



MCA's Final Proposal to 636

On Thursday, July 10, 2008, in its final proposal to 636, MCA made significant concessions and offered the highest wages and wage increases in Michigan. Because our proposals have not been presented to you, we felt that, for all of us, the industry, and our customers, we had to present our proposal to you. This is a summary. Please view www.mcadetroit.org for the entire proposal.

How did MCA increase wages and otherwise enhance its offer?

1. Highest wages in Michigan, with annual increases of **\$1.85, \$1.90, and \$1.95.**

Only a select few trades got even close to these increases. These Journeymen increases will cost an additional \$12,000 + per year for every Journeyman in the last year of this contract. These increases will cost us more hours and customers, but we had a tough choice to make. Your Employers have to balance their desire to give you a fair increase to enable you to deal with your budget against the reality of losing some customers as they do it.

2. Same wages and wage increases for ALL Journeymen.

MCA believes strongly that the service side is in real trouble and we are losing customers and hours to non-union competition. Therefore, we had proposed in an earlier wage package proposal: (1) a transportation allowance that provided service employees with a significant increase but also recognized that they get free fuel, and the great benefit they receive in the use of a company vehicle; (2) unlimited MES tonnage, common in other MI UA Locals, that would help us against non-union competitors, while requiring more of MES workers and for higher pay.

Nonetheless, to try to get this deal done, we dropped both proposals, so that all Journeymen get the same increase, and the tonnage is the same as the National Agreement.

3. No mandatory training.

Your Employers believe strongly that, to fight off non-union competition and keep our customers, we have to focus even more on training in order to differentiate ourselves. Therefore, we originally proposed mandatory training as other UA locals have done. Nonetheless, to try to get this deal done, we withdrew the mandatory training language. Our latest offer proposes only voluntary training and, importantly, offers money incentives for workers who decide to take further training.

This proposal focuses on Apprentice and MES training and encouraging Apprentice employment. Apprentices who put in extra time to acquire welding skills will get up to \$4 in increases for passing certain welding certifications. MES will get an extra \$1 for completing 120 hours of training and \$2 for completing the UA STAR exam.

There are many reasons why this proposal does not include retroactivity:

1. Service or Time & Material jobs are billed at the rate in effect when the work is done. Customers will not pay a second bill submitted weeks after a job is completed just because retroactive raises were agreed to *after* the work is done.
2. Project Labor Agreements and National Maintenance Agreements do not require retroactive raises.
3. Parties that are guaranteed retroactivity no matter how long negotiations last have no incentive to bargain in good faith.

We all need this deal and we need it now. Why is it so important?

1. Every day without a deal is a day with no wage increase.
2. It causes customer uncertainty. They are constantly deciding what projects to plan and release and whether to accept non-union bidders.
3. For our industry, every day without a deal makes us look bad to general contractors, end user customers, our competitors, and the public.
4. For all of us, the high mid-summer unemployment we are suffering is partly due to customers leaving because of past price increases. Make no mistake, if we cannot all agree now on a contract that contains these high wage increases in Michigan's sick economy, more customers will leave.
5. In our past notices, we detailed how bad our economy and industry are and how that affects all of us. Unfortunately, things are getting even worse. Projects have been delayed or cancelled. The fact that we have workers on the bench in what always is one of our busiest months is troubling, and there is no guarantee that it will get better anytime soon.

Let's get this deal done now!

Note: We have developed this mailing list from several sources including the internet. If you are not a UA member, please discard this and accept our apology for bothering you. We will stop sending you communications whenever we are notified by you at info@mcadetroit.org. If you would like to get email updates of negotiations from the Employer perspective please email us at info@mcadetroit.org. Your email address will not be furnished to anyone.