AFL-CIO

AMERICA'S UNIONS

The AFL-CIO released its annual Executive Paywatch report on the devastating effect runaway CEO pay has on working people and our economy. The **report** examines the current state of executive compensation in public companies listed on U.S. stock exchanges across industries and states.

This year's Executive Paywatch puts CEO-to-worker pay ratios in historical perspective by comparing how long the median worker would need to work to the construction dates of various world wonders over the history of human civilization. The typical S&P 500 company CEO received an average of $17.7 million in 2023, 268 times more than their median employee's pay. A typical worker would have had to begin working before the American Revolution to earn what S&P 500 company CEOs made on average in just one year.

The report highlights how CEOs have personally profited from outsized market power and Donald Trump's corporate tax breaks. While consumer prices rose 3% in 2023, producer commodity prices actually fell 3%. This divergence shows that large companies have too much market power in setting prices for consumers. Trump's corporate tax cuts boosted corporate profits and executive pay, while **90% of workers** saw no increase in wages from those tax cuts.

AFL-CIO Executive Paywatch Key Data Points:

- As working-class families struggle to make ends meet, corporate executives are racking up massive profits. The typical S&P 500 company CEO received an average of $17.7 million in 2023, 268 times more than their median employee's pay.
- A typical worker would have had to begin working in 1755 before the American Revolution to earn what the average S&P 500 company CEO made in just one year.
- S&P 500 company CEO pay increased 6% in 2023 from the previous year as companies enjoyed massive profits and rising stock prices, increasing economic inequality. Corporate executives hoarded those profits for themselves and their shareholders, leaving their workers behind.
- Corporate executives routinely game the system to ensure they walk away with as much as they can. Stock buybacks further boosted reported profits and CEO pay as S&P 500 companies repurchased more than $795 billion in shares in 2023.
- CEOs have proven they will take advantage of public perceptions of the economy to rationalize their greed. While the producer commodity prices that companies pay actually fell in 2023, corporate executives continue to raise prices on consumers.
- Donald Trump is the darling of greedy CEOs, and a second Trump term would continue to prioritize corporations over working people. Trump's corporate tax cuts boosted corporate profits and executive pay, while 90% of workers saw no increase in wages from those tax cuts.
- Trump has promised his billionaire buddies he will further reduce the corporate income tax rate—earning him the **endorsement** of Elon Musk, the richest CEO in the world.
- The richest country in the history of the world can afford to ensure that working families earn a living wage. Economic inequality is a policy choice—that's why the AFL-CIO urges Congress to pass legislation that would increase taxes on large corporations when their CEO-to-worker pay ratio exceeds 50-to-1.