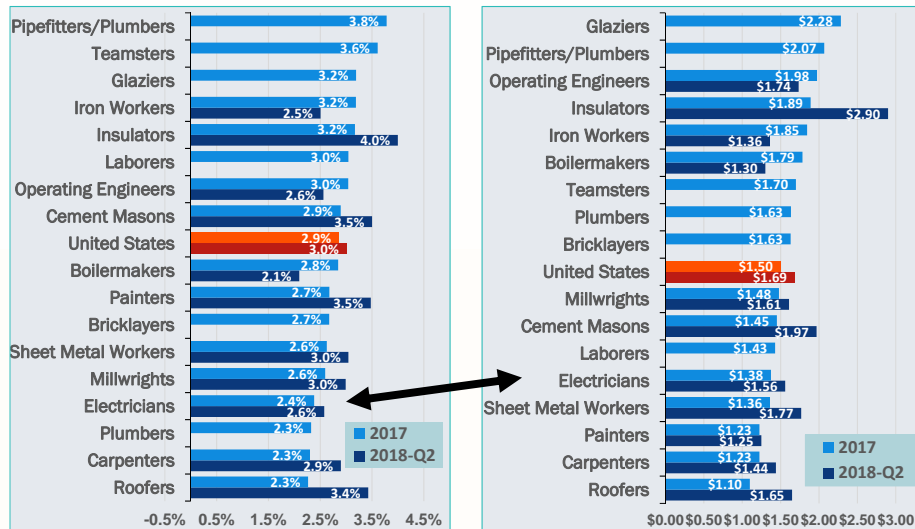
First Year and All Increases Trends



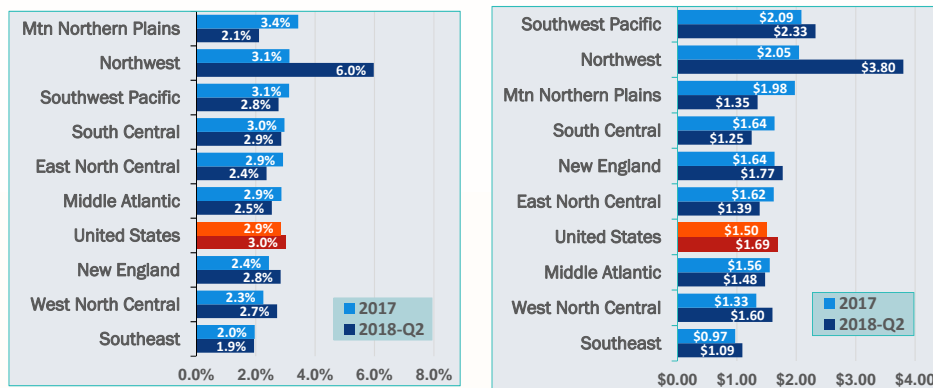
Question: What are the risks and benefits of multi year contracts?



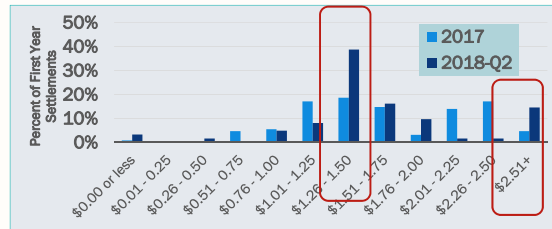
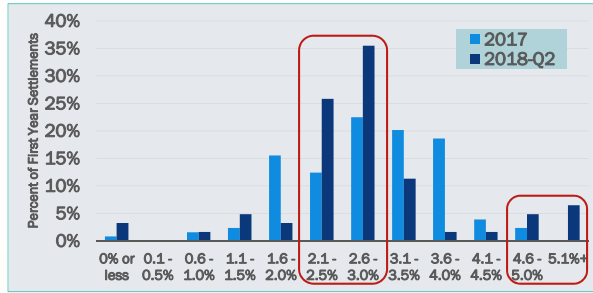
First Year Increases by Craft



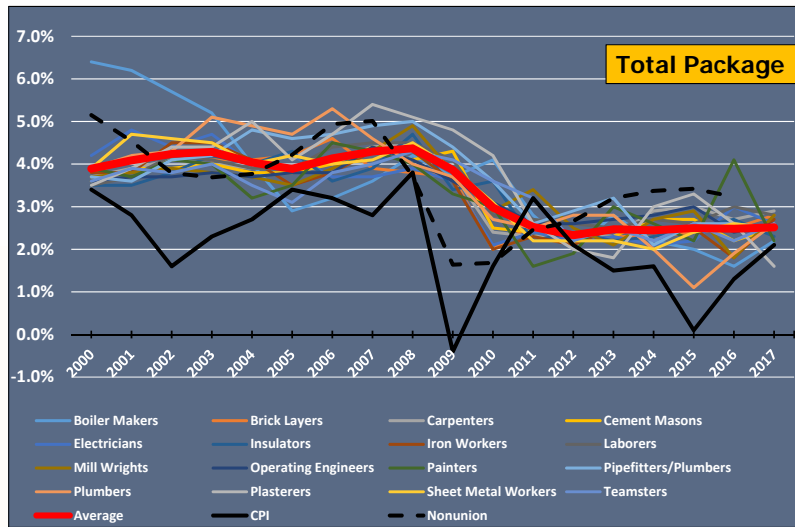
First Year Increases by Region



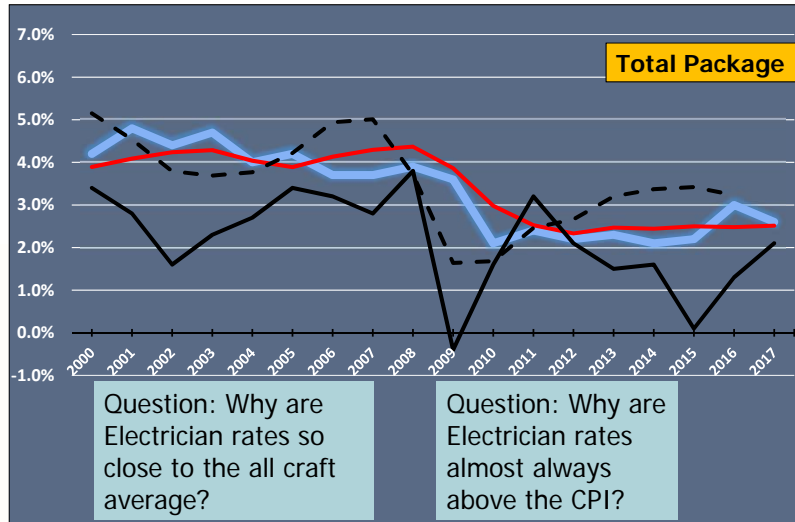
Distribution of First Year Increases



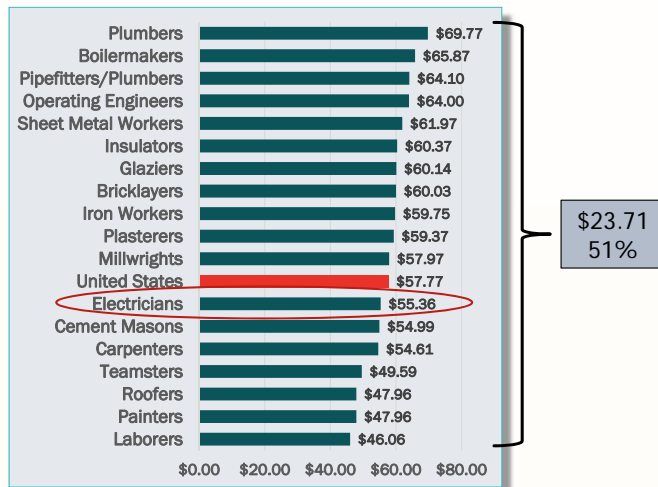
Union Craft Increase Trends



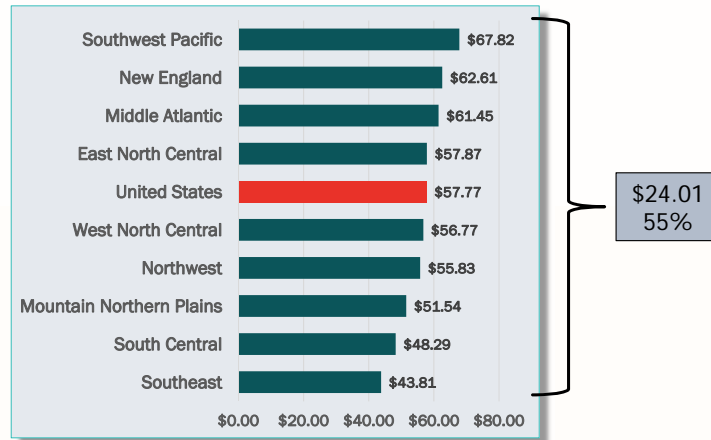
Union Craft Increase Trends



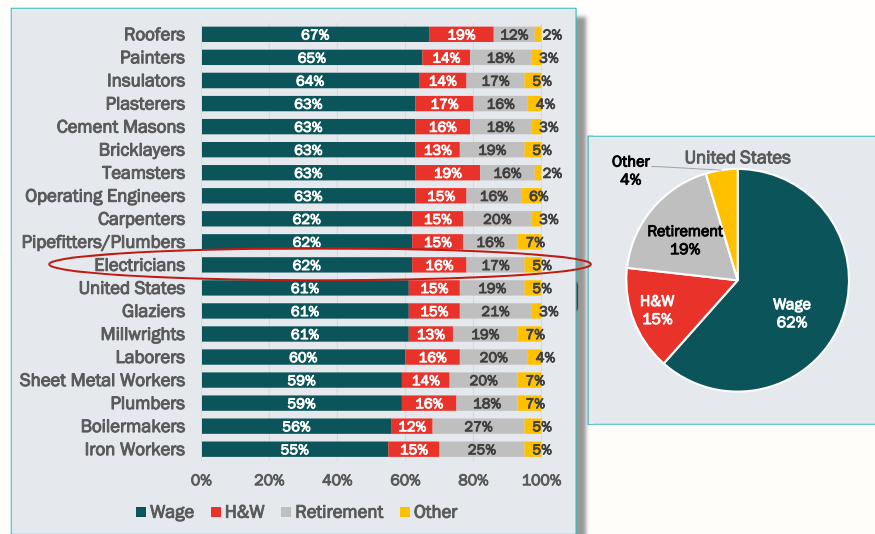
Average Total Package Rates by Craft



Average Total Package Rates by Region



Total Package Components

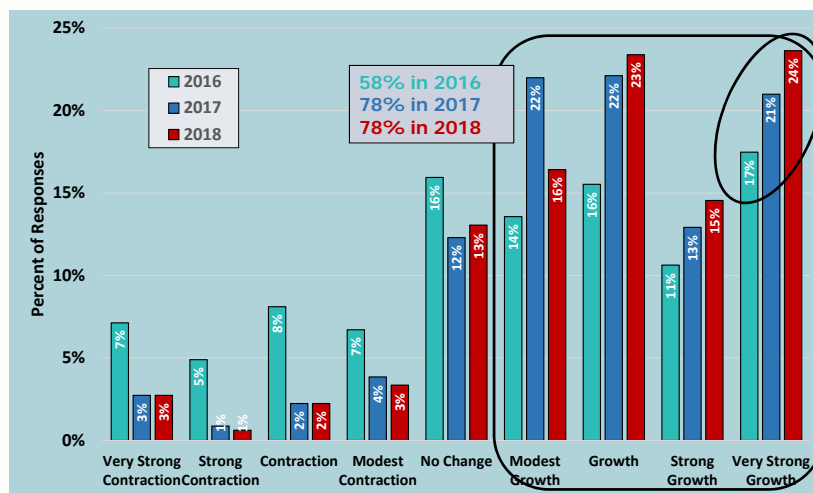


Union Craft Labor Supply Study

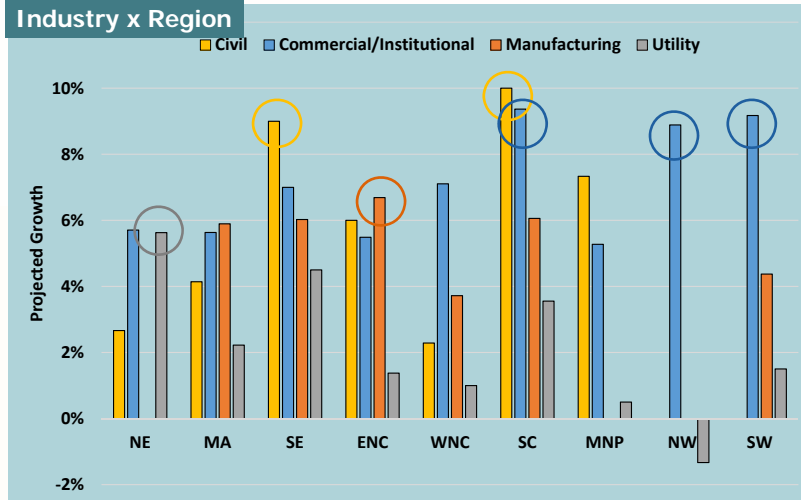
Highlights from the 2018 National
Labor Survey Conducted
by NECA/IBEW and IAUC

Workers

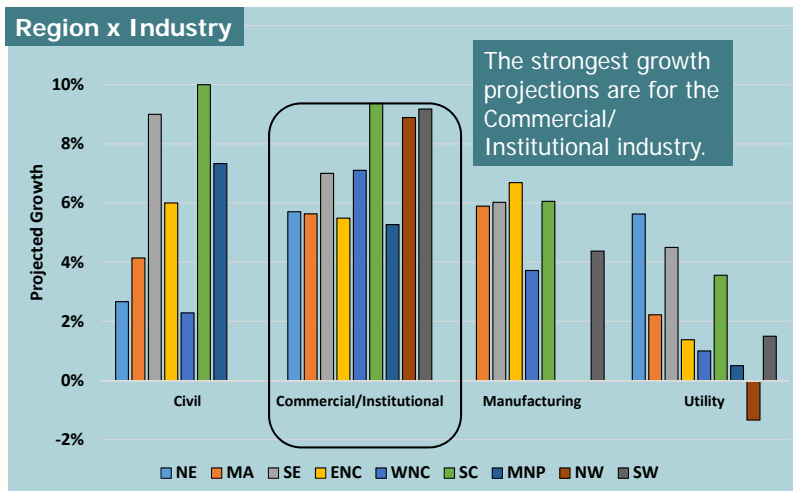
Growth/Contraction Projections



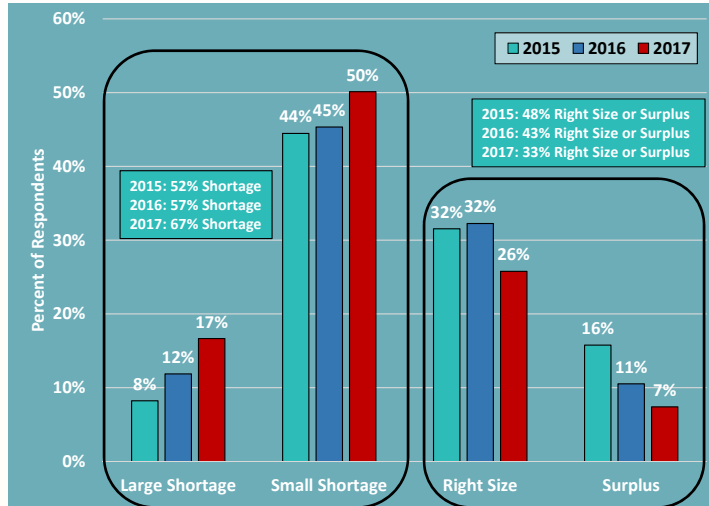
Growth/Contraction Projections



Growth/Contraction Projections

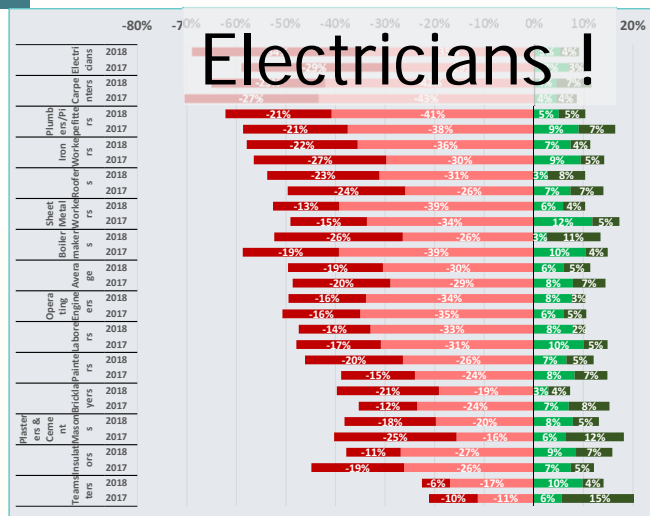


Union Craft Labor Shortage/Surplus

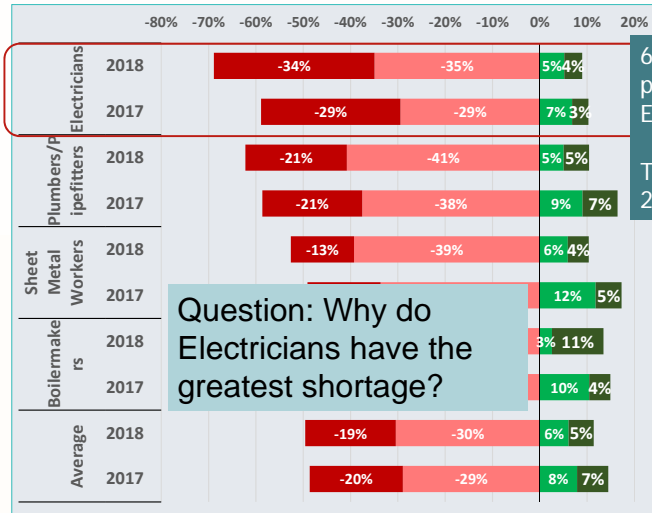


Percent Shortage/Surplus by Craft

2017 & 2018



Percent Shortage/Surplus by Craft

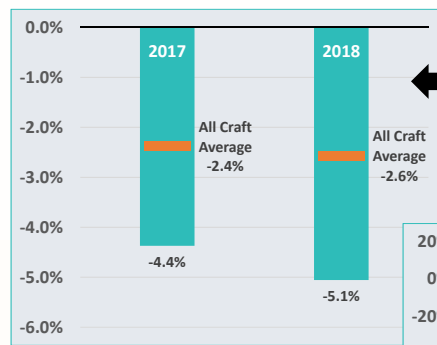


69% of respondents projected a shortage of Electricians in 2018.

This is up from 58% in 2017

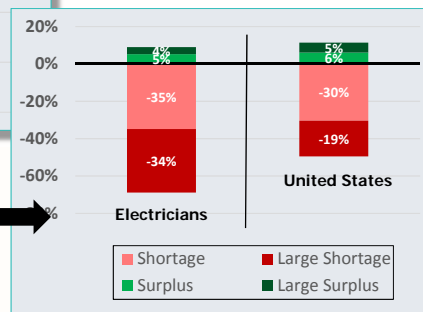
Question: Why do Electricians have the greatest shortage?

The Shortage of Union Electricians



The average shortage of union Electricians significantly exceeded the national average in 2017 and 2018

The percent of responses reporting a shortage of union Electricians was significantly greater than the national average for 2018.



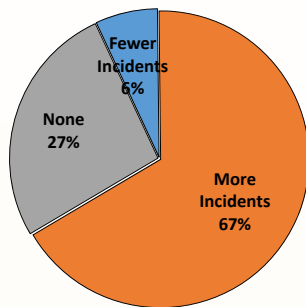
Best Practices for Sourcing Labor

| Project Duration | |
|---------------------|--------|
| More than 12 Months | Better |
| 6-12 Months | ↕ |
| 3-6 Months | |
| 1-3 Months | |
| Less than One Month | Worse |

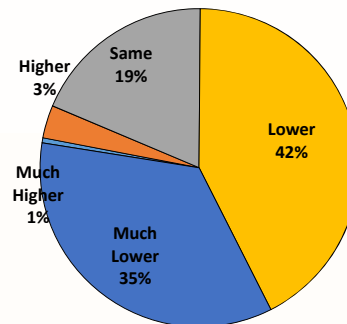
| Hours | |
|-----------------------|--------|
| 60-69 per Week | Better |
| 50-59 per Week | ↕ |
| 70-79 per Week | |
| 40-49 per Week | |
| More than 80 per Week | Worse |
| Less than 40 per Week | Worse |

Safety

Relationship Between Union Craft Labor Supply and Safety



Incidence Rate Comparison



Assistance

*Three Products to Support Associations,
Contractors, Owners and Others*


**Winning
Scoreboards**

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Example 1

UNION – NONUNION WAGE
AND FRINGE BENEFITS COMPAISON

Based on CLRC's National Union
Electrician Database. This can be
replicated for any Local.

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Union-Nonunion W&F Comparison

Based on CLRC's National Electrician Data

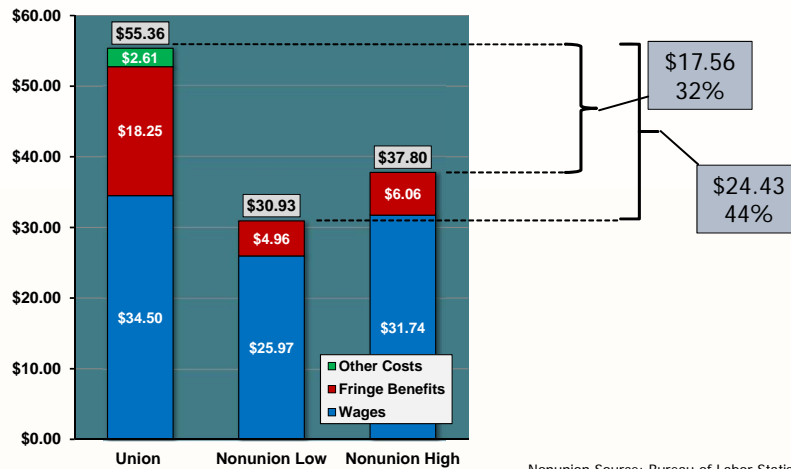
| Category | Union | Nonunion | | Cost Difference | | Pct Difference | |
|------------------------|----------------|----------------|----------------|-----------------|----------------|----------------|-------------|
| | | Low | High | Low | High | Low | High |
| Wages | | | | | | | |
| Base Wage | \$34.50 | \$25.97 | \$31.74 | \$8.54 | \$2.77 | 25% | 8% |
| Fringe Benefits | | | | | | | |
| Health & Welfare | \$8.74 | \$2.97 | \$3.63 | \$5.77 | \$5.11 | 66% | 58% |
| Retirement * | \$9.51 | \$1.99 | \$2.43 | \$7.52 | \$7.08 | 79% | 74% |
| Total | \$18.25 | \$4.96 | \$6.06 | \$13.29 | \$12.19 | 73% | 67% |
| Other Costs | | | | | | | |
| Other | \$2.61 | \$0.00 | \$0.00 | \$2.61 | \$2.61 | 100% | 100% |
| Total | \$2.61 | \$0.00 | \$0.00 | \$2.61 | \$2.61 | 100% | 100% |
| Total | \$55.36 | \$30.93 | \$37.80 | \$24.44 | \$17.56 | 44% | 32% |

* This reflects all retirement payments (i.e., defined benefit and defined contribution).

Nonunion Source: Bureau of Labor Statistics

Union-Nonunion W&F Comparison

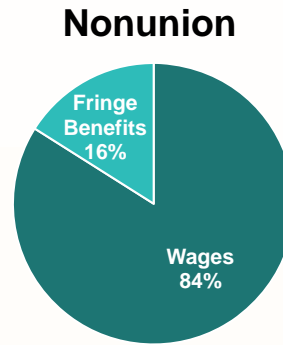
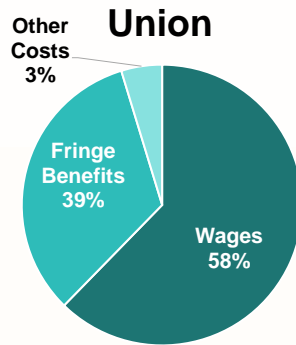
Based on CLRC's National Electrician Data



Nonunion Source: Bureau of Labor Statistics

Union-Nonunion W&F Comparison


Based on CLRC's
National Electrician Data



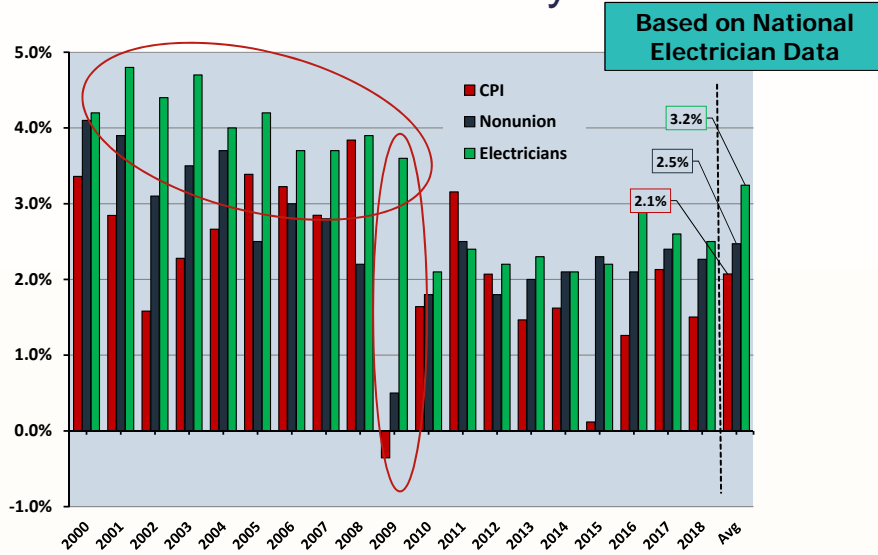
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Example 2 BENCHMARK ANALYSIS

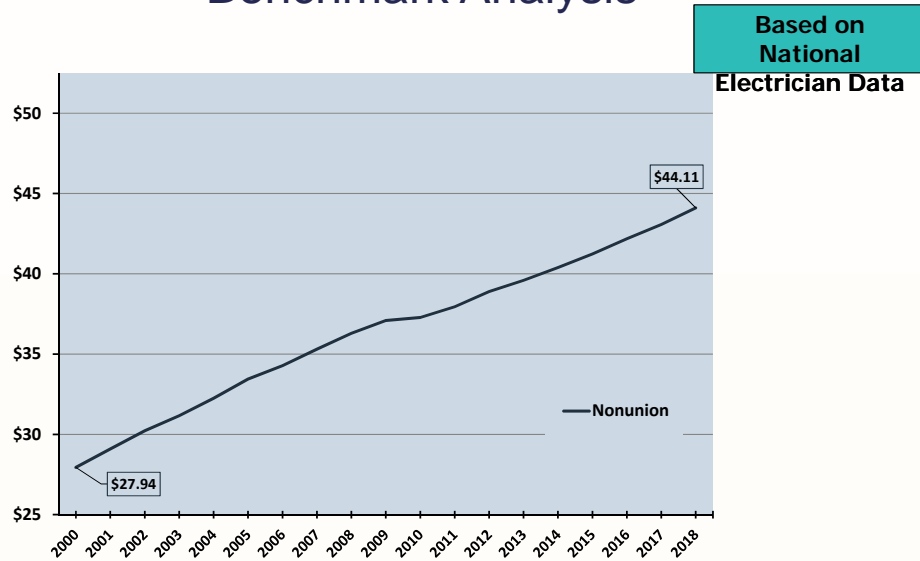
Based on CLRC's National
Union Electrician Database.
This can be replicated for any
Local.

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Benchmark Analysis

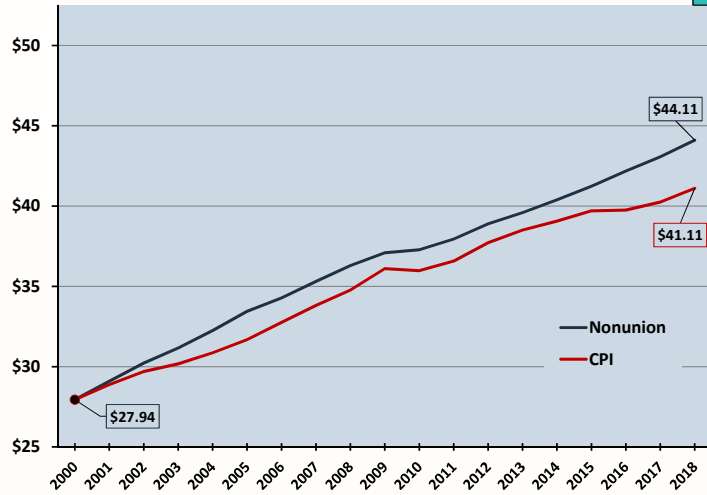


Benchmark Analysis



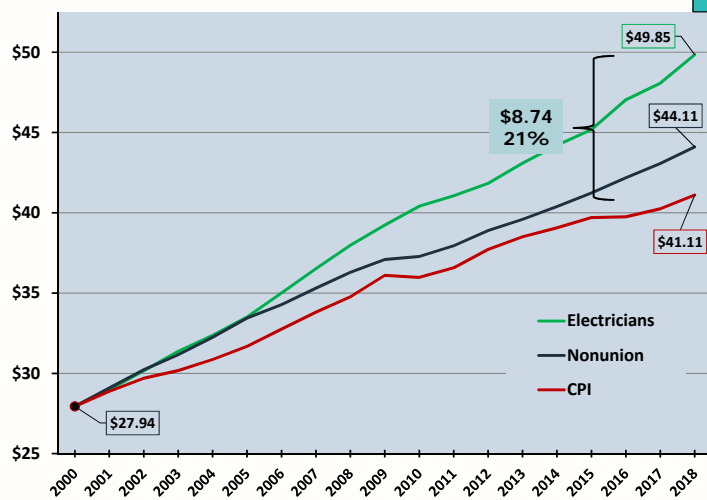
Benchmark Analysis

Based on National Electrician Data



Benchmark Analysis

Based on National Electrician Data



Example 4

CONTRACT LANGUAGE COSTING

This can be done on any contract

Contract Costing

Example Data

| Category | Low | High |
|------------------|--|--|
| 2nd Shift | +10% per hour; used 2% of the time | +10% per hour; used 5% of the time |
| 3rd Shift | +15% per hour; used 1% of the time | +15% per hour; used 2% of the time |
| Foreman | +10% per hour; 10:1 ratio | +10% per hour; 5:1 ratio |
| General Foreman | +15% per hour; 20:1 ratio | +15% per hour; 10:1 ratio |
| Other | 1% of W & F rate | 2% of W & F rate |
| Overtime at 1.5x | 48 hours a year per employee | 96 hours a year per employee |
| Overtime at 2x | 16 hours a year per employee | 32 hours a year per employee |
| Pick-up Time | 10 min a day; used 50% of the days | 15 min a day; used 75% of the days |
| Reporting Pay | 2 hours pay; 2 times a year | 2 hours pay; 5 times a year |
| Steward | 10 min a day; 40:1 ratio | 20 min a day; 20:1 ratio |
| Subsistence | \$75 a day; 5 days a year | \$100 a day; 10 days a year |
| Tools | \$100 a year; for 50% of the employees | \$200 a year; for 75% of the employees |
| Travel | \$25 a day; 10 days a year | \$40 a day; 20 days a year |

Contract Costing

Example Data

Per Hour Per Employee

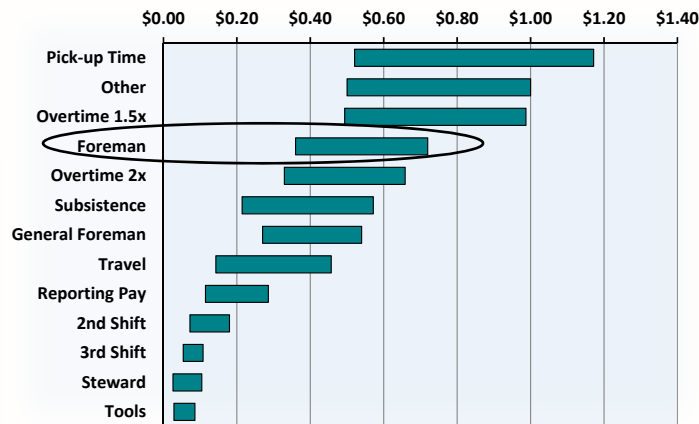
| Category | Low\$ | Low% | High\$ | High% |
|-----------------|---------------|--------------|---------------|--------------|
| Pick-up Time | \$0.52 | 1.4% | \$1.17 | 3.3% |
| Other | \$0.50 | 1.4% | \$1.00 | 2.8% |
| Overtime 1.5x | \$0.49 | 1.4% | \$0.99 | 2.7% |
| Foreman | \$0.36 | 1.0% | \$0.72 | 2.0% |
| Overtime 2x | \$0.33 | 0.9% | \$0.66 | 1.8% |
| Subsistence | \$0.21 | 0.6% | \$0.57 | 1.6% |
| General Foreman | \$0.27 | 0.8% | \$0.54 | 1.5% |
| Travel | \$0.14 | 0.4% | \$0.46 | 1.3% |
| Reporting Pay | \$0.11 | 0.3% | \$0.29 | 0.8% |
| 2nd Shift | \$0.07 | 0.2% | \$0.18 | 0.5% |
| 3rd Shift | \$0.05 | 0.2% | \$0.11 | 0.3% |
| Steward | \$0.03 | 0.1% | \$0.10 | 0.3% |
| Tools | \$0.03 | 0.1% | \$0.09 | 0.2% |
| Total | \$4.32 | 12.0% | \$8.38 | 23.3% |

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Contract Costing

Example Data

Per Hour Per Employee



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Questions?

Carey L. Peters, Ph.D.

Executive Director



(202) 347-8440

www.clrcconsulting.org

clpeters@clrcconsulting.org

Don't forget...

- 9:00 am – 1:00 pm – NECA Show
- 1:15 pm – 2:30 pm – Closing General Session with Jon Dorenbos
- 7:15 pm – Closing Celebration – Foreigner

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