

**FROM: Joseph C. Savia, Sr.  
Business Manager**

**CONTRACT**

The first step of negotiations is done. We have a contract, listed below is a Summary of the Finalized Contract:

- Construction and Service Trade Journeyman Rates to be increased by \$2.75, \$2.75 and \$2.75 resulting in a total increase of \$8.25 over three years.
- Increase retroactive back to August 1, 2007 for all members
- Helper rates to increase \$1.00, \$1.00 and \$1.00 resulting in \$3.00 over three years.
- Helpers to begin receiving Travel Pay
- Travel pay increased to \$5.00 and \$8.00 per zone, from \$3.00 & \$6.00
- Car Allowance increased to \$10.00 per day and \$.45 per mile after 20 miles, from \$8.00 and \$.35.
- Residential Tradesmen to increase \$3.00, \$1.75, \$1.75 resulting in \$6.50 over 3 years
- No licensing requirements
- No change in the Apprentice Ratio.
- Prior notification for holidays is unchanged.
- Prior notification for overtime will change to two working days.
- All other exceptions remain the same.
- Dues Check Off to be implemented by all employers no later than January 1, 2008
- Mechanical Helpers must be under the direct supervision of a Journeyman
- Added 175,000 BTU heating limitation for Residential Tradesmen
- Contractor will provide safety glasses
- Employer will provide portable toilets on jobsites, when not provided by General Contractor
- Lunch break moved to mid point of shift.
- The Standards of Excellence will be incorporated into the contract. To simplify the wording of the Standards of Excellence – if you are discharged “for cause” (Absenteeism, Tardiness, Insubordination, Safety Violation, Poor Work Performance or Violation of Company Policy) three times in a twelve month period, the discharges will be reviewed by a three member committee, consisting of one Local 602

Member, one person selected by the MCA, and a neutral party which will be agreed upon by both Local 602 and the MCA. This committee will review the circumstances behind the three terminations and make a recommendation, for example additional training, an Employee Assistance Program or some remedy to help the member. There is no language in the Standards of Excellence promoting expulsion of the member.

*Effective 8/1/2007 the total wage packet will increase by \$2.75 per hour for journeymen and appropriate percentages for apprentices. The following is a breakdown of wages, contributions and deductions, To Be Determined.*

		1st Year	2nd Year	3rd Year	4th Year	5th Year
		Apprentice	Apprentice	Apprentice	Apprentice	Apprentice
	Journeymen	47%	55%	65%	75%	80%
Straight Time.....	\$34.02	\$16.62	\$19.45	\$22.11	\$25.52	\$27.22
Time & One-Half.....	\$51.03	\$24.94	\$29.18	\$33.17	\$38.27	\$40.82
Double Time.....	\$68.04	\$33.25	\$38.91	\$44.23	\$51.03	\$54.43
Working a Paid Holiday, Holiday Pay and One and One-Half	\$85.05	\$41.56	\$48.63	\$55.28	\$63.79	\$68.04
Shift Work @ 15% 5 days	\$39.12	\$19.12	\$22.37	\$25.43	\$29.34	\$31.30
<b>Employer Contributions</b>						
Medical Fund	\$5.61	\$5.61	\$5.61	\$5.61	\$5.61	\$5.61
Pension Fund	\$5.54	\$.25	\$.35	\$.45	\$.55	\$5.54
RSP	\$1.35	\$0.00	\$0.00	\$1.35	\$1.35	\$1.35
Apprenticeship Fund	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27
Int. Training Fund	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Industry Fund	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09
Communication/ Productivity Fund	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
<b>Total Package</b>	<b>\$46.97</b>	<b>\$22.93</b>	<b>\$25.86</b>	<b>\$29.97</b>	<b>\$33.48</b>	<b>\$40.17</b>

1st year and 2nd year Apprentice no RSP. \$34.02 base rate + 1.35 used to calculate wage rate, for a total of \$35.37.

### Mechanical Helper

*Wage and Fringe Payments, effective August 1, 2007.*

<i>First Year .....</i>	<i>\$11.25</i>
<i>Time &amp; One-Half.....</i>	<i>\$16.88</i>
<i>Double Time .....</i>	<i>\$22.50</i>
<i>Working a paid holiday,</i>	
<i>Holiday pay &amp; One and One-Half</i>	<i>\$28.13</i>
<i>Shift Work @ 15% 5 days .....</i>	<i>\$12.95</i>

<i>Second Year .....</i>	<i>\$11.75</i>
<i>Time &amp; One-Half .....</i>	<i>\$17.63</i>
<i>Double Time .....</i>	<i>\$23.50</i>
<i>Working a paid holiday,</i>	
<i>Holiday Pay &amp; One and One-Half .....</i>	<i>\$29.38</i>
<i>Shift Work @ 15% 5 days.....</i>	<i>\$13.51</i>
<i>Third Year .....</i>	<i>\$12.60</i>
<i>Time &amp; One-Half .....</i>	<i>\$18.90</i>
<i>Double Time .....</i>	<i>\$25.20</i>
<i>Working a paid holiday,</i>	
<i>Holiday Pay &amp; One &amp; One-Half.. ..</i>	<i>\$31.50</i>
<i>Shift Work @ 15% 5 days.....</i>	<i>\$14.49</i>
<i>Fourth Year.....</i>	<i>\$13.90</i>
<i>Time &amp; One-Half .....</i>	<i>\$20.85</i>
<i>Double Time .....</i>	<i>\$27.80</i>

**Residential Tradesmen.** \$3.00 per hour increase effective 8/1/2007 – 7/31/2008, \$1.75 per hr. increase 8/1/2008 - 7/31/2009, \$1.75 per hr. increase 8/1/2009 - 7/31/2010.

Straight Time .....	20.60
Time & One-Half .....	30.90
Double Time .....	41.20
Working a Paid Holiday,	
Holiday Pay and One	
& One-Half.....	51.50
Shift Work @ 15% 5 days.....	23.69

**ON TUESDAY, OCTOBER 2, 2007, PRIOR TO THE REGULAR MEETING, THERE WILL BE A SPECIAL CALLED MEETING AT THE UA MECHANICAL TRADES SCHOOL, 8509 ARDWICK ARDMORE ROAD, TO VOTE ON THE DISTRUBITON OF WAGES. PLEASE PLAN TO ATTEND.**

**Address Changes**

Please note the UNION HALL has NOT Moved, the Fund Office MOVED.

**Change of Address**

The amount of mail that is returned to this office is unbelievable, and with each item being mailed at \$.41, a waste of money. Please make sure to contact this office when you move and advise of the new address.

**Substance Abuse Issues**

The Substance Abuse program has started and is meeting at the Union Hall on Thursdays at 4:30 p.m.. This program is offered to ALL members and dependents. Remember, it is never to late to attend. There is NO cost and anonymous participation.

**Windbreakers**

Orders are still being accepted for the pull over v-neck windbreakers. The cost is \$35.00. If you wish to order, please mail your name, address, telephone number and size. These can only be ordered in groups of 30. You will be notified when your order is received.

### **Feedback**

This is your newsletter, anything you wish to see put in here, let me know.

### **Reminder**

Remember to change your beneficiaries as soon as you need to, any change of events in your life should warrant a change in your beneficiary.

### **KOREAN WAR VETERANS MEMORIAL PLAQUE**

We are currently in the process of gathering names of all members of Local 602 who served in the Korean War (June, 1950 to July, 1953). If you served in the Armed Forces of the United States during the Korean War ear, please provide your Name, Branch of Service, Rank and Comments and mail to:

Steamfitters Local 602  
Attention: Bernie Thornberg  
8700 Ashwood Drive, Second Floor  
Capitol Heights, MD 20743

The plan is to gather all the names of those who served this country during the Korean War and place the names on a Plaque to hand on the wall in the Union Office.

### **THIS 'N THAT**

### **BIG WINNER**

Bob "Reddog" Mumford was the winner of the 50/50 raffle held at the September Union Meeting.

### **LATEST RETIREES**

Daniel Bostick	July 1, 2007
William I. Fields	August 1, 2007
Leo Getgen	July 1, 2007
Robert Geoghegan	June 1, 2007
Robert S. Hurt	July 1, 2007
James Kennedy	June 1, 2007
Joseph W. Ramsey Sr.	August 1, 2007

### **SICK BAY**

Ernest Weisman is going into Johns Hopkins for some bone cancer testing.

## **SYMPATHY**

Our heartfelt sympathy to the family of Bob Jarrett and Mike Jarrett on the recent loss of their father/grandfather.

Our heartfelt sympathy to the family and friends of the following members:

Brother Frank A. Pitt, died August 25, 2007. Brother Pitt was 33 years old and had been a member since March 1, 2005. Death #1272.

Retiree William C. Corbin, died August 23, 2007. Brother Corbin was 84 years old and had been a member since July 2, 1957. Death #1273.

Retiree F. Mike Davis (Killer), died September 2, 2007. Brother Davis was 63 years old and had been a member since August 4, 1964. Death #1274.

**THE CURRENT DEATH IS NO. 1274. ANY MEMBER  
NOT PAID THROUGH DEATH NO. 1274 IS IN ARREARS.**

## **WHAT'S NEW IN TRAINING**

Saturday Journeyman Training classes are now forming and will start on Saturday, November 3, 2007. Classes are open to all Local 602 members. The following classes are offered:

1. Welding (5P, 7018, Hili Arc, Pipe Welding Certification): Instructors – Robert Perry, Justin Bateman and Derrick Ferguson. 100 hours.
2. Advanced A/C Chillers: Instructor George Barberoglou. 100 hours.
3. Advanced Refrigeration Reciprocating, 20 to 100 tons: Instructor John Bean. 100 hours.
4. Basic / Advanced Electricity: Instructor Robert Johnson. 100 hours.
5. High Purity Piping: Instructor – Larry Tyrrell. 100 hours.
6. Special Seminars:
  - a. Variable Speed Drives: Instructor Fred Lohr. 20 hours. This class will start on Saturday, January 5<sup>th</sup>, 2008 at 7:00 AM and will run for (4) Saturdays.
  - b. Introduction to EMS: Instructor King Thomas. 50 hours. This class will start on Saturday February 2<sup>nd</sup>, 2008 at 7:00 Am and will run for ten (10) Saturdays.
  - c. Medical Gas: Instructor – Kevin Knighton. 40 hours. Dates and times to be determined

Foremen's Training Classes will be held beginning on October 15, 2007, to be held Monday and Wednesday's from 5 to 8 p.m. at the UA Mechanical Trade School, 8421 Ardwick Ardmore Road, Room S104. Instructor – Ernie Brady

Please call the school (301-341-1555) for more information and to register for any of the Seminars. All other classes are on a walk in basis, provided there is space available, to all Members of Local 602.

From Kevin Sullivan, Business Agent

After three months of negotiations we have finally reached an agreement with the Mechanical Contractors' Association. At the onset of negotiations we had our Agenda and they had theirs. Some of their wants and ours were:

MCA: Work 40 hours before any overtime. Do away with all exceptions to the rule.  
602: Double Time after 15 hours of time and one half  
MCA: Incorporate the UA Standard of Excellence into the Agreement.  
MCA: A 3% pay increase (\$1.33)  
602: \$5.00 per hour pay increase  
602: Break after 10 hours  
MCA: Holiday Pay and Pay increases tied into the Journeyman having a HVAC license.  
602: For every week where a man works 40 hours he be given 1 hour credit towards vacation.  
MCA: Introduce a sub-journeyman (installer) classification; \$20.00 mechanic .  
602: Rates for supervision tied into % of wages – 10-15%  
MCA: Introduce a 1 apprentice to 1 journeyman ratio (currently 1 to 3)  
602: Double time for servicemen on non-scheduled work on Sundays  
602: Double time for hours after 20 hours of time and one-half for servicemen  
MCA: Eliminate double time for servicemen on Sunday.  
602: Increase wages for Residential Mechanics and Helpers  
MCA: Restrict Officer's access out on a job until approved by the company (Sullivan Rule)  
602: Change the parameters to qualify for holidays from working 2 weeks prior to 1 week  
MCA: Employee's to furnish their own tools  
602: Increase the travel pay for apprentices and holidays  
MCA: Gasoline reimbursement to employers based on miles from Capitol Beltway to members' home.  
602: Bathrooms for employees if general contractor not fulfilling their responsibility.  
MCA: All members to hold smart card

Over the 3 months of negotiations there were items that the contractors dropped while others they were not letting go. The 40 hours worked before time and one half is part of the agreement; with the exception of a few excused absences. We did not want to make any changes to this policy but, with Local 5 agreeing on 5 days notification it put us in a bad position. This point was hotly contested and with the hole we were put into, we did

not claw all the way out. Now, you must notify your boss two days in advance if you take off or it may affect your overtime.

Holiday prior notification remained at the end of the previous shift. If you miss work because of a doctor's visit, you are still entitled to your holiday. We were asking that if you miss because you had to take your child or spouse to the hospital that you not lose your holiday; the contractors objected/ Please let me know if you lose your holiday because you had to take your spouse or child to see a doctor. I would like to gather data for whoever negotiates our next contract.

Licensing tied into a pay raise along with the three strikes rule (Standards of Excellence) probably came from the contractor's reading the Electrician's Agreement. I do not know about the IBEW but I do know it is against the UA's Constitution to create two pay rates for a journeyman in the same jurisdiction; so that had to go.

The Standards of Excellence can be a good marketing tool to take to the customer and show them we have a policy in place where we can guarantee you members that are qualified at their trade, drug/alcohol free and they show up to work. This UA initiative, that eh contractors were pushing hard, has its pros and cons (next month's article).

The negotiations with the contractors were heated at times. We had disagreements amount ourselves. I do not think I was alone in the fact that it was there when I laid down at night and there to greet me when I awoke. Please believe me, we had the best intentions of the Union as a whole during negotiations.

I would like to thank the members in their participation throughout negotiations. After Local 5 ratified their contract it seemed that the contractors were due in; unwilling to give us anything different. Through the efforts of many of our members' who sacrificed both money and their jobs, we were able to attain the offer that was put in front of us. Thank you for your efforts.

## **What's the Difference between a Defined-Benefit and a Defined-Contribution Plan?**

**By Bill Durkin – Organizer/Business Rep**

Employer-provided pensions are an essential part of retirement security. But fewer employers today provide pension benefits for their workers—and among those that do, many are offering “defined-contribution” rather than traditional “defined-benefit” pension plans.

Most union-negotiated pension plans are defined-benefit pension plans, which for decades have guaranteed retirees a fixed monthly income. These defined-benefit plans are usually funded entirely by employers through tax-exempt contributions and automatically cover all qualified employees. Since 1978, the number of defined-benefit plans plummeted from 128,041 plans covering some 41 percent of private-sector workers to only 26,000 today, according to the nonpartisan Employee Benefit Research Institute.

The U.S. Bureau of Labor Statistics finds 21 percent of workers in the private sector have defined-benefit pensions.

Many companies have eliminated their defined-benefit plans and others have reduced the value of benefits and shifted to providing benefits through 401(k)s and other defined-contribution plans. In these plans, the employer only contributes a fixed amount to the plan each year. Defined-contribution plans shift the investment risk and responsibility to individual workers and typically reduce corporate costs.

### Union Workers Have an Advantage in Pensions

Because they have a voice at work, union workers have an advantage in benefits and are much more likely to have pensions—and good pensions—than nonunion workers. Seventy-nine percent of union workers are covered by pension plans, compared with 44 percent of nonunion workers. And 70 percent of union workers have defined-benefit retirement coverage, compared with 16 percent of nonunion workers.

Local 602 has both a defined benefit plan which is your pension and a defined contribution which is your Retirement Savings Plan (RSP)

## SOLIDARITY

President, John P. Sullivan

### Reflections on Labor Day

One hundred twenty five years after the first spontaneous Labor Day we celebrate our past and ponder our future. In 1882 the standard workweek consisted of six ten-hour days. Labor was agitating for an eight hour day with the slogan, “Eight hours for work, eight hours for rest, and eight for what we will”.

On the first Labor Day, 10,000 workers in New York City walked off the job, joined their families, and marched from City Hall to Union Square. The “organizers” stated that workers and their families should have an eight-hour workday and a national holiday honoring American workers. What a wonderful and brave thing, that they did, that day.

How do we measure up to our ancestors in the labor movement? On the eve of our hallowed holiday, the United Nations reported that the United States “leads the world in labor productivity.” The average U. S. worker produces more wealth *per year* than any other nation in the world. Ireland came in second, trailing America by 14%.

In another measure of wealth productivity, the U.S. came in second to Norway in the amount of wealth created *per hour* of work. Norway’s output per hour is 6.6% greater than the United States.

Second in *hourly wealth* produced but first in *annual wealth* produced, isn’t there a contradiction here? No, not when you examine the difference in the hours worked per

year in America compared to the rest of the Western industrialized world. American workers work, on average, over 28% more hours per year than workers in Norway.

So where does Local 602 stand up today in regards to, “Eight hours work, eight hours rest, and eight hours for what we will”? Based on the average numbers used by our medical fund, members of Local 602 work 5% more hours than the average American worker.

On the construction side, fast-tracked, overtime jobs have become more the norm than the exception. On the service side, overtime has always equated with overall company profits. In general, a company can make more money or have a greater margin when they work a member on overtime compared to working the member on straight time. Remember that time and a half and double time rates do not extend into the benefit package.

Our International has always stated a goal to establish a 32-hour workweek. Through organizing and organization, with an effective wage and benefit package, we can not only prosper with their plan; we could also enjoy “eight hours for work, eight hours for rest, and eight hours for what we will.” On this Labor Day our challenge and demands remain. We still have work to do.

### **FROM WAYNE’S WORLD THE BODY IS THE MEMBERSHIP**

As our negotiations took place this year we had members who were watchers and those who took part. The Body is the membership, and in every body there are a lot of different parts. It takes all the parts to make the body work or it will be defective.

So are you a watcher or did you take part? There are many ways times the membership will not step up and bring what they have to offer to the table. We all have different ideas and we should make them known. The more our members stay involved, the better our Union will be. The Negotiation Committee was trying to take the members’ ideas from the beginning of negotiations and from each special called meeting back to the Contractors, so that they would feel like they were making a difference and giving the members what they were looking for. When you negotiate you confer with others in order to come to terms or bargain. You negotiation committee was doing just that, but they can only go 90% of the way, it takes the members to go that other 10% to make the contract.

The turn out we had (best ever) at our contract meetings showed the members did take that last step to make it happen. You were involved and I hope you stay involved. From now on when you come to a Union Meeting, bring someone along, it will only make our Union stronger, make a difference come to your Union Meeting.

Without you there is no Union!!!!!!!