



Associated General Contractors of Greater Milwaukee  
Leading the Construction Industry Forward

## ASSOCIATED GENERAL CONTRACTORS OF GREATER MILWAUKEE

June 15, 2017

### LABOR RELATIONS RECAP: 2017 COLLECTIVE BARGAINING

2017 Collective Bargaining	2017	2018	2019
<b>Carpenters (NCSRCC)</b>	\$1.58 (3.0%*)	\$1.79 (3.0%)	\$1.85 (3.0%)
<b>Laborers, Local 113</b>	\$1.47 (3.0%)	\$1.26 (2.5%)	
<b>Cement Masons, Local 599, Area 558</b>	\$1.63 (3.0%)	\$1.54 (2.75%)	
<b>Bricklayers, Local 8</b>	\$1.75 (3.0%)	\$1.85 (3.1%)	

\*The 3.0% (\$1.74) is reduced by the anticipated cost increases to Apprenticeship wages and benefits

### NORTH CENTRAL STATES REGIONAL COUNCIL OF CARPENTERS

**Economics** – Following seven sessions, and over 43 hours of bargaining, the Union and Management agreed to a three-year Collective Bargaining Agreement, with 3.0% increases per year, or \$1.58 in year one, \$1.79 in year two, and \$1.85 in year three. The 3.0% increase in year one is reduced by the anticipated industry-wide costs of the increases to the Apprenticeship benefits, for a net increase of \$1.58.

#### Management

**Hours of Work** – The new agreement improves to the hours of work. The workday was expanded from 6:00 a.m. – 5:00 p.m. to 6:00 a.m. – 6:00 p.m. Employers may utilize a Saturday Make Up Day when time is lost due to weather related problems or conditions beyond the control of the contractor. The additional pay (i.e. 8 for 7.5 on 2<sup>nd</sup> shift, and 8 for 7 on 3<sup>rd</sup>) is replaced by a 7% premium for 2<sup>nd</sup> shift and 14% premium for 3<sup>rd</sup>. And, with notice to and approval by the Union, straight time may be used for Sunday shifts beginning on or after 6:00 p.m.

**SATAP** – The new agreement requires participation in statewide drug testing through the Construction Trades Substance Abuse Testing and Assistance Program (SATAP). The goal is to have employees participate in a statewide program, which is universally applied, and will lead to greater participation rates.

**Mandatory Journeyman Upgrade Training** – The new agreement formalizes the annual training requirements and separately requires safety and OSHA 30 Construction certification.

**Most Favored Nations** – The new agreement improves the current Most Favored Nations language, by requiring the Union to notify the associations and offer to meet and confer any time the Union enters into a separate agreement with an employer that contains more favorable wages and benefits.

**Right to Work** – The new agreement contains additional protective language, contained in the Union Security Clause, to offer additional protection against potential claims of violations of Wisconsin’s Right to Work law.

**Merger Ratification** – The bargaining parties now have ratification authority over fund mergers, on a prospective basis.

## Union

**Health Fund Merger and Annuity** – The new agreement contains language which enables an anticipated Health Fund Merger and plan redesign, which also contains an Annuity (i.e. Defined Contribution). The Annuity is effective June 1, 2017, and contributions are currently capped at \$0.25/hr., until the merger and redesign take effect; at which time the allocations of the contributions to the resultant Health/Annuity Fund will be determined by the Fund and the individual participants.

**Construction Business Group** – The new agreement contains contributions to the Construction Business Group (CBG) of \$0.05/hr. (\$0.03 as a Union contribution and \$0.02 as a management contribution). These contributions will be held in a joint Labor-Management Trust. The contributions are specifically designated to CBG’s enforcement efforts (e.g. worker misclassification). The Associations will have representation on the Labor-Management Trust and the CBG Board of Directors.

**Apprentices** – Apprentice benefits were increased and the Carpenter Assistant classification was eliminated and replaced with Pre-Apprentice classification. Pre-Apprentices are broken into two service periods, the 0-780 hours and 781-1560; period two to receive a 50% contribution to the Health Fund, and both periods to receive \$0.25/hr. to the Defined Contribution. Apprentices will also receive contributions to the Defined Contribution based on the respective service periods, as follows: \$0.25/hr. for period 1, \$1.75/hr. for periods 2-4, and \$3.00/hr. for periods 5-8. The two percent cap on contributions to the Apprenticeship Fund was also eliminated.

**Requirement of 2 Journeyman** – The new agreement eliminates the requirement that contractors employ at least two journeypersons.

**Discrimination** – The No Discrimination clause was expanded to come in line with State and Federal law.

**Payment of Wages** – For consistent administration of the pay week, payroll is now specified to be on a calendar week basis.

**IAP Indemnification** – The agreement now contains a Hold Harmless provision, whereby the Associations will indemnify the Union for any actions taken pursuant to the collections of the IAP/CA.



**Bonding Flexibility** – The new agreement contains an alternative to the surety bond/letter of credit requirement, permitting contractors to pay on a weekly basis, plus an additional 10%, into an escrow account, until the bonding requirements are satisfied.

**Central Depository** – Enabling language was introduced for a Central Depository of all fringe benefit contributions.

### Joint

**Name Changes** – The new agreement acknowledges the new labor relations relationship between AGC and ACEA, by eliminating reference to ACEA as the appointing authority for the Funds, and instead citing the Trust Agreements as the source of authority. References to the Chicago Regional Council are replaced with the North Central States Regional Council.

**Labor Management Review Council** – Several industry-wide issues were discussed that, given the time constraints of collective bargaining, could not be thoroughly addressed. As a result, the parties agreed to create a Labor Management Review Council to meet quarterly and discuss trade and industry issues based on each side’s long-term goals; competitiveness of union construction is a primary example of a management concern to be addressed.

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## LABORERS, LOCAL 113

**Economics** – Following three sessions, and over 11 hours of bargaining, the Union and Management agreed to a two-year Collective Bargaining Agreement, with a 3.0% (\$1.47) wage increase in year one and a 2.5% (\$1.26) increase in year two.

### Management

**Right to Work** – The new agreement contains additional protective language, contained in the Union Security Clause, to offer additional protection against potential claims of violations of Wisconsin’s Right to Work law.

**Mandatory Journeyman Upgrade Training** – The new agreement formalizes the annual training requirements and separately requires safety and OSHA 30 Construction certification.

**IAP/CA Opt-Out** – The new agreement eliminates the IAP Opt-Out provision, which had permitted signatory contractors, who had not assigned their collective bargaining authority to either association, the option of opting out of paying the IAP/CA. This change ensures that the associations are adequately compensated for their efforts in collective bargaining.

**SATAP** – The new agreement requires participation in statewide drug testing through the Construction Trades Substance Abuse Testing and Assistance Program (SATAP). The goal is to have employees participate in a statewide program, which is universally applied, and will lead to greater participation rates.

## Union

**Scope of Work** – The term “Tenders,” and the definition that followed, was eliminated and replaced with “Servicing” and a more comprehensive definition to include all the trades the Laborers service and the equipment utilized. “Scaffolding” was expanded to include mechanical and Hydro-Mobile scaffolding, regardless of height. “Concrete, Bituminous Concrete and Aggregates” was expanded to include a more comprehensive definition of the scope of the work and the equipment and tools utilized. “Use of Tools” was expanded to include a more comprehensive definition of the equipment and tools utilized.

**General Rules** – The general rules were expanded to include a more comprehensive definition of the equipment and tools utilized. The general rules were also expanded to create a requirement that sub-contractors, who are signatory to the agreement, comply with the jurisdictional requirements of the agreement.

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## **CEMENT MASONS, LOCAL 599, AREA 558**

**Economics** – Following five sessions, and 16 hours of bargaining, the Union and Management agreed to a two-year Collective Bargaining Agreement, with a 3.0% (\$1.63) wage increase in year one and a 2.75% (\$1.54) increase in year two.

## Management

**Right to Work** – The new agreement contains additional protective language, contained in the Union Security Clause, to offer additional protection against potential claims of violations of Wisconsin’s Right to Work law.

**Hours of Work** – The new agreement improves the hours of work. The work day was expanded from 8:00 a.m. – 5:00 p.m. to 7:00 a.m. to 5:30 p.m. Saturday or Extended Work Week was expanded to include inclement weather, conditions beyond the control of the employer, or on a voluntary basis for employees; and the triggering number of lost hours was reduced from 8 hours to 4.

**SATAP** – The new agreement requires participation in statewide drug testing through the Construction Trades Substance Abuse Testing and Assistance Program (SATAP). The goal is to have employees participate in a statewide program, which is universally applied, and will lead to greater participation rates.

**Mandatory Journeyman Upgrade Training** – The new agreement formalizes the annual training requirements and separately requires safety and OSHA 30 Construction certification.

**Transparency (Favored Nations) Clause** – The new agreement contains a variation of the Most Favored Nations clause, which is entitled “Transparency Clause.” This clause will require the Union to provide notice to the Associations anytime it enters into a separate agreement with an employer, and requires the Union to provide copies of said agreement upon request. This clause is necessary to ensure transparency.

## Union

**Laser Guided Screenshot** – The scope of work was increased to include the operation of machines that screeds concrete, including any laser guided screed system.

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## **BRICKLAYERS, LOCAL 8**

**Economics** – Following eight sessions, and almost 20 hours of bargaining, the Union and Management agreed to a two-year Collective Bargaining Agreement, with a 3.0% (\$1.75) wage increase in year one and a 3.1% (\$1.85) increase in year two.

## Management

**SATAP** – The new agreement requires participation in statewide drug testing through the Construction Trades Substance Abuse Testing and Assistance Program (SATAP). The goal is to have employees participate in a statewide program, which is universally applied, and will lead to greater participation rates.

**Mandatory Journeyman Upgrade Training** – The new agreement formalizes the annual training requirements and separately requires safety and OSHA 30 Construction certification.

**IAP/CA Opt-Out** – The new agreement eliminates the IAP Opt-Out provision, which had permitted signatory contractors, who had not assigned their collective bargaining authority to either association, the option of opting out of paying the IAP/CA. This change ensures that the associations are adequately compensated for their efforts in collective bargaining.

**Right to Work** – The new agreement contains additional protective language, contained in the Union Security Clause, to offer additional protection against potential claims of violations of Wisconsin's Right to Work law.

**Hours of Work** – The new agreement improves the hours of work by expanding the use of Make Up Days to include Saturdays at straight time.

**Light Duty** – The parties agreed to a Light Duty Work provision, at the option of the employer, if an employee has suffered a job-related injury. This provision would pay at 50% the normal rate of pay, full benefits, and Worker's Compensation temporary partial disability.

## Union

**Pointing, Caulking and Cleaning** – The new agreement expands and clarifies the scope of work for pointing, caulking, and cleaning.

**Robotics** – The new agreement contains a provision ensuring the Bricklayers' retain jurisdiction over any robotic or mechanical device used for the installation of masonry units and materials.



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**JATC Trust Merger Enabling Language** – The new agreement contains a provision that acknowledges that, should the Apprenticeship and Training Fund merge, the contributions will be sent to the surviving fund as required by the surviving Trust Agreement.

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## CONCLUSION

Thanks to the dedication and leadership of the members of our bargaining committees, the AGC has had a successful bargaining season. In an attempt to highlight those efforts, on June 21<sup>st</sup>, the AGC will be hosting a discussion regarding the accomplishments of our bargaining committees, as well as reviewing the major changes to the collective bargaining agreements. Once all agreements are ratified, and the wage allocations are finalized, we will provide a Labor Relations Recap to AGC Members and IAP contributors.

Should you have any questions, or for further information regarding AGC's labor relations efforts, contact Nathan Jurowski, AGC General Counsel, at [njurowski@agc-gm.org](mailto:njurowski@agc-gm.org) or at (414) 778-4104.



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