Wages and compensation: 1990 negotiated adjustments

Although economic problems continued, parties to major settlements in private industry often agreed to larger wage rate adjustments than were in replaced agreements

Alvin Bauman

Collective bargaining at the beginning of the decade of the 1990's took place in an atmosphere marked by continuing or emerging economic problems for some of the industries involved in negotiations, and growing concern about the health of the Nation's economy. Nevertheless, 1990 was the second consecutive year in which parties to collective bargaining settlements in private industry agreed to larger wage rate adjustments than were specified in the contracts being replaced. (See chart 1.)

Major collective bargaining settlements (those covering 1,000 workers or more) reached in private industry in 1990 provided wage rate adjustments (the net effect of decisions to increase, decrease, or not change wage rates) that averaged 3.2 percent annually over the contract life (table 1), compared with 2.0 percent in the contracts they replaced which, for the most part, were negotiated in 1987 or 1988. Average wage rate adjustments over the life of contracts settled in 1990, however, were still within the relatively narrow range of 1.8 percent to 3.6 percent annually that has prevailed each year since 1982. (See table 2.)

A broader measure of adjustments under settlements covers compensation rates, which include both wage rates and benefit costs. This measure, provided for settlements covering 5,000 workers or more, shows that compensation adjustments averaged 3.2 percent a year over the term of such settlements reached in 1990, also within the 1.6 percent to 3.4 percent range that has existed for the measure since 1982.

Both the wage rate and compensation rate adjustment data exclude lump-sum payments, which became an important part of collective bargaining settlements for large numbers of workers during the 1980's. Therefore, the Bureau of Labor Statistics developed a new measure of the size of negotiated compensation adjustments that includes lump-sum payments. The new "cost adjustment series" also reflects how the timing of negotiated changes in compensation rates influences employer costs for compensation.

The cost adjustment series, which begins with data for 1988, covers settlements for 5,000 workers or more.[1] In 1990, such settlements adjusted employers' compensation costs an average of 2.4 percent a year over the contract term.

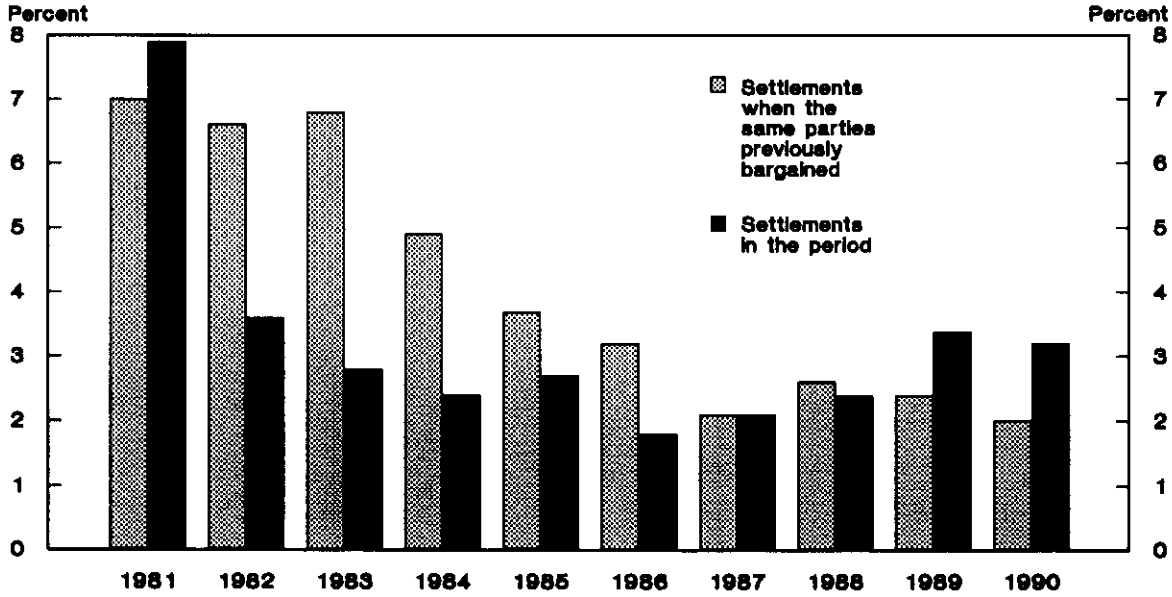
Settlements in 1990

Major collective bargaining settlements reached in 1990 covered about one-third (2.0 million) of the 5.9 million workers under all major private industry agreements. The settlements called for wage rate adjustments averaging 4.0 percent in the first contract year, and 3.2 percent annually over the contract term. (See table 1.)

These wage rate adjustments reflect the reaction of negotiators to a variety of factors, including the general economic outlook and the conditions of the individual firm, industry, or locale in which bargaining occurred. For example, as the year progressed, a growing national concern

Alvin Bauman is chief of the Division of Developments in Labor-Management Relations, Bureau of Labor Statistics. Edward J. Wasilewski, Jr., Fehmida R. Sleemi, and Susan L. Behrmann, economists in the same division, contributed to this article.

Chart 1. **Average annual wage rate adjustments over the life of major collective bargaining settlements and their prior agreements, private industry, 1981–90**



over inflation, unemployment, and a decline in real gross national product was exacerbated by the crisis in the Persian Gulf. In addition, bargainers in industries as diverse as apparel and automobile manufacturing, for example, also faced the issue of foreign competition. Automobile industry bargaining was further influenced by declining demand and nonunion competition, problems that also beset negotiators in construction. Nonunion competition was also a concern for bargainers in food stores.

The size of wage rate adjustments is also influenced by decisions negotiators make about other components of employee compensation and about conditions of employment not directly measurable in economic terms. For example, for several years, labor and management have wrestled with the problem of rising health insurance costs. Often, bargainers have paid for increased health insurance premiums with monies that might otherwise have gone for wage increases. Some negotiators have traded all or part of a wage increase for improved job security. Others have replaced all or part of a wage increase with a lump-sum payment which tends to slow the rise in labor costs because lump sums do not become part of the wage rate. (Lump-sum payments are not included in data on adjustments in wage or compensation rates. They are, however, included in data on adjustments in employers' costs for compensation, discussed later.)

Workers covered by 1990 settlements were scheduled to receive wage rate adjustments averaging 3.2 percent a year during the contract term (97 percent were slated for increases and almost all of the remaining workers had no scheduled wage change). Nonmanufacturing workers (55 percent of those under settlements) had specified adjustments averaging 4.0 percent annually over the contract term; manufacturing workers averaged 2.1 percent. The difference in the size of adjustments stems, in part, from the higher proportion of manufacturing workers (72 percent) than nonmanufacturing workers (22 percent) covered by settlements with cost-of-living adjustment (COLA) or lump-sum provisions.

Specified wage rate adjustments are typically smaller in contracts with COLA's (or lump sums) than in those without such provisions. (See chart 2.) Wage rate adjustments tend to be held down when a COLA clause is negotiated because bargainers usually anticipate that the clause will increase wage rates above those specified during the contract term. For example, among agree-

Table 1. **Average annual wage rate adjustments[1] in collective bargaining settlements covering 1,000 or more workers in private industry, 1990**

Measure	First-year adjustments[2]	Annual adjustments over life of contracts[3]	Number of workers (thousands)	Number of settlements
All industries	4.0	3.2	2,004	400
With COLA clauses	3.4	1.9	778	54
Without COLA clauses	4.4	4.0	1,226	346
With lump sums	3.8	2.1	819	69
Without lump sums	4.1	3.9	1,185	331
With both lump sums and COLA	3.4	1.8	703	26
With either lump sums or COLA, or both	3.7	2.1	895	97
With lump sums but no COLA	6.0	3.6	116	43
With COLA but no lump sums	3.4	2.5	76	28
With neither lump sums nor COLA	4.2	4.0	1,110	303
Manufacturing	3.7	2.1	892	131
With COLA clauses	3.1	1.3	595	38
Without cola clauses	4.7	3.7	297	93
With lump sums	3.6	1.5	604	45
Without lump sums	3.7	3.3	288	86
With either lump sums or COLA, or both	3.5	1.5	646	59
With neither lump sums nor COLA	4.1	3.7	246	72
Nonmanufacturing	4.3	4.0	1,112	269
With COLA clauses	4.3	3.8	183	16
Without COLA clauses	4.3	4.1	929	253
With lump sums	4.2	3.6	215	24
Without lump sums	4.3	4.1	897	245
With either lump sums or COLA, or both	4.4	3.7	248	38
With neither lump sums nor COLA	4.2	4.1	864	231
Construction	3.7	4.2	412	132
All industries, excluding construction	4.1	2.9	1,592	268
Nonmanufacturing, excluding construction	4.6	3.9	700	137
Goods producing	3.7	2.8	1,310	266
Service producing	4.5	3.9	694	134

[1] Includes net increases, decreases, and no change; excludes lump-sum payments and potential changes from COLA clauses.

[2] Adjustments under settlements reached in the period and effective within 12 months of the contract effective date.

[3] Adjustments under settlements reached in the period expressed as an average annual (compound) rate over life of contract.

NOTE: Because of rounding, sums of individual employment items may not equal totals.

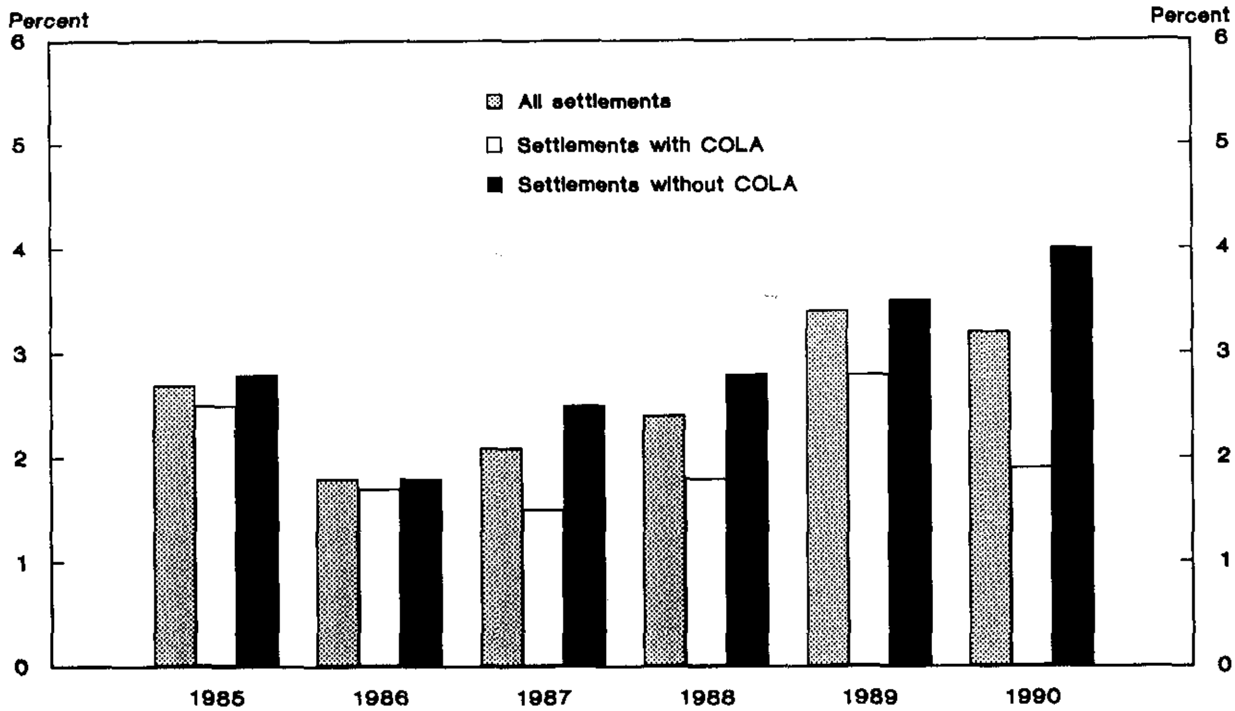
ments replaced in 1990, specified annual adjustments over the term of contracts without a COLA clause averaged 2.6 percent, compared with 1.2 percent in contracts with a COLA clause. As a result of COLA's implemented during the contract, however, the overall annual wage rate adjustment in contracts with COLA clauses amounted to 4.1 percent by the contract's expiration. When lump sums are negotiated, they generally are a substitute for all or part of a wage rate increase.

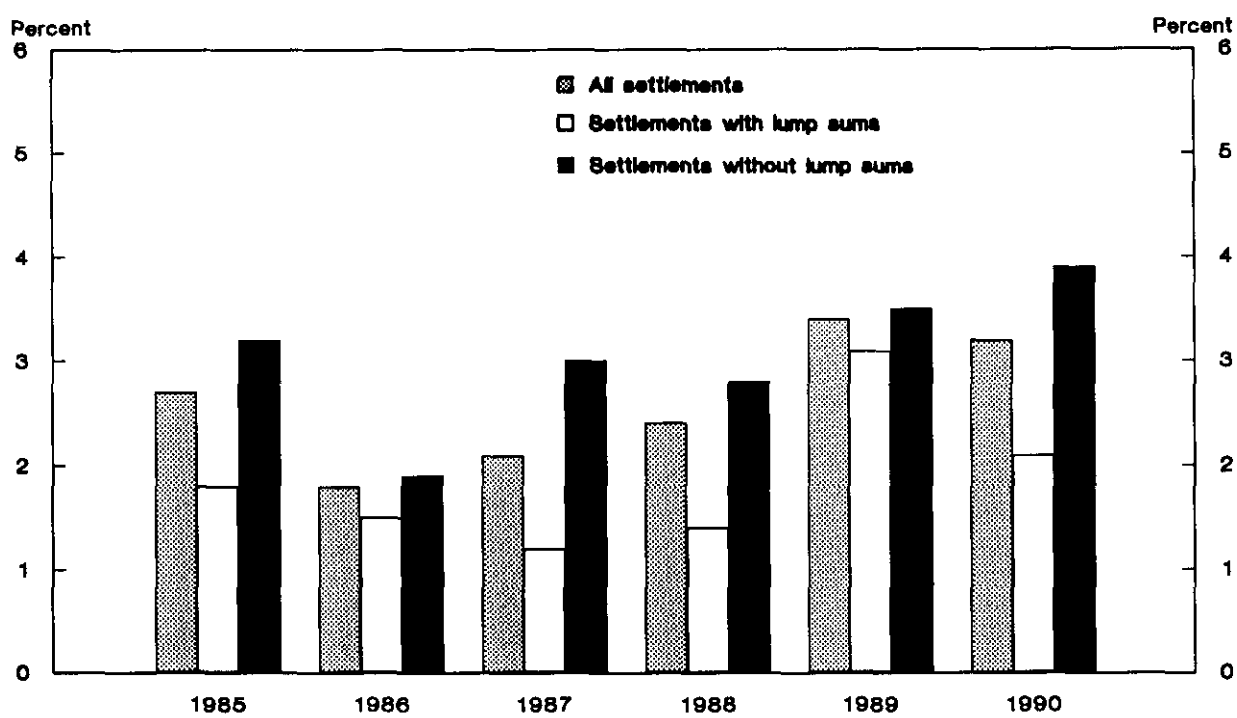
Changes resulting from COLA's and lump sums are excluded from data on rate adjustments under settlements. COLA's are excluded because their effect on wage rates is not known at settlement; lump sums are excluded because they are not part of the rate structure. (COLA's are included in data on "effective wage rate adjustments"; lump-sum payments are included in data on "compensation cost adjustments." Both series are discussed later.)

COLA clauses

COLA clauses call for wage rates to be adjusted according to a formula typically using changes in the Consumer Price Index (CPI). Most COLA formulas use the "U.S. city average" CPI for urban wage earners and clerical workers (CPI-W) and usually provide for a 1-cent-an-hour wage rate adjustment either for each 0.3 or each 0.26 index point change. Generally, COLA's are based on CPI changes during a 3-, 6-, or 12-month period. Most COLA clauses provide for only wage rate increases. Some formulas limit (or "cap") the amount of the wage change, and some contracts call for all or part of a COLA-generated

Chart 2. **Average annual wage rate adjustments over the life of major collective bargaining settlements by cost-of-living adjustment and lump-sum provisions, 1985–90**





wage increase to be diverted to help pay for benefit costs. The formulas usually increase wage rates proportionally less than the CPI increase. For example, in 1990, COLA's equalled 48 percent of the CPI change during the period for which the COLA was determined.

COLA clauses were contained in contracts for 39 percent (778,000) of the workers under 1990 settlements, were dropped from contracts for 37,500 workers, and were added to contracts for 5,200 workers. Consequently, among all 5.9 million workers under major private industry agreements, the proportion with COLA coverage remained at about two-fifths, the same as it has been since 1987.

Wage rate adjustments over the contract term averaged 1.9 percent a year for workers under settlements with a COLA clause, compared with 4.0 percent for those under settlements without such a clause. (See chart 2.) In manufacturing (where settlements for two-thirds of the workers had COLA's), the averages were 1.3 percent for workers covered by COLA's and 3.7 percent for those not covered. In nonmanufacturing (where settlements for only 1 in 6 workers had a COLA), the respective averages were 3.8 percent and 4.1 percent.

Lump-sum provisions

There are two types of lump-sum provisions — specified and contingent. A specified provision guarantees a payment. The size of the payment may be expressed in several ways, such as a flat amount (say, $1,000), or an amount based on the worker's earnings (5 percent of the worker's straight-time earnings during the previous calendar year, for example). A contingent provision calls for a payment only under certain circumstances (for instance, if company profits increase or productivity rises), with the size of the payment determined in one of several ways (for example, 3 percent of company profits over $100,000 is divided equally among employees).

In 1990, 41 percent (819,000) of the workers under settlements had a lump-sum provision in their contracts. Lump-sum provisions were dropped under settlements for 11 percent of the workers (214,000) and added in settlements for about 4 percent (71,000). At the end of the year, about two-fifths of the 5.9 million workers under all major contracts were under agreements with a lump-sum provision, the same proportion registered since 1987.

Wage rate adjustments averaged 2.1 percent annually over the term of settlements with lump-sum provisions, compared with 3.9 percent in those without, a relationship tracing back to 1985. (See chart 2.) In manufacturing, two-thirds of the workers were under settlements that had lump-sum provisions, compared with one-fifth of those in nonmanufacturing. Manufacturing workers covered by contracts with lump-sum provisions were concentrated in transportation equipment, primary metals, machinery and electrical and electronic equipment; nonmanufacturing workers covered by such contracts were mostly in parcel delivery and hotels.

Compensation cost adjustments

In 1990, settlements covering 5,000 workers or more specified adjustments in employer compensation costs that averaged 2.4 percent a year over the life of the contract. The compensation cost adjustment measure includes specified (guaranteed) lump-sum payments (such payments are excluded from the rate adjustment series) and reflects both the size and timing of specified changes in wage rates and compensation costs. The measure *excludes* contingent pay provisions, under which payments are made only under certain circumstances, for example, COLA provisions which call for a payment only when the CPI increases by a specified amount, and contingent lump-sum payment provisions, discussed earlier.

Average annual adjustments in employer compensation costs over the contract term were 2.2 percent for cash payments to workers (include wages and lump-sum payments), and 2.8 percent for benefits. (See table 3.) Settlements with contingent pay provisions covered 55 percent of the workers under all settlements involving 5,000

Table 2. **Wage rate adjustments over the life of the contract, 1980–90 settlements**

Year	Average wage rate adjustment (percent)	Percent of workers with —		
		Wage rate increases	Wage rate decreases	No change
1980...	7.1	100	0	0
1981...	7.9	94	5	1
1982...	3.6	64	1	35
1983...	2.8	73	13	14
1984...	2.4	84	12	4
1985...	2.7	85	3	12
1986...	1.8	79	9	13
1987...	2.1	85	4	11
1988...	2.4	88	2	11
1989...	3.4	97	(1)	3
1990...	3.2	97	(1)	3

[1] Less than 0.5 percent.

NOTE: Because of rounding, sums of individual employment percentages may not total 100.

workers or more in 1990. These settlements specified compensation cost adjustments averaging 1.9 percent annually over the contract term, compared with 3.1 percent under settlements without such provisions.

Chief negotiations, by industry

Transportation equipment. About 526,000 workers were covered by settlements in the transportation equipment manufacturing industry, accounting for three-fifths of the workers under 1990 settlements in manufacturing industries. Eighty-two percent (432,000) of the workers under settlements in the industry were covered by contracts between the United Automobile Workers and the "Big Three" automobile manufacturing companies—General Motors Corp. with 277,000 workers; Ford Motor Co. with 100,000; and Chrysler Motors Corp. with 55,000. About 15 percent (79,000) were in the aerospace industry. The remainder were in a variety of other types of transportation equipment manufacturing.

The settlements in transportation equipment specified wage-rate adjustments averaging 3.3 percent in the first contract year and 1.4 percent annually over the life of the contract, higher than the respective 2.3 percent and 0.8 percent in the agreements they replaced.

Virtually all workers under 1990 settlements received a net wage rate increase over the term of their contract, compared with 86 percent under the expiring contracts. Nearly all were also under settlements that had lump-sum provisions or COLA clauses, or both, as was true for those under the expiring contracts.

In automobile industry bargaining, the Auto Workers, as it had done in the past, targeted one of the major auto companies (this time, General Motors) at which to reach a settlement that could be used as a pattern for agreements with the other companies. Although negotiations extended beyond the expiration date of the old agreement, the parties reached a settlement (on September 30) without a companywide work stoppage. Settlements followed at Ford in October, and at Chrysler in November. This was the first time since 1976 that Chrysler settled at the same time and along the same pattern as General Motors and Ford.

The 3-year pacts with the "Big Three" auto firms provided an immediate 3-percent general wage increase; lump-sum "performance bonus" payments in 1991 and 1992 equal to 3 percent of the prior year's "qualified earnings"; a $600 yearly Christmas bonus; and a 30-cent-an-hour wage increase for skilled workers. The agreements retained a COLA clause which provided quarterly wage adjustments of 1 cent for each 0.26-point movement in the CPI, but called for the workers to forgo the first 14 cents of the COLA generated for December 1990. The new contracts incorporated into base hourly wage rates $1.68 of the $1.73 per hour COLA that had accumulated but had not been incorporated into base pay under the expired contracts.

The auto companies agreed to a number of job and income security provisions, financed by up to $4 billion from General Motors, $1.6 billion from Ford, and $564 million from Chrysler.

The profit-sharing formulas were improved. Payments are to be made on a "first dollar of profits" basis, rather than on profits that exceed the first 1.8 percent of sales. In addition, profit shares were increased at most sales volume brackets, with the maximum share of profits available for distribution rising from 16 percent to 17 percent.

The auto settlements increased future retirees' basic monthly pension benefits per year of service by $4.45 over the term of the contracts, bringing the level to a range of $30.70–$31.45. The number of paid holidays over the 3-year contract term was raised to 46. Under the expired contracts, GM and Ford workers had 41 paid holidays over a 3-year term, and Chrysler employees had 30 holidays over a 28-month term.

Unlike the auto settlements, 1990 contracts for 79,000 aerospace workers did not follow a pattern. General wage increases and lump-sum payments were provided under all the agreements, but their size and timing varied.[2]

Construction. About 412,000 construction workers were covered by 132 contracts negotiated in 1990. They accounted for one-fifth of all workers under the year's settlements. New construction agreements provided average wage rate adjustments of 3.7 percent in the first contract year and 4.2 percent annually over the contract term. Lump-sum and COLA provisions are rare in construction agreements. None of the 1990 settlements included a lump-sum provision, and only two, covering 4,500 workers, included a COLA clause.

In the construction industry, bargaining activity is heaviest during the spring and summer. Negotiations typically are between locals of national craft unions (such as the International Brotherhood of Electrical Workers or the United Brotherhood of Carpenters and Joiners) and branches of national industry associations (such as the National Electrical Contractors Association or the Associated General Contractors) which represent local or regional employers.

Settlements in a region are sensitive to local economic conditions in the industry and tend to

Table 3. **Annual average (mean) adjustments[1] in the cost of compensation and its components over the life of contracts[2] in collective bargaining settlements covering 5,000 workers or more, 1990**

[In percent]

Measure	Compensation cost	Cash payments to workers[3]	Wages	Benefits	Number of workers (thousands)
All industries	2.4	2.2	2.1	2.8	1,278
With contingent pay provisions[4]	1.9	1.8	1.6	2.1	707
Without contingent pay provisions[4]	3.1	2.8	2.8	3.7	571
Manufacturing	2.0	1.9	1.5	2.0	657
With contingent pay provisions[4]	1.8	1.8	1.3	1.7	542
Without contingent pay provisions[4]	2.7	2.4	2.4	3.4	115
Nonmanufacturing	3.0	2.6	2.8	3.8	620
With contingent pay provisions[4]	2.3	1.7	2.5	3.6	164
Without contingent pay provisions[4]	3.2	2.9	2.9	3.8	456
Goods producing	2.2	2.1	1.8	2.4	835
Service producing	2.8	2.4	2.7	3.7	443

[1] Includes net increases, decreases, and no change. Excludes potential changes from contingent pay provisions.

[2] Adjustments under settlements reached in the period expressed as an average annual (compound) rate over the life of the contract.

[3] Cash payments include wages and lump-sum payments.

[4] Contingent pay provisions include COLA clauses and/or contingent lump-sum payment clauses. Data exclude potential changes from contingent pay provisions.

NOTE: Because of rounding, sums of individual employment items may not equal totals.

have similar economic terms, regardless of industry segment. As the following tabulation shows, there were noticeable regional variations in average percentage wage rate adjustments over the life of settlements reached in 1990:

All construction settlements	4.2
Northeast	5.0
New England	2.9
Middle Atlantic	5.4
Midwest	3.5
East North Central	3.8
West North Central	1.5
South	2.8
South Atlantic	3.5
South Central	2.1
West	4.0
Mountain	2.5
Pacific	4.5
Interregional	4.1

Wage adjustments also varied by type of construction. In general building construction, employing one-half of all construction workers under 1990 settlements, average annual wage rate adjustments were 4.0 percent over the contract term. The comparable average was 4.5 percent in special trades and 4.2 percent in heavy construction (other than building.)

Wholesale and retail trade. Settlements concluded during 1990 for 222,000 workers in wholesale and retail trade called for higher average wage rate adjustments than those specified in contracts they replaced. Adjustments averaged 4.4 percent in the first contract year and 3.7 percent annually over the life of the 1990 agreements. The last time the same parties bargained, settlements provided for adjustments of 0.2 percent in the first year of the contract and 1.2 percent annually over the contract term. Nearly three-fifths of the workers under replaced contracts were covered by agreements with lump-sum provisions. In contrast, fewer than one-tenth of those under 1990 settlements had contracts with such provisions.

Although workers covered by the 1990 settlements were employed in a variety of wholesale and retail trade operations, 91 percent worked in local and regional retail food chains. They were all covered by agreements negotiated by the United Food and Commercial Workers. The food store contracts called for wage adjustments averaging 4.6 percent in the first contract year and 3.8 percent annually over the term of the agreement. Respective averages under the expiring agreements were −0.1 percent and 1.0 percent. About 90 percent of the food store workers whose old contracts contained lump-sum provisions eliminated that provision in their new contracts. Only one settlement, for 1,600 workers, added a lump-sum provision.

United Parcel Service, Inc. A 3-year national accord for 140,000 United Parcel Service employees represented by the International Brotherhood of Teamsters was reached in August 1990. As in the past, a separate, but identical, contract was negotiated for 10,000 workers in Illinois.

The settlements between United Parcel Service and the Teamsters provided wage rate increases of 50 cents an hour in each contract year, compared with increases of 30 cents an hour in each of the 3 years the expiring agreements were in force. Lump-sum payments were continued, but amounted to a third of what they were under the expiring contracts. Under the 1990 settlements, full-time employees received a one-time "ratification bonus" of $1,000 and part-timers received $500. Under the prior 3-year agreements, these amounts were paid annually.

The new contracts maintained a COLA clause, but changed its terms. The clause now provides for annual reviews (in August of 1991 and 1992), with adjustments of 1 cent for each 0.6-point change in the CPI, up to a maximum of 20 cents. The expiring agreements also called for an annual review, but adjustments were computed on a more generous basis—1 cent for each 0.3-point movement in the CPI. Under the expired agreement, however, COLA payments were offset by the total value of the wage increases, lump-sum payments, and the increase in employer payments to benefit funds specified in the contract. As a result of the offsets, employees received no COLA payments under their expired contracts.

The new agreements called for increases of $1.05 per hour over the term of the contract in the company's financing of health and welfare and pension plans. A sixth week of annual vacation was added for workers with 25 years of service or more. Maximum vacation under the expired contracts was 5 weeks per year after 20 years of service or more.

Apparel. The 1990 settlements in the apparel industry specified wage rate adjustments averaging 3.6 percent in the first contract year and 3.5 percent annually over the life of the agreement. When the same parties previously bargained, their contracts provided average wage adjustments of 4.3 percent in the first contract year and 4.2 percent annually over the contract life. The 1990 settlements covered 93,000 workers who make apparel and other finished products, about half of those under major agreements in the industry.

About 94 percent of the workers were under settlements negotiated by the Amalgamated Clothing and Textile Workers Union, mostly with two employer groups—the Cotton Garment Negotiating Group and the Clothing Manufacturers Association of the U.S.A. The remainder were under International Ladies' Garment Workers Union settlements.

In March, the Clothing and Textile Workers Union and the Cotton Garment Negotiating Group (bargaining for 30 companies nationwide, including Arrow, Hathaway, Manhattan, Jay Mar-Ruby, and Cotler) reached an 18-month agreement covering about 15,000 workers producing men's shirts, trousers, and other cotton garments. The contract was extended to employers of an additional 27,000 of the industry's workers. The pact provided the 42,000 workers with wage increases totaling 35 cents an hour over the contract term. It not only maintained the labor-management health insurance fund on a fully employer-paid basis, but also increased employers' payments to the fund, from 13.6 percent to 14.1 percent of gross payroll.

In September, negotiators for the Clothing and Textile Workers Union and the Clothing Manufacturers Association of the U.S.A. (composed of manufacturers of men's and boys' clothing) agreed to a 3-year contract covering 39,000 workers. Among other terms, the accord raised wages 75 cents an hour over the contract life and improved the provisions of the company financed health insurance plan.

Effective wage rate adjustments

Effective wage rate adjustments result from settlements reached during the year, from settlements reached earlier with a change deferred to 1990, or from COLA clauses. The adjustments cover workers whose wage rate changed, as well as those whose wage rate did not change. The 5.9 million workers under major agreements in force during 1990 received effective wage rate adjustments averaging 3.5 percent, higher than in any year since 1984.

About 4.9 million workers had a wage rate change during 1990; all except 8,000 of them had an increase. The remaining 1 million workers had no net wage rate change during the year. The following tabulation shows, for each source of change, the number of workers receiving a change and the amount of change. (Some workers received changes from more than one source, so the sum of workers receiving changes from each source is greater than the total with changes from all sources.)

	Workers (thousands)	*Wage rate change (percent)*
From all sources	4,870	4.2
From 1990 settlements	1,898	4.1
From earlier settlements (deferred changes)	2,670	3.3
From COLA	1,394	2.7

The 4.2 percent average effective wage rate change recorded in 1990 was the largest since 1984.

About 1,632,000 workers had their wage rates reviewed under terms of a COLA clause. As a result of the review, 1,394,000 of them received increases averaging 2.7 percent. Rates were unchanged for the remainder, primarily because the CPI change was insufficient to trigger a wage change. Wage rate adjustments under COLA clauses averaged 48 percent of the CPI change during the COLA review period.

Effective wage rate adjustments under major collective bargaining agreements are reflected in the Bureau's Employment Cost Index (ECI), which covers establishments of all employment sizes and measures changes in wages and salaries free from the influence of employment shifts among occupations and industries. The ECI shows that 1990 was the eighth consecutive year in which wages and salaries in private industry rose more for nonunion workers (4.2 percent) than for union workers (3.4 percent.) During the 8 years, wages and salaries, as measured by the ECI, rose 40.4 percent for nonunion workers and 27.2 percent for union workers.[3]

WORKERS UNDER MAJOR SETTLEMENTS, in both 1989 and 1990, on average, received larger wage rate adjustments than under their previous agreements, re-establishing a relationship that had not existed for 7 years. Analysts will be watching to see if this relationship will be short-lived or will continue into 1991, when one-fourth of the workers under major private industry agreements are slated to have new contracts negotiated.[4] □

Footnotes

[1] For a more detailed description of the cost adjustment series, see Alvin Bauman, "A new measure of compensation cost adjustments," *Monthly Labor Review*, August 1990, pp. 11–18.

[2] A summary of settlement terms for the aerospace and other industries which negotiated in 1990 is in Michael Cimini, "Collective bargaining during 1990," *Monthly Labor Review*, January 1991, pp. 19–33.

[3] For a discussion of union and nonunion earnings differences as measured by the Employment Cost Index, see Kay E. Anderson, Philip M. Doyle, and Albert E. Schwenk, "Measuring union-nonunion earnings differences," *Monthly Labor Review*, June 1990, pp. 26–38.

[4] A summary of negotiations scheduled for the year appears in Fehmida Sleemi, Joan D. Borum, and Edward J. Wasilewski, Jr., "Collective bargaining during 1991," *Monthly Labor Review*, January 1991, pp. 3–18.