

110 CONNECTION LINE

October 2009

CURRENT LINE

By Mike Redlund
Business Manager/Financial Secretary
IBEW Local 110

Local 110 Upcoming Events

Brother and Sisters:

We are all aware of the poor work environment that has taken and continues to adversely affect our membership. I am convinced it will get better, but it will probably be another year. What really concerns me is the continued growth in the non-union. These contractors are now performing work for both customers and general contractors which traditionally used our union contractors. I recently attended an IBEW conference, where President Hill stated the IBEW in ten years will be sustainably different than it is now. Some have said we will have to take two steps backwards to preserve the IBEW. I hope this will not be a prolonged set back.

I could list many political issues which are negatively affecting us in Minnesota, but I am not going to go into specifics at this time.

I am reaching out to our Republican members to become involved in their party's policy making. We know 30%-40% of our members vote republican. We need your help in getting candidates who understand and support our issues. As a recent poll showed that for the first time 51% of the people feel that unions are not needed. Conservative talk show hosts and republican leaders continue to bash and blame unions for this countries economic problems. It is always interesting to me, how unions could have caused these problems, when unions represent only 12% of the work force. If you take the public sector unions out of the equation, only 8-9% are unionized. If you look back in history, as unions got stronger the middle class grew strong. Unions peaked at about 35% of workers. If you need the facts on any issues please contact the hall and we will help educate you, so you will be able to educate your candidates.

As you are aware the health care debate continues. One thing I know, if changes don't happen soon, we will not be able to provide insurance as we have been accustomed. We cannot expect our contractors to continue to pay increases for this coverage. On average union electrician's cost 30% more than non union, the difference in total package price cannot continue to grow wider between union and non union. If this continues it will limit our ability to compete.

On October 20, 2009 we will be voting on the \$1.10, which was deferred at the April 2009 union meeting. This \$1.10 will be your decision to allocate to the wage/fringe package or once again defer to a later date. Doors will be open at 5:00 p.m. and the meeting will start at 6:00 p.m., the first order of business will be the allocation of the \$1.10

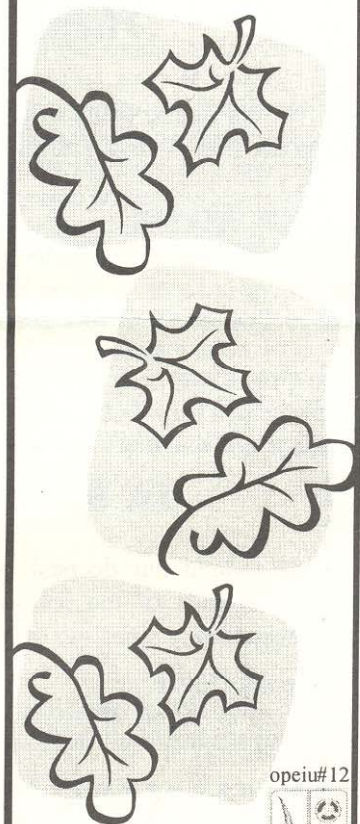
Fraternally,

Michael J. Redlund
Business Manager/Financial Secretary
Local Union 110

MJR/al

Oct. 20, 2009
Union Meeting

Oct. 24, 2009
completion of
Cannon Falls
Habitat for
Humanity Home



opeiu#12



From the Presidents Desk:

Get involved with our union; attend a Union Meeting. The meetings are on the third Tuesday of every month at 6:00 p.m., Lots of volunteer opportunities for St. Paul Holiday Lights coming up starting in November, call the hall for more details. Due to the high unemployment and underemployment of our members, I'm in favor of raising our working dues and using revenue for Market Recovery.

In Solidarity,

Jamie McNamara

Edward J. Linden Memorial Apprentice Scholarship

Local 110 and St. Paul JATC are pleased to announce that a Scholarship Fund has been set up in memory of **Edward J. Linden.**

Since the untimely death of Brother Linden, his wife Tienne Linden has set up a scholarship for apprentices who share Ed's colossal gratitude for his union and for the St. Paul Apprentice Program.

Eligibility for this scholarship asks that an apprentice be involved with the Local Union 110 functions by volunteering their time on projects such as Habitat for Humanity Houses, Holiday Lights in the Park, etc.; By participating in monthly union meetings and being involved with union picnics, Christmas parties, Parades, etc.

Apprentices wanting more information or to obtain an application form are asked to contact Ed Nelson at the JATC office (651) 772-8746 ext. 2773 or Ron Jarombek at the local union 110 office (651) 776-4239 ext. 710.

Thank you,
Ron Jarombek
Business representative

Thank You

I would like to thank everyone who participated in the E & A Golf Tournament this year.

Doug Suchanek
Business Representative

In Memoriam

We extend our deepest sympathy to the family and friends of the following member who has passed away since our last newsletter:

Ernest Hintze

Brothers and Sister:

Recently our business manager has decided to assign the limited energy stand alone agreement to three of the wireman business agents in our office so that I may better dedicate my time and efforts to our organizing efforts in the limited energy area. With that being said I would ask your assistance in this task that I have been assigned. As you may or may not know many of these non organized shops have their employees drive personal vehicles with no shop identified vehicles on jobsite. This makes it difficult many times in identifying where they might be working. In an effort to do my job of organizing more effectively I would ask that if you come across individuals working on your jobsite or see them working somewhere on your way to work or home that you would please call and leave a message with some basic information. Please provide an address or description of where it is you have seen them, if you have identified the shop's name, and how many employees are present if you become aware of that information. Any assistance you can provide in this effort will be greatly appreciated. Please contact me at 651-776-4239 ext. 719.

Thank you.

In Solidarity,
Rick Bieniek
Limited Energy Business Representative

Dear Brothers and Sisters,

As you know, last May, the membership decided to freeze \$1.10 of our negotiated increase until at least November 1, 2009. It was inferred that if we did not freeze our salary, contractors would lose work and many more members would be unemployed as our contractors would be priced out of the market. It was also mentioned that taking a wage freeze was not a concession, but the right thing to do. Local 292 also had the option to freeze wages, but elected to take the negotiated increase in full.

Whether or not you believe that freezing our wages for 6 months was the “right thing to do”, the question must be asked, “Have contractors been doing what’s right to secure work for our members?” Have contractors lowered their bid rates? Some may have, but I believe that most of the man-hours worked in our jurisdiction this summer were bid out with the full \$2.20 increase included. I have heard that our union contractors cannot compete with the non union when they have to pay us what they agreed to in the Collective Bargaining Agreement, yet they refuse to help themselves by taking advantage of options the IBEW has provided to help them compete, such as a two-to-one apprentice to journeyman ratio (which the non-union uses regularly) on projects under 20,000 square feet or \$75,000.00 electrical bid. Out of the 148 signatory contractors employing Local 110 members in our jurisdiction, less than 29% of them employ an apprentice to help them offset journeyman wages to lower their composite bid price. The five largest employers of local 110 journeyman members seem to operate at an apprentice to journeyman ratio of one apprentice to more than 17 journeymen, even though we have over 100 apprentices available. It is no wonder that they are having a hard time competing, but I believe they could be even more competitive by using six journeymen to one apprentice ratio than they can by us giving them a \$1.10 concession.

Our contractors continue to bring their higher priced Local 292 electricians to work in our area at a frequency that is equal to or greater than what it was last spring before we allowed Local 292 to get ahead of us by a \$1.10 in their total package. If it was so crucial for us to freeze our pay so our contractors could survive, how can they afford to continually use the higher priced Local 292 electricians instead of Local 110 members? Are they telling us that we are not as productive as 292, that we are subsidizing 292’s higher wages, or that they have increased their profit margins off the backs of 110 hands because we did the “right thing” last spring? Last May many people believed that if we took the pay freeze that 292 hands working in our jurisdiction would be replaced by the cheaper 110 hands, and/or the unemployment in the local would not rise as rapidly as it would if we took the full increase. Neither scenario has taken place. I have yet to meet a member that replaced a 292 hand in our area this summer, and the percentage of unemployment between 110 and 292 is comparable even though 292 received the full \$2.20 increase. On May 1, 2009 Local 110 was near 28% unemployment, and Local 292 was around 27%. As of September 22, 2009 Local 110 is around 32% and 292 is near 31%. *

Roughly on half of our working dues are used for Market Recovery to try to organize the non-union contractors and secure more work for our members. Unfortunately, as work hours have dropped, so have the funds available for Targeting jobs. There have been large jobs bid this summer that had several non-union electrical contractors bidding them, but because of the lack of funds, we were not able to target these projects. I believe that the “right thing” for us to do this October is to vote to increase our wages and benefits, and put the \$1.10 on the check (94 cents hourly wage, 13 cents vacation/holiday and 3 cents NEBF), and vote for a by-laws change this November increasing our working dues. It would cost roughly 40 cents per hour for each 1% working dues increase. By increasing dues we can increase the amount of money available for Market Recovery grants. With more money for Market Recovery we can help our contractors compete by Targeting jobs that have legitimate non-union competition bidding on them, giving them far greater dollar advantage than another \$1.10 wage freeze would. We could be assured that the \$1.10, the contractors may or may not use to compete if we were to freeze it, would be applied diligently to projects that need it rather than cutting wages of members working on jobs that have non-union competition. Taking the \$1.10 will also help us establish a higher Prevailing Wage rate which the non-union will have to follow when working on State and Federal projects. Unfortunately, I do not believe that there will be many jobs bid and worked on between now and next May when we have a new contract negotiated, so another \$1.10 wage freeze will be a little help in keeping members working on new projects this winter. I believe that current jobs, or those starting within the next month or so, have already been bid with the \$1.10 increase accounted for. When the 2010 construction season begins we will need to be ready to help our contractors compete against the non-union by building up our Market Recovery Funds over the winter and being able to aggressively target jobs when the work becomes available.

It is your \$1.10— wouldn’t you like to have some control over how the contractors are using it?
Please come vote this October.

In Solidarity,
Jeff Anderson
Business Representative

*Percent of unemployment was based off a total “A” membership of 1,950 members for Local 110 and 2,800 for 292, compared to the number of journeymen on respective locals’ “out of work” lists. Unemployed apprentices were not calculated into the percentages, but if added to our current out of work list, Local 110 is closer to 37% unemployment.

Greetings from the North,

It is no secret that there has been little private sector work in our area this summer. There was, however, many public sector jobs, schools, highways, treatment plants, etc. This is where we found much of our non union competition. We know sometimes when these projects are let at a substantially lower bid, our competition has a hard time making a profit *when they have to follow the rules*. Strong enforcement of the laws are the best way for us to compete and hopefully put our people back to work.

We just learned at the 2009 IBEW Membership Development Conference that for the second year in a row Local 110 was in the top 10 locals in the International for signing up new contractors.

We would like to welcome some of the newest contractors to our Inside Agreement:

Accredited Electrical Solutions
Denali Electric
Electric By Design
Energy Harvest Group
G R Electric

Kroeze Electric
Midwest Electric
Precision Electric Contractors
Kelley Connection
M & T Electric

In solidarity,
Mike Dombross
Business Representative

Health Care Reform

The IBEW supports the fight for REAL Health Care Reform.

Why Do We Need Health Care Reform?

- ◆ Health care premiums are increasing three times faster than wages or inflation
- ◆ Health insurance company profits have increased more than 1,000 percent during the past five years
- ◆ Workers who have health insurance now pay 68 percent more than they did in 2000
- ◆ Every thirty seconds, someone files for medical bankruptcy in the United States

The Status quo is unsustainable, and without action health care costs will crush families and businesses.

Five Points the IBEW Considers Essential for REAL Health Care Reform to Benefit Working Families

1. **A public health insurance option should be included.** This will provide competition for insurance companies, drive out waste, bring down costs, and guarantee affordable health care for all.
2. **Health benefits should not be taxed.** Taxing benefits will raise the costs for workers at a time when they need relief.
3. **Employers should be required to pay their share (Play-or-Pay).** This will keep companies that do not provide health care from shifting the costs to all of us.
4. **Small businesses should not be exempt.** Small IBEW employers provide health insurance for their workers, and exemptions put them at a competitive disadvantage for doing the right thing.
5. **Affordable coverage for pre-Medicare retirees should be offered.** Currently, workers who retire before age 65 have no affordable options for finding coverage on their own.