



MEMORANDUM

January 28, 2005

TO: SMWIA Business Managers
SMACNA Chapter Executives

FROM: Michael J. Sullivan
General President, SMWIA

Charles Corbett
Executive Director of Labor Relations, SMACNA

RE: A-01-05 Standard Form of Union Agreement

The SMWIA and SMACNA Labor Committees have reached agreement on the A-01-05 Standard Form of Union Agreement (SFUA). That agreement has been ratified by the SMWIA and SMACNA and is strongly recommended for adoption by SMWIA Local Unions and SMACNA Chapters. The A-01-05 version of the SFUA supercedes the A-07-01 version issued in 2001.

The changes to the new standard form reflect a joint commitment to strengthen local partnerships and improve the organized sector's competitive position.

The SFUA is a model collective bargaining agreement outlining labor policies of the two national organizations and recommended for adoption by local bargaining units. The majority of local building trades' agreements incorporate the model, with addenda for local conditions. The document also provides for the industry-wide system of grievance and interest arbitration.

Local parties may be called upon to open their agreements to incorporate the revisions. Under Article XVI of the A-7-01 SFUA, when amendments to the SFUA are adopted by SMWIA and SMACNA, either party to the local agreement, upon the service of notice to the other party can have the local agreement reopened thirty days thereafter for the sole and only purpose of attempting to negotiate such amendments into the local agreement for its duration. There shall be no strike or lockout over this issue.

Attached is a copy of the text of A-1-05. The revisions can be summarized as follows:

- Adds HVAC systems and exhaust systems to scope of work (Article I)
- Provides for deduction of SMWIA dues from wages when authorized in writing
- Includes a make-up day for inclement weather to be paid at the regular hourly rate of pay, when mutually agreed between the local union and employer.
- Provides that locally negotiated travel pay provisions be applied fairly while not placing contractors at a competitive disadvantage due to geographic location.
- Includes provision requiring 401(k) plan reciprocity for traveling employees.
- Permits an owner-member to be counted as a journeyman sheet metal worker satisfying the requirement that each employer employ at least (1) journeyman sheet metal worker who is not a member of the firm.
- Provides that a party that unsuccessfully challenges a grievance arbitration award shall be liable for the costs and attorneys' fees of the opposing parties in the legal proceedings.
- Clarifies that representatives of the NJAB, SMACNA and SMWIA serve as arbitrators under the Article X dispute resolution system.
- Clarifies that the Joint Apprenticeship and Training Committee be composed of an equal number of trustees and that there shall be a minimum of 4 trustees.
- Provides a recommended wage scale for fifth year apprentices where applicable of 80% for the first half and 85% for the second half.
- Clarifies that the Standard Form of Union Agreement is a model document recommended by SMWIA and SMACNA for local adoption.

Also attached is an article-by-article description of the significant changes.

The new SFUA and an annotated draft showing the exact revisions from the previous version is available on the labor relations section of the SMACNA website at www.smacna.org and in the Resource section of the SMWIA website at www.smwia.org. A copy of the new SFUA is attached.

Enclosures

**List of Major Changes to SFUA A-1-05
(by Article)**

Article I, Section 1(a) (Scope of Work): Added HVAC systems and exhaust systems.

...and of all HVAC systems, air veyor systems, exhaust systems, and air handling systems...

Article V New Section 4 (Union Membership): Added dues deduction language as follows:

The Employer agrees to deduct Union dues, assessment or service fees (excluding fines and initiation fees) from each week's pay of those employees who have authorized such deductions in writing, irrespective of whether they are Union members. Not later than the twentieth day of each month, the Employer shall remit to the designated financial officer of the Union the amount of deductions made for the prior month, together with a list of employees and their Social Security numbers for whom such deductions have been made.

Article VI (Hours of Work and Work Week) : A make-up day provision was added in Section 1 as follows:

A make-up day may be scheduled for work missed due to inclement weather, when mutually agreed between the Local Union and Employer. The make-up hours shall be paid at the regular hourly rate of pay.

Article VII New Paragraph, Section 2 (Travel Pay): New travel language was added to Section 2 as follows:

The parties intend travel pay to fairly compensate employees for travel, not to place contractors at a competitive disadvantage due to geographic location or to create artificial barriers against out-of-area contractors.

Article VIII New Paragraphs, Section 8 – (Health and Welfare reciprocity): Added new reciprocity language for 401(k) contributions as follows:

When sheet metal workers are temporarily employed outside the jurisdiction of their home local union, the parties signatory to this agreement shall arrange to transmit any 401(k) contributions required to be made to a 401(k) plan where the work is performed to a 401(k) plan established for the employee's home local union, and/or to the National Supplemental Savings Fund.

This obligation is conditioned upon a suitable reciprocity arrangement being agreed to by the trustees of such plans.

Article VIII, Section 11 (Journeyman Requirement): Added language permitting an owner-member to be counted as the journeyman as follows:

However, it will be permissible for an owner-member to be the journeyman sheet metal worker.

Article X, Section 3 (Grievance Procedure): Word change as follows:

.....an Employer who is party to the Labor Agreement of the area in which the work in dispute is performed, but has no permanent shop within the area served by the Local Joint Adjustment Board that rendered the unanimous decision, **may** ~~shall~~ also be entitled to appeal a deadlocked or unanimous Local Joint Adjustment Board decision, and request a Panel hearing.

Article X, Section 6 (Grievance Enforcement): Added language regarding unsuccessful challenges to panel and/or NJAB decision as follows:

Any party that unsuccessfully challenges the validity of an award in a legal proceeding shall also be liable for the costs and attorneys' fees of the opposing parties in the legal proceedings.

Article X, New Section 11 (NJAB representatives): Added language clarifying role of arbitrators as follows:

In administering and conducting dispute resolution activities under the arbitration procedures of the Standard Form of Union Agreement, the National Joint Adjustment Board, the Sheet Metal Workers' International Association, the Sheet Metal and Air Conditioning Contractors' National Association, Inc. and their representatives, are functioning as arbitrators and not as the representative of any entity that is party to such dispute. Therefore, they shall enjoy all the rights, privileges, and immunities afforded to arbitrators under applicable law.

Article XI, Section 1: (Joint Apprenticeship and Training Committee)

Deletes specific reference to number of members on Joint Apprenticeship and Training Committee and states minimum number of required trustees:

All duly qualified apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of *an equal number of trustees, half of whom shall be selected by the Employer and half by the Union. There shall be a minimum of 4 trustees....*

Article XI, Section 6 (Apprentice Wage Scale): Added new fifth year apprentice scale where applicable:

Fifth year (where applicable) –First half 80% - Second half 85%

New Paragraph above signatures: Added a disclaimer explaining that SFUA is a recommended form document:

The Standard Form of Union Agreement is a recommended contract form that is revised from time to time by the Sheet Metal Workers' International Association and the Sheet Metal and Air Conditioning Contractors' National Association, Inc. In establishing such a recommended contract form, neither the Sheet Metal Workers' International Association, nor the Sheet Metal and Air Conditioning Contractors' National Association, Inc. has acted as the bargaining representative of any entity that may adopt all or part of the language of the Standard Form of Union Agreement. Furthermore, neither the Sheet Metal Workers' International Association nor the Sheet Metal and Air Conditioning Contractors' National Association, Inc., shall be deemed to be a party to any such collective bargaining agreement including such language.