



SHEET METAL & AIR CONDITIONING  
CONTRACTORS' NATIONAL ASSOCIATION

# Preparing for Bargaining

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SMARCA, Inc.

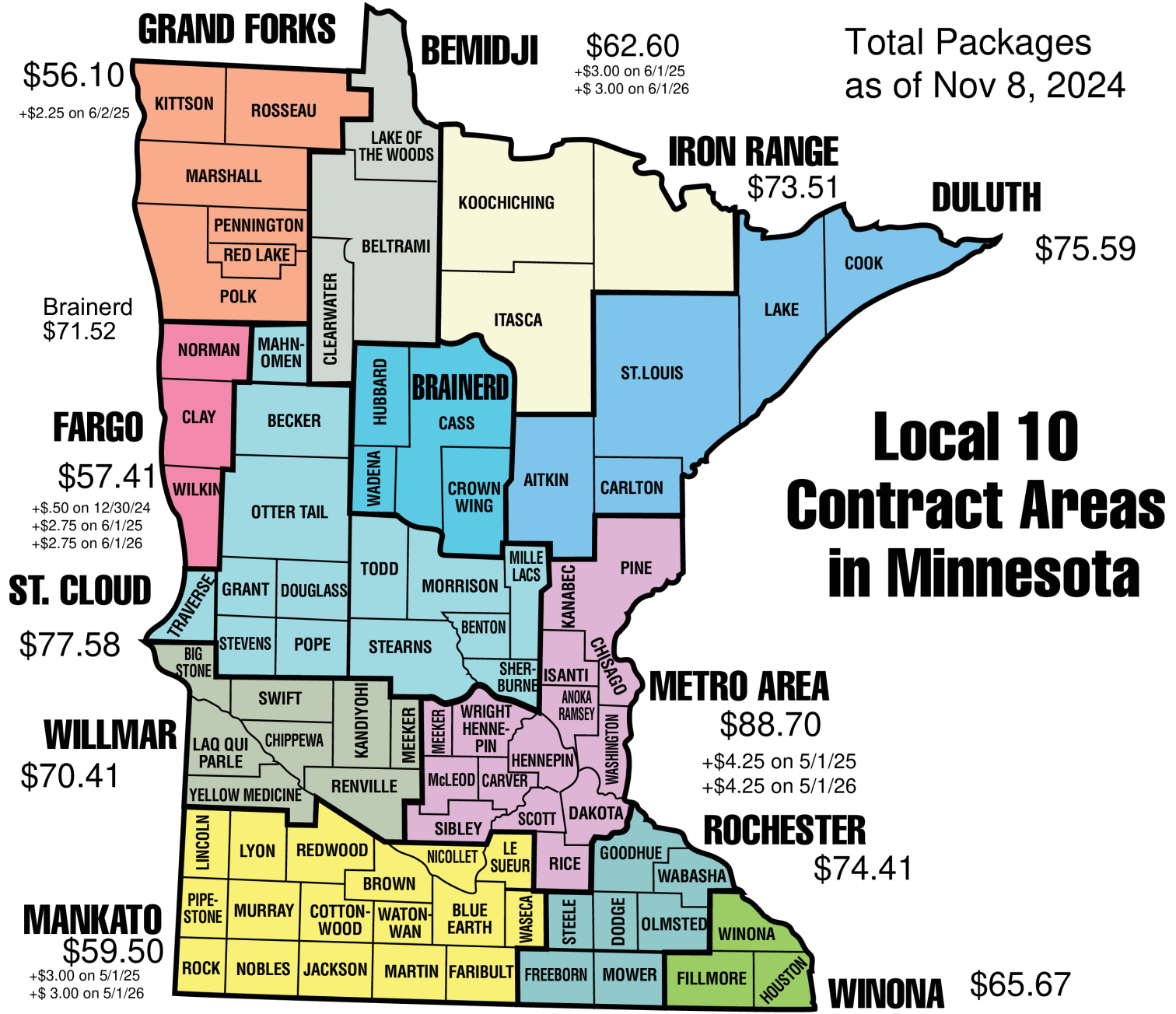


## John Q. Background & Bias



Sheet Metal, Air Conditioning &  
Roofing Contractors Association

- No Article X Section 8 - National Joint Adjustment Board
- Market Share
- Relationship with Business Manager



# Local 10 Contract Areas in Minnesota

Total Packages  
as of Nov 8, 2024



## Labor Agreement Expires on April 30, 2025

- When do you begin preparing?
- Are there issues where you need education or information? Work Outlook - PTO – PFML
- Identify key contractors you want to talk to and **START TALKING**
  - Worried about them leaving
  - Have influence on contractors and/or union
  - Expect to participate in bargaining
  - Want involved in bargaining
- Deliberate and Frequent conversations with labor partner



## Somebody Opens the Labor Agreement

- Either side can serve notice of opening
- Was it Timely?
  - Deadline stated in Labor Agreement
  - If silent – 60 days
- Was FMCS and State Agency notified?



## Labor Agreement Is Not Timely Opened

### Union Missed Deadline to Open

- Is there an Evergreen Clause?
- What would be the impact of refusing to meet?
- Decide to meet without waiving rights
- Do you tell anyone about the error?

### Union Failed to Notify FMCS

- Required within 30 days of Notice of Opening
- When do you verify?
- Do you tell the Union?
- Was it intentional?



## Should Employers Open the Contract?

- Red Flag to Union, sends a strong message
- Waive right to a rollover under the Evergreen Clause
- Need to reduce wage package



# Authority to Bargain





## Do You Have Authority to Bargain with Union?

- Condition of Membership in Association
- Perpetual authorization under terms of Labor Agreement
- Bargaining Agent Authorization



# Condition of Membership

## ARTICLE XIV AUTHORITY TO NEGOTIATE

**Section 1. AUTHORITY.** The authority to negotiate labor agreements on behalf of all Members of the Association with Sheet Metal Workers Local No. 10 and/or Roofers Local Union No. 96, or their successors, where the Union(s) represent the sheet metal and/or roofing employees of those Members of this Association, is exclusively delegated to the Association by each Member. The Association may exercise this authority directly or through its duly authorized representatives; or the Board of Directors may elect to allow the Members in specific geographical areas to bargain individually and not as part of a multi-employer group, but with the Association's assistance.

The Association agrees to carry out its duties of collective bargaining and to do any and all acts consistent with this function as the exclusive bargaining agent for all Members.



## Term of Labor Agreement (perpetual)

### Article XVI Section 5 of the SFUA

SECTION 5. By execution of this Agreement the Employer authorizes \_\_\_\_\_ (Name of Local Contractor Association) to act as its collective bargaining representative for all matters relating to this Agreement.

The parties agree that the Employer will hereafter be a member of the multi-employer bargaining unit represented by said Association unless this authorization is withdrawn by written notice to the Association and the Union at least one hundred and fifty (150) days prior to the then current expiration date of this Agreement.



## Bargaining Agent Authorization

- Bargaining Rights assigned to the Group represented by the Association
- Assignment may be open-ended or for a specific bargaining year
- Contractor agrees to be bound by group decisions and terms of new Agreement
- Should prohibit signing an interim agreement



2025

## BARGAINING AGENT AUTHORIZATION

The undersigned company hereby designates the Commercial and Specialty/Manufacturing Negotiating Committee of the Metro Area Division of SMARCA, as its exclusive bargaining agent in labor negotiations for a Commercial/Specialty/Manufacturing Labor Agreement with International Association of Sheet Metal, Air, Rail and Transportation Workers Union, Local No. 10, ("Union") to act for its benefit and the benefit of SMARCA ("Association") and its members and contributors.

This authorization is given in consideration of the promise of SMARCA (the Association), made through its duly authorized officers and agents, to carry out duties of collective bargaining with the above-named Union.

It is specifically agreed as follows: (1) that the undersigned will be bound by any and all actions taken by the designated negotiating committee(s) and/or the Association concerning or arising out of the negotiations with the Union, which actions are taken for or on behalf of the designated negotiating committee(s) and the Association, including its members and its contributors who have authorized the above-designated negotiating committee(s) to act as their bargaining agent during these negotiations; (2) that the undersigned will honor, abide by and be bound by any contract(s) agreed to and entered into by and between the indicated negotiating committee(s) of the Association and the Union; and (3) that with respect to that contract(s), the undersigned shall be considered, for all purposes, to be a party to that agreement just as if it had executed the contract with the Union individually.



**2025**  
**BARGAINING AGENT AUTHORIZATION**  
**(continued)**

The undersigned further agrees that it will not enter into any individual negotiations or a separate contract or agreement with the Union (except as part of a SMARCA group) while this authorization remains in effect, without specific authorization by the Association.

The undersigned also agrees to abide by all decisions of the Association and the negotiating committee with regard to any concerted action on the part of the members of the Association in dealing with the Union, provided such decisions are made in good faith and in accordance with the Articles of Incorporation and Bylaws of the Association, which are incorporated herein by reference.

The undersigned further agrees that, in the event of a breach or threatened breach by it of any provision hereof, the Association shall, upon action instituted by it, (1) be entitled to an injunction to prevent such breach, (2) that this Agreement is the proper subject for the remedy of specific performance in the event of such breach, and (3) any and all other remedies contained herein and/or in the Articles and Bylaws of the Association shall be available.



## Continuation of Service Agreement

- Agreement to a continuing obligation to pay Industry Fund contributions even if not required in the new Labor Agreement
- Industry Fund contributions are not a mandatory subject of bargaining
- No requirement to have a CSA
- Use when concerned Union will threaten to take industry fund contributions out of contract



2025

## CONTINUATION OF SERVICE AGREEMENT

THIS AGREEMENT is made and entered into this \_ day of \_\_\_\_, 2025 by and between SMARCA and its Metro Area Division (hereinafter collectively referred to as SMARCA), and the below listed contractor (hereinafter referred to as CONTRACTOR).

WHEREAS, the Contractor, by reason of its conducting business in the industry under a contract with Sheet Metal Workers Local 10, and is directly and/or indirectly accruing benefits from the services performed by SMARCA; and

WHEREAS, the Contractor desires to contribute on an equitable basis to the advancement of the industry.

NOW, THEREFORE, it is mutually agreed by and between the parties hereto that the Contractor will make contributions to the applicable Division and Subdivision(s) of SMARCA at the applicable rate(s) for work it performed there, calculated on all hours worked there. The rate for the Metropolitan Division will be twenty-three cents (\$.23) per hour beginning with hours worked May 1, 2025, and continuing throughout the term of this Agreement;

IT IS AGREED that this Agreement shall continue for a period of three (3) years from the effective date hereof. It shall continue thereafter for additional periods of one (1) year unless notice is given by one of the parties to the other of its intention to terminate this Agreement. Such notice, to be effective, shall be in writing and mailed ninety (90) days prior to the termination date, as established herein;

IT IS AGREED that such contributions shall be paid as stipulated by the Board of Directors of SMARCA;

IT IS ALSO AGREED that no contribution shall be required by this Agreement in any area(s) during such periods of time that the Contractor is obligated by any labor agreement with the International Association of Sheet Metal, Air, Rail and





## Paperwork is Done - Who Is In The Bargaining Group?

- Is anyone missing?
- Did they exit intentionally?
- Was the exit done properly?

If no, what are you going to do?



## What is the Format for your Bargaining?

- Multi-Employer Bargaining
- Single Employer
- Joint or Coordinated Bargaining
- Bargaining with Other Associations



## Multi-Employer Bargaining Group

- A group of employers that agree to act as one for purposes of collective bargaining
- Bargaining rights are assigned to the Group
- Agreement to be bound by the new terms as well as actions taken during bargaining
  - Lock out
  - No interim agreements
- **BE CAREFUL OF RISKS ASSOCIATED WITH TRYING TO CHANGE THE GROUP AFTER BARGAINING HAS BEGUN**



## Single Employer Bargaining

- If parties agree, can still function as the Master Agreement for other contractors that travel to or open a shop in the area.



## Joint Bargaining

- Multiple employers coordinating their bargaining with the Union
- Act as a group, but maintain their right to leave the group and revert to individual bargaining
- May coordinate, but have different terms in final Agreement
- **VERY IMPORTANT TO HAVE AGREEMENT WITH THE UNION ON INDIVIDUAL RIGHTS IN BARGAINING AND MUST DO PRIOR TO COMMENCEMENT OF BARGAINING**



# Data Gathering



## Data Gathering – Inflation

- [www.BLS.gov/data](http://www.BLS.gov/data) has multiple indexes
  - All Urban Consumers
  - Urban Wage Earners
  - Some Regional Data also
- May want to track contract increases against inflation over a period of time



Consumer Price Index for All Urban Consumers (CPI-U)

Original Data Value

Series Id: CUUR0000SA0

Not Seasonally Adjusted

Series Title: All items in U.S. city average, all urban consumers, not seasonally adjusted

Area: U.S. city average

Item: All items

Base Period: 1982-84=100

Years: 2014 to 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.384	237.088
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	236.265	237.769
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	238.778	241.237
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	244.076	246.163
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	250.089	252.125
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	254.412	256.903
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.280	260.388	260.229	260.474	257.557	260.065
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802	266.236	275.703
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	288.347	296.963
2023	299.170	300.840	301.836	303.363	304.127	305.109	305.691	307.026	307.789	307.671	307.051	306.746	302.408	306.996
2024	308.417	310.326	312.332	313.548	314.069	314.175	314.540	314.796	315.301	315.664	315.493		312.145	
											2.75%			





**Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)**

Original Data Value

Series Id: CWUR0000SA0

Not Seasonally Adjusted

Series Title: All items in U.S. city average, urban wage earners and clerical workers, not seasonally adjusted

Area: U.S. city average

Item: All items

Base Period: 1982-84=100

Years: 2014 to 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2
2014	230.040	230.871	232.560	233.443	234.216	234.702	234.525	234.030	234.170	233.229	231.551	229.909	232.639	232.902
2015	228.294	229.421	231.055	231.520	232.908	233.804	233.806	233.366	232.661	232.373	231.721	230.791	231.167	232.453
2016	231.061	230.972	232.209	233.438	234.436	235.289	234.771	234.904	235.495	235.732	235.215	235.390	232.901	235.251
2017	236.854	237.477	237.656	238.432	238.609	238.813	238.617	239.448	240.939	240.573	240.666	240.526	237.974	240.128
2018	241.919	242.988	243.463	244.607	245.770	246.196	246.155	246.336	246.565	247.038	245.933	244.786	244.157	246.136
2019	245.133	246.218	247.768	249.332	249.871	249.747	250.236	250.112	250.251	250.894	250.644	250.452	248.012	250.432
2020	251.361	251.935	251.375	249.515	249.521	251.054	252.636	253.597	254.004	254.076	253.826	254.081	250.794	253.703
2021	255.296	256.843	258.935	261.237	263.612	266.412	267.789	268.387	269.086	271.552	273.042	273.925	260.389	270.630
2022	276.296	278.943	283.176	284.575	288.022	292.542	292.219	291.629	291.854	293.003	292.495	291.051	283.926	292.042
2023	293.565	295.057	296.021	297.730	298.382	299.394	299.899	301.551	302.257	302.071	301.224	300.728	296.692	301.288
2024	302.201	304.284	306.502	307.811	308.163	308.054	308.501	308.640	309.046	309.358	308.998		306.169	
											2.58%			



**Consumer Price Index for All Urban Consumers (CPI-U)**

Original Data Value

Series Id: CUURS24ASA0

Not Seasonally Adjusted

Series Title: All items in Minneapolis-St.Paul-Bloomington, MN-WI, all urban consumers, not seasonally adjusted

Area: Minneapolis-St.Paul-Bloomington, MN-WI

Item: All items

Base Period: 1982-84=100

Years: 2014 to 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2014													232.013	231.764	232.261
2015													230.567	229.374	231.760
2016													234.145	232.777	235.514
2017											241.142		239.239	238.152	240.325
2018	241.798		243.112		245.593		246.346		247.165		244.235		244.969	243.770	246.168
2019	245.200		248.706		251.171		251.802		251.416		250.997		250.106	248.616	251.596
2020	252.447		251.570		251.243		250.986		256.280		255.362		252.997	251.842	254.152
2021	256.379		259.187		262.898		267.241		270.240		272.859		265.244	260.106	270.383
2022	274.725		280.388		285.784		289.265		290.325		287.396		285.008	281.236	288.779
2023	288.761		289.968		291.001		292.223		296.730		295.511		292.720	290.236	295.204
2024	296.135		297.769		298.528		302.458		302.414		300.531			297.860	
													1.70%		



Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)

Original Data Value

Series Id: CWURS24ASA0

Not Seasonally Adjusted

Series Title: All items in Minneapolis-St.Paul-Bloomington, MN-WI, urban wage earners and clerical workers, not seasonally adjusted

Area: Minneapolis-St.Paul-Bloomington, MN-WI

Item: All items

Base Period: 1982-84=100

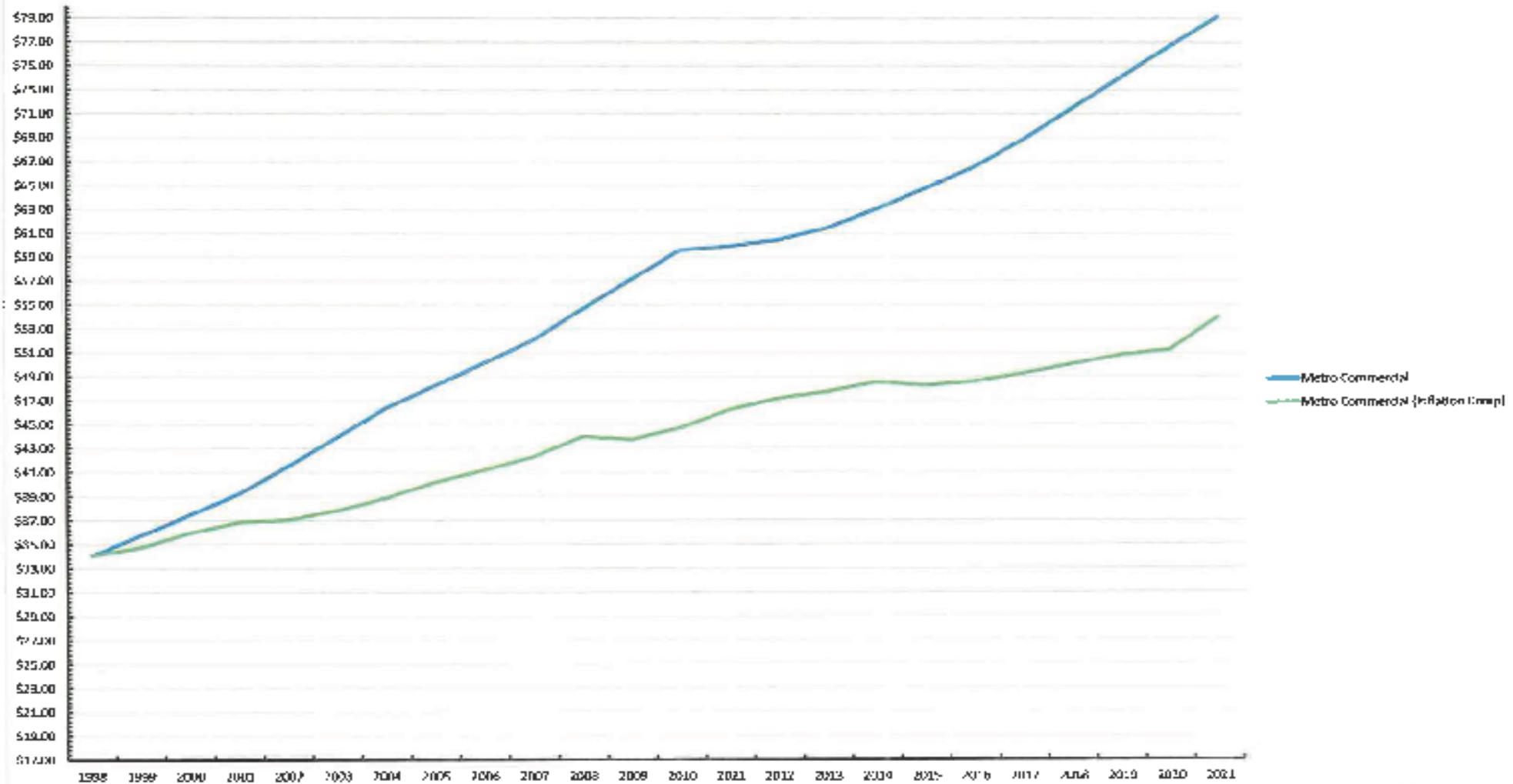
Years: 2014 to 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2014													226.347	226.243	226.451
2015													223.904	222.696	225.112
2016													227.259	225.780	228.738
2017											234.982		232.743	231.581	233.904
2018	235.376		237.217		239.983		239.954		242.102		237.605		238.954	237.821	240.086
2019	238.168		242.202		244.698		244.800		244.838		243.928		243.333	241.942	244.724
2020	244.990		244.419		243.744		245.889		250.808		249.861		246.650	244.412	248.887
2021	251.086		254.963		258.368		263.734		266.330		268.580		261.064	255.587	266.542
2022	271.017		277.406		282.116		286.837		287.502		283.946		281.824	278.034	285.614
2023	284.877		286.317		288.171		289.111		293.676		291.459		289.271	286.868	291.673
2024	291.537		294.621		295.610		298.914		299.782		297.080			294.436	

1.93%



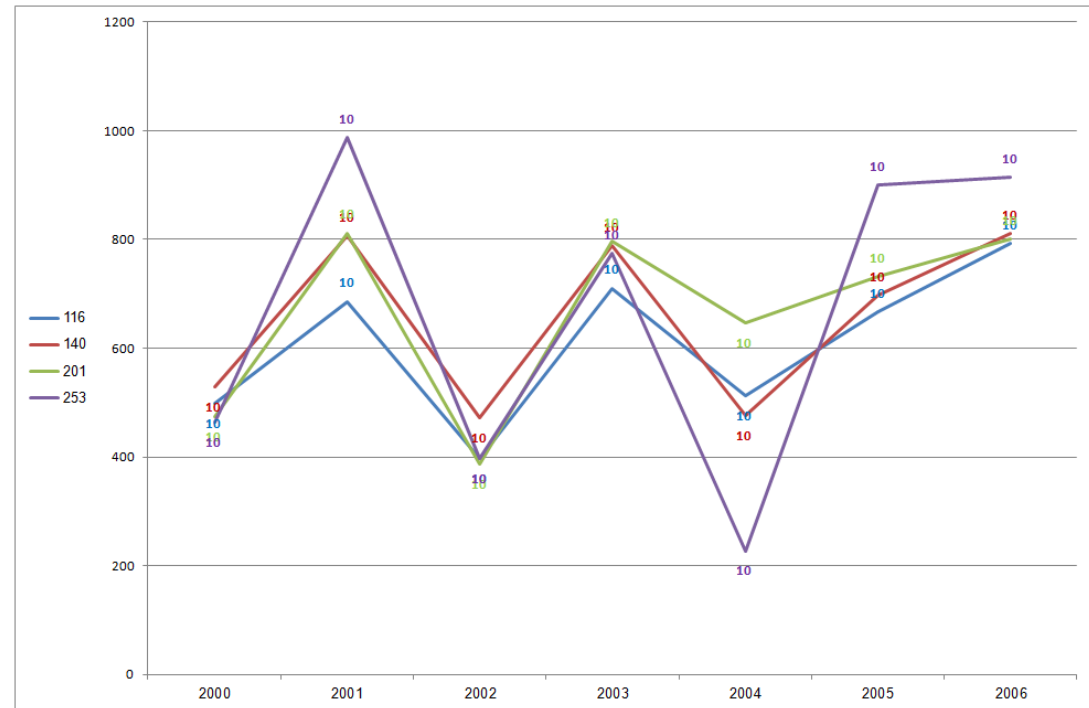
History of Local 10 Total Package by Contract Area





## Data Gathering – Work Hours

- Work Hours
  - Trending Up or Down
  - More Years of Data the Better
  - Graphs Can Sell Your Story
- What is the source of your data?
  - Health Fund can include self pay
  - Pension Fund may not cover all classifications
  - Does the Industry Fund cover all classifications?





## What Do Your Work Hours Reveal?

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
January	214,532.20	206,876.90	204,561.03	237,587.92	220,678.34	248,816.79	214,301.53	206,155.06	203,806.09	200,284.73
February	214,782.87	203,295.15	213,729.74	226,330.97	203,378.72	230,238.40	202,149.69	213,203.30	199,416.80	208,908.64
March	229,806.50	243,404.46	267,267.65	250,058.10	239,996.11	239,923.75	231,876.24	243,164.17	234,385.35	216,751.07
April	291,474.72	256,447.54	274,192.07	265,446.66	276,497.64	271,583.62	267,160.00	264,039.84	240,051.21	233,468.05
May	219,898.43	194,885.58	242,987.30	235,792.49	241,039.70	197,944.82	211,063.99	202,875.62	223,448.93	214,350.83
June	251,365.55	252,037.79	291,388.48	260,094.11	262,735.61	232,395.61	253,954.31	255,714.63	253,569.03	222,046.33
July	297,989.14	262,340.98	277,404.86	263,987.59	286,652.43	262,028.30	270,452.03	246,101.06	236,778.79	237,433.75
August	268,471.75	283,456.68	334,764.35	319,138.37	317,516.20	250,055.36	271,827.73	260,140.44	280,965.52	270,022.44
September	263,712.27	262,176.43	293,247.35	240,134.94	261,014.33	236,809.94	255,827.35	239,192.78	237,989.92	220,152.69
October	271,634.04	250,598.80	279,586.48	264,041.33	297,132.94	250,744.53	251,733.97	226,644.95	235,201.85	248,264.06
November	229,526.32	242,648.23	269,944.58	235,474.63	267,508.02	220,856.23	225,491.69	225,193.21	225,372.73	
December	233,063.00	231,916.87	266,265.67	230,630.50	236,103.44	229,139.77	246,393.32	225,480.85	225,325.66	
	2,986,256.79	2,890,085.41	3,215,339.56	3,028,717.61	3,110,253.48	2,870,537.12	2,902,231.85	2,807,905.91	2,796,311.88	2,271,682.59
% change from prior year		-3.22%	11.25%	-5.80%	2.69%	-7.71%	1.10%	-3.25%	-0.41%	



## **Data Gathering - Market Share:**

Can You Track Union Work Hours Against Industry Hours?

- CLRC Reports
- BLS – Hours by Job Classification
- Dodge Reports
- Unionstats.com
  
- Local Economic Development Offices



## **Market Share: Can You Track Union Hours Against Construction Spending?**

- Dodge Reports
- Permit Data
- AGC
  - Data DIGest
  - Free via email from Chief Economist Ken Simonson





## **Market Share: Other Possibilities**

- Bid tracking by Contractors
- Permit Study
- Data on License Holders
- Prevailing Wage Reports



## Data Gathering - Area Settlements

- Trades the Union compare themselves to
- Wage settlements of relevant trades
- Sheet Metal settlements in neighboring areas
- Are the wage gaps growing/narrowing?      Should they be moving in this direction?



## Data Gathering - Other Sheet Metal Settlements

- SMACNA Database
- Call surrounding Chapters
- Does the Local consistently compares themselves to another area?



## Data Gathering – Expected Allocations

- Health Fund Increase
- Pension Fund Increase – mandatory or elective **(2025)**
- Apprentice Fund or Working Assessment Increases
- iTi, NEMI, SMOHIT



## What Has Been Proposed in Other Relevant Contracts?

- Does the Local bargain multiple contracts?
- What are the other Unions in your area asking for?
- What are the neighboring Sheet Metal Locals asking for?



## Are There Jobs that May Impact Bargaining

- How Many Project Labor Agreements?
- Are there high-profile jobs that a work stoppage could impact?
- Will there be a lack of workers?
- Will there be a lot of unemployed?



## Review Past Negotiations

- What issues did not get resolved?
- Were recent changes successful or unsuccessful?
- What language changes do we expect the Union to propose?
- What Union politics will influence bargaining this year?



## Read the Current Contract

- You will find errors
- You will be reminded of past disputes on the meaning of contract language
- You will be better prepared to discuss Proposals





## **Assemble Relevant Bargaining Material For Committee**

- Expiring Labor Agreement
- Any language grievances during contract period
- Any needed language cleanup
- Wage Data
- Market Data
- Inflation Rate
- Proposals from Prior Years
- Contract Settlements in Other Areas



## **Prepare a Bargaining Book/Folder/Package**

- Organize all of the gathered data
- Include a copy of Labor Agreement
- Real or Not – Gives Your Committee Confidence



# Contractor Meetings



## Preparation Meetings and Politics of Staying Employed

- Make sure all contractors have the opportunity for input
  - Meeting for everyone to discuss expectations
  - Surveys
- Seek input from contractors in all sectors of the market
- Seek input from key contractors/influencers
- Discussing Money is Risky – Setting Expectations vs. Number Not Staying Private



## Contractor Questions

- What needs to be changed in the Labor Agreement?
- What do employees complain about?
- What causes you (or your office) frustration in the Labor Agreement?
- Are you utilizing the journeymen/apprentice ratios?
- Are there specific skill or training deficiencies?



## Other Discussions

- Are Union Officials providing hints of what to expect?
- Are sheet metal workers talking to their employers?
- Are apprentice instructors providing hints?
- LISTEN, BUT DO NOT ENGAGE IN ANY BARGAINING IN THESE CONVERSATIONS



## Establishing Your Bargaining Committee

- How many contractors should be on the committee? What will be most effective?
- Past experience is usually a benefit
- All sectors should be represented if possible
- Different size contractors should be represented if possible



## National Maintenance Agreement Contractors

- Signatory Contractors should not participate in bargaining
- Participating will waive the no strike provision in NMA
- Is possible to get a waiver from International Union
- Same term in some General Presidents Agreements





## **Politics of Establishing Your Bargaining Committee**

- Are there some individuals that should be discouraged from participating?
- Are there certain influencers that you need to participate?
- Want people with industry engagement



## Selecting a Chief Spokesperson

- Calm demeanor
- Respected by Union
- Respected by Contractors
- Bargaining Experience



## Spokesperson is Not an Employer

### Pro's

- Reduces threat of retaliation that some employers fear and have experienced
- More knowledge of what not to say or do
- More bargaining experience
- Understanding of different needs of varying contractors in group

### Con's

- Doesn't sign any paychecks
- Doesn't have first-hand experiences of employers
- May not have credibility with Union



## Bargaining Meeting Notes/Minutes

- Extremely important if you have Article X Section 8
- At a minimum, someone needs to take accurate notes
  - Consider recording time of day in notes
  - Important to record who is in attendance and the time when people enter or depart
- Some groups emphasize recording Minutes and getting them approved prior to next meeting
  - Both sides review and sign
  - Need to decide whether the effort provides enough benefit
  - Some groups have the same formality for tentative agreements
- May want to use a Status of Proposals as a recap



St. Cloud Area Sheet Metal Negotiations  
*Status After Meeting on April 5, 2019*

**Union Proposals:**

1. Expand Article I Scope of Work to include all other work included in the jurisdictional claims of SMART.

***Dropped.***

2. Add language allowing conversion of the bargaining relationship from an 8(f) agreement to a 9(a) agreement.

***Dropped.***

3. Add iTi, NEMI and SMOHIT contributions to the pre-apprentice classification.

***Open.***

4. Amend Article VI Section 1 to provide double time for all hours worked in excess of 50 in a work week.

***Open.***

5. Increase subsistence by \$5 per day and \$20 per week for each year of the Agreement.

***Open. Employers offered annual increases of \$2, \$1 and \$1 with no trailer pay. Union proposed annual increases of \$3, \$3 and \$2.***



## Designate One Person to Talk to the Media

- Calm and tactful
- Can think on their feet
- Not thrown off message by tough questions





## First Meeting with Committee

- Review perennial issues that you expect Union to bring up
  - Travel and subsistence
  - Scheduling and overtime
- Are there pattern or other trade settlements that will impact bargaining?
- Political climate
  - Within the Union Local
  - State
  - National



## First Meeting with Committee

- Try to avoid anyone drawing a line in the sand
  - \$3.00/hour is the most we will agree to
  - Under no circumstances will we agree to retroactive pay
- Try to identify bargaining goals
- Is there a bargaining theme?
  - Losing light commercial work
  - Need more flexibility to pursue out-of-town work
  - Carpenters are taking our work – Need to be competitive with wage package





## First Meeting with Committee

- Evaluate bargaining strength
  - Can your group handle a work stoppage?
  - Are there contractors that will sign an interim agreement?
  - Will rocky negotiations impact customer relationships?
  - Is there a dollar amount that will cripple contractors?
- Bargaining positions and resolve will change when you reach the expiration date



## Developing Proposals

- Reasonable/Unreasonable will impact tone of negotiations
  - 10% Reduction in Total Package cost
  - Architectural Sheet Metal may be subcontracted to non-union contractors
  - Has a low-ball offer ever worked?
- Be able to articulate a reason why the proposed change is needed
  - Shift premium makes us uncompetitive on evening work at the mall
  - Non-union crews have more unskilled workers than our ratios allow
- Do you need more than one list?



## Proposal List

- Are any of your Proposals permissive subjects of bargaining that can not be taken to impasse?
- If you have a high priority item you may want to emphasize that fact on your Proposal List
- If no priorities, Proposals can track the order in which they appear in Labor Agreement
- Should there be Discussion Items on your list?



Metro Commercial & Specialty Agreement

EMPLOYER PROPOSALS

April 5, 2021

**Article V Section 1 – Work Hours – Page 6**

Add Rochester contract language: “By mutual agreement of the employee and the Employer, the regular work week may consist of four (4) consecutive ten (10) hour days between the hours of 5:00 a.m. and 6:00 p.m. in the shop or on the job site, Monday through Friday of each week.”

**2. Article V Section 3 – Permission for Overtime – Page 7**

Delete Section 3 in its entirety.

**3. Article VI Section 1 – Free Zone – Page 8**

Add: “When the employer provides transportation the free zone will be expanded to a fifty-five (55) mile radius of University Avenue and Emerald Street.”

**4. Article XVI Section 3 – Apprentice Ratio – Page 23**

Amend first sentence: “It is hereby agreed that the employer shall be entitled to apply to the Joint Apprenticeship Committee on the basis of one (1) apprentice for ~~three (3)~~ one (1) journeymen regularly employed for all commercial work (except specialty work) and an additional apprentice for every three (3) additional journeymen. . . .

**5. Reasonable Total Package Wage Increase.**

*Employers reserve the right to add to, delete or modify these Proposals at any time during negotiations.*



## When Should You Make A Wage Proposal?

- Include on List of Proposals?
- Resolve language proposals first
- Make a wage proposal to distract from language proposals
- How far in advance of expiration do you want the membership to know the number?
  - Is there a reason to have the number out there early?
  - Will the number cause disruption in the workplace?



## Positions vs. Interests

- Position (bargaining proposals)
  - Something that is decided upon and defined
  - What you want – 2 to 1 apprentice ratio
- Interest
  - The reason for the position
  - Why you want it – reduced crew cost
- After Proposal is made, focus on the Interest



## Bargaining Committee Rules

- Commitment to attend all meetings
- All proposals will be made by the Spokesperson
- No proposals will be made unless Committee has discussed and agreed to proposal
- No “What ifs” unless the Committee has agreed to statement
- No private or hallway discussions unless Committee agrees to them
- Any Committee disagreements will be resolved in a private caucus
  
- NEVER SAY “WE CAN’T AFFORD THAT”
- Avoid “We won’t be competitive if we agree to that”



## Discuss Professional Conduct

- Phones
  - Shut Off Ringer
  - No emails or texting during negotiations
  - Leave the room if you have to take a call
- Engagement in process; respectful and serious
- Intimidation tactics
- Name Calling





## Meeting Schedule and Location

- Is there a reason to meet early or delay to closer to expiration?
  - Difficult issue or new concept may take more meetings
  - If money is the only issue, may want to delay
- Location should be comfortable and convenient
  - May want to alternate locations
  - Poor choice is not a good reason to irritate other side
- Schedule last meeting as close to ratification meeting as possible



## Union Bargaining Committee

- Will Members participate?
  - Impacts Business Manager's behavior
  - They can provide clues on bargaining positions
- Is anyone up for election?
- Is there conflict between Committee Members?



## Union Proposal List

- Not uncommon to see proposals that the Union knows are unrealistic
  - Membership may have voted to require that it be a proposal
  - Business Manager may not have the political strength to dissuade
- “International Union is requiring us to put this in the contract”
  - Doesn’t mean you can’t get an agreement without the term
  - National Pension Fund language may be mandatory
- Constitution changes do not need to be incorporated into your Agreement



# Federal Mediation & Conciliation Service

## Mediation

- Voluntary Process
- No Power to Mandate a Result
- Proceed with Caution
- Mediator Proposals Can Provide Cover

## Arbitration

- Select an Arbitrator
- Hearing
- Binding Decision



## **What Gives Someone an Advantage in Negotiations?**

1. Options/Alternatives (BATNA)
2. More Information
3. Patience



## Characteristics of Good Negotiators:

- Good Communicators
  - Fewer Misunderstandings
  - Builds Trust
- Good Listeners and Observers
  - Don't interrupt the other side
  - Words and behavior will give useful clues to how to proceed
  - Ask for more information on why the proposed term is needed
- Control their emotions and only use when intentional
- Speak Slow and Think Fast



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**Sheet Metal, Air Conditioning &  
Roofing Contractors Association**