

MEMORANDUM

DATE:	March 18, 2015
то:	SMACNA Contractors and Chapter Executives
FROM:	SMACNA Contractors and Chapter Executives Deborah Wyandt, SMACNA Executive Director of Labor Relations and Human Resources
SUBJECT:	SMART's Consolidated National Agreement for Industrial Construction Available

The International Association Sheet Metal, Air, Rail, and Transportation Workers (SMART) recently announced the availability of the attached stand-alone Consolidated National Agreement for Industrial Construction. Previously SMART had numerous specific industrial sector agreements. This new agreement is an attempt by SMART to consolidate those specific agreements into one general industrial agreement. Be advised, this agreement was developed and drafted <u>unilaterally</u> by SMART. SMACNA was not invited to negotiate or review the terms of the agreement prior to distribution.

(Many of the key provisions in the Consolidated National Agreement for Industrial Construction are, however, similar to those contained in SMART's stand-alone National Agreement for Industrial Paint Finishing Systems for the Automotive Industry. While SMACNA did not negotiate the terms of the automotive agreement, SMACNA was afforded the opportunity to review drafts of the unilaterally developed agreement and provide input from SMACNA's Labor Committee and contractors who perform work in automotive plants. The Automotive Agreement remains in effect and was distributed to all SMACNA members in April 2013. Several SMACNA members are signatory and working under the terms of the automotive agreement. Details of the automotive industry agreement are available on the Labor section of the SMACNA website (<u>www.smacna.org/docs/default-source/labor-relations/smart-automotive-agreement-4-8-13-pdf.Pdf?Token=C1EFB7E4-38B5-4C37-8A57-5D101930748C.</u>)

Key Aspects of the new Industrial Agreement are as follows:

Relationship with the SFUA and Local Collective Bargaining Agreements (CBAs):

The Industrial agreement supersedes the Standard Form of Union Agreement (SFUA), local agreements and addenda by only those items specifically set forth in the Consolidated National Agreement for Industrial Construction agreement. All other conditions of the SFUA and local agreements and addenda remain in full force and effect.



The local collective bargaining agreement covering the jurisdiction of the local where the Employer's home office or shop is located will be the exclusive governing collective bargaining agreement for terms, wages and working conditions of all employees performing work at the job site within the territorial jurisdiction.

Execution of the Industrial Agreement

The Industrial Agreement is between individual contractors and the SMART International Union.

As part of the agreement, the Employer agrees to notify the business manager of the job site local union of any work described in Article I, Section 4 (see below), which the Employer has been awarded prior to performing work on the project. In addition the job site Business Manager may request a pre-job conference between the Employer and the local. Finally, the Employer will advise the local as to the scope of work and the probable duration of project.

It is also a sound practice for SMACNA contractors who wish to become signatory to any National Agreement, including the Industrial Agreement, to discuss the matter with their local SMACNA Chapters.

Scope of the Industrial Agreement

Scope of the Consolidated National Agreement for Industrial Construction agreement set forth in Article I, Section 4 is defined as:

"a National Agreement covering conditions of employment of those employees of the Employer while working on projects beyond the territorial limits of the home local union jurisdiction who are engaged in: field installation, assembly, erection, dismantling, adjusting, maintenance; alterations and/or modification and reconditioning; unloading, handling, rigging and hoisting; of all ferrous or nonferrous metal work and all other materials used in lieu thereof, including but not limited to any and all types of industrial sheet metal work and equipment in connection with industrial projects such as but not limited to: the food processing industry (for human or animal consumption); the pulp and paper industry; the mining industry (including processing facilities); glass plants; breweries and distilleries; power plants (coal, LNG or nuclear); wood product plants and mills; aggregate plants (cement, limestone etc.); steel/aluminum mills, smelting plants and ferrous and non-ferrous foundries; petroleum and ethanol refineries; rubber, petrochemical and chemical plants; all dust collection systems (including compensating air systems)."

Please note the agreement specifically <u>EXCLUDES</u>: "air conditioning, heating and ventilating systems installed in building enclosures to provide human comfort, semiconductor and nanotechnology plants; all architectural sheet metal work and work scopes described by the SMWIA Building Enclosure Agreement; work scope described by the SMART National Agreement for Industrial Paint Finishing Systems and for the Automotive Industry; work scopes described by the SMWIA National Green, Energy and Testing Agreement; work scopes described by the SMWIA National HVAC Service and Facilities Management Agreement; work scopes described by the Sign

Industry Standard Form of Union Agreement and any other SMWIA National Agreements not listed herein or such other work as may be specifically excluded from coverage under mutual agreement between the parties. Furthermore, this Agreement shall not supersede any local or National Project Labor Agreements."

Enhanced Mobility

The first 4 employees may come from local unions outside of the jurisdiction of the job-site local. This does not include supervisory personnel. The 5th through 8th employees come from the job site local union. Employees 9, 11 and 13 can come from local unions outside of the job site local's jurisdiction. Employees 10 and 12 and all employees over 14 must come from the job site local.

If an employer has opportunities to secure work that requires <u>additional</u> mobility or classifications than provided in the agreement, the employer can use the application attached to the agreement to ask the SMART General President to consider modifications to the agreement on case by case basis.

Classifications

The classifications included in the agreement are journeyman, apprentices, pre-apprentices and industrial classified workers and (when such classifications are contained in the collective bargaining agreement where the installation is performed) will be employed on any work described in Article I.

Hours of Work/Premium Pay

The regular work day shall consist of either five (5) days of eight (8) hours labor on the job between 6:00 a.m. and 6:00 p.m., beginning with Monday and ending with Friday of each week or; four (4) consecutive days of ten (10) hours labor on the job between 6:00 a.m. and 6:00 p.m., beginning with Monday and ending with Friday of each week. The four (4) day, ten (10) hour schedule must last at least one week.

Saturday's are paid at one and one-half $(1\frac{1}{2})$ times the regular rate and Sundays and holidays shall be paid at two (2) times the regular rate.

Regular time rates of pay and shift differential will be no less than the rates and working hours negotiated in the Employer's home local for employees sent from the home local to the job site local. If more favorable conditions exist at the job site, job site conditions prevail.

Grievance and Interest Arbitration

Article X of the SFUA is the governing procedure for grievances and arbitration with the following exception: In the event that the parties are unable to resolve the grievance locally within ten (10) working days, the grievance shall proceed to Step 1B, where the grievance is assigned to an SMART International Representative who will work with the employer's labor relations manager in attempt to

resolve the matter. If the matter is not resolved at Step 1B, the matter advances to a Local Joint Adjustment Board (LJAB) and follows the remainder of the SFUA grievance procedure.

The industrial agreement contains Article X, Section 8 interest arbitration for contract renewals. <u>Please note, however, that Article X, Section 8 applies to renewals of the industrial agreement AND renewals of local collective bargaining agreements and wage and fringe reopeners</u>. This provision would have significant impact on contractors whose local building trades agreements do not provide for Article X, Section 8 interest arbitration.

Safety Training

All employees covered by the agreement are required to have **OSHA 10-hour training** as a condition of employment prior to being dispatched. Additionally, all employees covered by this contract whose duties include the supervision of other sheet metal workers and are considered a foremen, general foreman or supervisor are required to have 30-Hour OSHA Safety Training before being dispatched.

Other Key Provisions:

Article VI contains a Managements' Rights clause.

Article IX, Section 2 contains a no strike (union) and no lock-out (employer) clause.

SMACNA contractors who work in the industrial industry and have questions or would like to become signatory to the Consolidated National Agreement for Industrial Construction, should contact SMART, Director of Construction Craft Services, Charles Mulcahy at 202-662-0825; *cmulcahy@smart-union.org*. Additional questions may be directed to SMACNA's Labor Relations Department.