



SMART to Launch Phone App to Police Wage Equalization Compliance

SMART has announced that it has developed a SMART-Union App that will have a component allowing union members to scan union labels and transmit information to local unions to provide them with information to aid in the enforcement of wage equalization requirements in industry collective bargaining agreements (CBAs). The “Label It, Scan It, Report It” program is set to launch mid-September.

SMART views this initiative as a contract enforcement tool. The program, however, is likely to generate questions or concern from SMACNA members, particularly if the program has the potential to impact productivity in the shop or at the jobsite. SMACNA’s Labor Committee is currently studying the program so that SMACNA can provide guidance to contractors who may raise practical or legal concerns related to employee use of the app on their jobsites.

Details of the “Label It, Scan It, Report It” program can be found on the [SMART Union Website](#). In its program description SMART maintains that all fabricated materials must be labeled “every piece, every time”.

When scanned, the newly designed union labels will have a bar code that will allow the app to generate the following information:

- Which local union fabricated the product,
- Which employer the label was assigned to,
- The crew cost for the fabrication local union (based on an average crew cost calculated looking at a crew of 25 employees as set forth in the CBA),
- The crew cost for the job site local union (again based on an average crew cost – crew of 25 employees), and
- The amount of the differential between the two crew costs.

There is a button at the bottom of the app screen allowing the person scanning the material at

a jobsite to report the material by forwarding the information to the jobsite local union Business Manager.

The jobsite Business Manager is then supposed to follow-up with the fabricating local union Business Manager to confirm that wage equalization occurred. The fabricating local Business Manager is then supposed to contact the fabricating employer to confirm that wage equalization occurred and convey that information to the jobsite Business Manager. SMART's website materials on the label program contain a sample information request that a local union can submit to a contractor to ascertain whether wage equalization has occurred.

SMACNA members are urged to review fabrication and subcontracting provisions related to wage equalization in their home local and jobsite CBAs. Grievances alleging failure to wage equalize may be brought by the fabricating local union against fabricating employers in their home local jurisdiction. Jobsite local unions can grieve installing contractors for failure to wage equalize.

A sample grievance form was included in SMART's website materials promoting the app. The verbiage in the form letter sets forth SMART's position that if a contractor cannot show that the products were made in compliance with Article II, Section 2 subcontracting/wage equalization provisions of the SFUA, "the amount actually paid to workers who made products cannot be ascertained, then the amount to be paid is the entire price you paid for these products since any uncertainty in the amount of damages must be resolved against the wrongdoer". While violations and the amount of damages will ultimately be determined by industry arbitrators, SMART's position subjects contractors to paying twice for the purchased materials.

In a June 2015 directive to local unions, the international union advised that it is SMART's position that wage equalization money must be paid to the actual employees who perform fabrication and that arrangements that pool wage equalization money among all shop employees are prohibited. Given that directive, SMART's position would subject purchasers of products produced under a pooling arrangement to paying twice for the products.

The SMART app can be downloaded to iPhone or Android phones. The app stores being used require that all apps are available to the general public, so anyone, not just SMART members may download the app for free.

In addition to scanning union labels, the SMART app will allow users to:

- Report jobsite issues,

- Read the SMART Members' Journal,
- Visit union and benefit fund websites, and
- Contact the union.

SMACNA's Labor Committee will provide further updates and guidance to SMACNA Members and Chapters. Questions on the SMART "Label It, Scan It, Report It" program should be directed to SMACNA's Labor Relations Department.

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