

This letter is a response to a letter that was sent to all licensed electricians in Oregon in early October of 2011 from the Independent Electrical Contractor's of Oregon (IECO). This is the first time IECO has acknowledged the IBEW in recent memory and it can only be assumed that IECO is feeling the pinch of a tough economy and the fact that "merit shop" electricians are joining the IBEW for a better future for them and their families. The letter is full of falsehoods and misleading statements. The following letter refutes IECO's claims.

A REBUTTAL TO IECO'S LETTER

A lot has changed in the electrical industry over the past two decades. Merit-shop electricians have the best trained and most sought after craftsmen in the industry. Today, government gathered data shows that union members account for less than half of the electrical licensees in our state.

The electrical industry is constantly evolving and will continue to change with technology. The statement that "Merit-shop electricians are the best trained" is certainly debatable. However, the statement that they are the "most sought after craftsmen in the industry" is driven by cost, not necessarily quality. Government data may indeed show that "union members account for less than half of the electrical licensees in our state" but what really matters is the amount of work being performed by union electricians. The Oregon Bureau of Labor and Industries 2010 survey results show the percentage of work performed by union contractors. Those results are: Marion, Polk and Yamhill Counties at 75%; Benton, Lincoln and Linn Counties at 66% and Lane County at 45% (July 2011 BOLI survey was adjusted to 54.9%). The latest 2011 BOLI survey for Crook, Deschutes and Jefferson Counties results were also over 51%. Though union members may have less than half the licenses, they are performing the majority of the work in the jurisdiction of IBEW Local 280.

Our industry has transformed into one where workers value the model of family business and direct relationships with owners.

“Merit-shop” is another term for non-union or an open shop. Merit really means value. A “merit-shop” electrician is paid based upon their value to the contractor or the relationship they may have with the “family business.” The more valuable the electrician, the more he can “merit” from the contractor and negotiate their salary and benefits; if any. The only protection given to the employee is whatever state and federal law provides. The emphasis is on what you can provide to the success of the “family business” and less on what the contractor can do for you. Many of IBEW Local 280 contractors are family businesses and value their employees to the extent they believe their employees deserve a pension, employer paid healthcare for the employee and their family and a negotiated higher wage. As an IBEW electrician you earn these benefits on an hourly basis regardless of the contractor you are working for.

As much of the industry knows, IEC Oregon member contractors provide local electricians promising careers in the electrical trade. Over the past decade, merit-shop apprenticeship programs have created vast new career opportunities in our industry with several establishing themselves among the largest skilled training programs in the state.

When IECO talks of “promising careers” in their apprenticeship they fail to mention that often times the higher stage apprentice may not get as many hours as the lower stage apprentice due to the competitive economy. When you compare the graduation rates of union apprenticeship to that of the “merit-shop” apprenticeship the union graduates at a rate of approximately 90% to that of the “merit-shop” at less than 70%. Our state of the art Training Center offers continuing education classes at no cost to our members, whereas, if you belong to a “merit-shop” you pay for continuing education. The quote about the “largest skilled training programs” is misleading because the IBEW sets the standard for training in the state and trains more apprentices and electricians than the non-union. IBEW Local 280’s Training Center is complete with a fully functional motor control lab, a transformer lab, a multi-purpose lab for conduit bending, general circuitry, solar installation and other ‘hands-on’ training.

Much of the success of this new generation of exceptional electricians has come in contrast to the local union where unemployment and under-employment

rates go through boom and bust cycles and are believed to be much higher than our industry as a whole.

The nature of construction as a whole is cyclical. To suggest that “boom or bust cycles” affect union electricians more than non-union electricians is not true. The reality is that there are now more unemployed non-union electricians than union.

In fact, the work picture for union electricians is considerably worse today than it was earlier this winter with more union electricians “on the books” Than in February. That means well over 1,000 electricians are waiting until it’s their turn to be considered for employment- unable to pursue their chosen career until someone else tells them it is ok to do so.

Union electricians have been dispatched from an out of work book since the IBEW was founded as a fair and equitable means of seeking employment opportunities. While a union electrician remains on their home Local’s out of work book they are eligible to seek employment from any IBEW Local that is dispatching. Several “merit-shop” electricians have in fact signed Local 280’s out of work list, have been dispatched and are working for a union contractor earning full wages and benefits provided under the collective bargaining agreement. You might ask one of them how being “unable to pursue their chosen career” is working out for them. The reference to “1,000 electricians” in all likelihood is for those electricians looking to get dispatched out of IBEW Local 48, Portland. In case you haven’t heard, the largest job in the Northwest, if not the entire country, is the Intel project in Hillsboro where it is estimated they will need 800 electricians to man the work. IBEW Local 280 also has some major projects on the horizon. Which begs the question, when was the last time you’ve heard of a “merit-shop” landing a large high-tech project?

As a result, union locals have reshaped their dues structure in the wake of financial devastation that, according to U.S. Department of Labor filings, has caused one IBEW local in Oregon to lose over \$5.3 million in the past four years. Dues, assessments, and other paycheck deductions could now exceed \$7,600 a year for an electrician working 40 hours a week.

The statement that “Dues, assessments and other paycheck deductions could now exceed \$7,600 a year” is completely false. Yes, union electricians pay dues. IBEW Local 280’s dues structure are currently at \$2.21 per hour multiplied by 168 hours in an average month equals \$371.28 per month. Multiplied by 12 months per year equals \$4,455, which is tax deductible. Take a look at what payment of dues provides as an IBEW Local 280 member:

Wages- $\$35.76/\text{hr} \times 168 \text{ hrs} = \$6,007.68 \times 12 \text{ months} = \$72,092.16/\text{yr}$

Health & Welfare (medical which includes dental and vision for you and your entire family) - $\$7.95/\text{hr} \times 168 \text{ hrs} = \$1,335.60 \times 12 \text{ months} = \$16,027.20/\text{yr}$

Pension (three separate pension plans with a 401K option should you elect to participate) - $\$7.10/\text{hr} \times 168 \text{ hours} = \$1,192.80 \times 12 \text{ months} = \$14,313.60$

The total gross earning potential with full benefits for ones year’s employment is \$102,432.96. Not a bad investment for \$4,455.00, which is tax deductible.

These dues, market recovery fund assessments, political deductions, and other fees are money right off the top that you may never really see and are often spent in a fashion that is contrary to your personal political views.

This statement infers that IBEW member’s dues and “other fees” are deducted from their paychecks without knowledge of how those funds are spent. Nothing could be further from the truth. The U.S. Department of Labor and the I.R.S. have stringent rules and regulations on how union funds are spent with serious penalties for violations. Local unions must account for the disbursement of all funds annually to the DOL. There is also a check register that is provided for the members to review at every union meeting. The members of IBEW Local 280 contribute \$.05/hr to a public service fund. Since 2004 IBEW Local 280 members have donated nearly \$500,000.00 back to the community to Boys and Girls Clubs, Summer Camps, Operation Home Front, the March of Dimes, the Muscular Dystrophy Foundation, Habitat for Humanity, the Boy Scouts of America, the Multiple Sclerosis Society, Doernbecker’s Children’s Hospital, 4-H Youth Clubs, Children’s Performing Arts Programs and numerous youth athletic teams in the Willamette Valley and Central Oregon to name a few. IBEW Local

280 supports candidates that further the goals of its members and their families. Is this “contrary to your personal and political views?”

Conversely, IEC members are reporting an increasing demand for workers. Out of work lists for our apprenticeship programs are shrinking. Add to that the uncertainty surrounding many union pension funds and you can see why so much market share is being gained by IEC members.

IBEW signatory contractors are also reporting an increasing demand for skilled electricians for work at data centers, chip factories, wind farms and solar arrays. The statement about “uncertainty surrounding many union pension funds” is misleading. Due to the recession and budget shortfalls in state and municipal governments, there is some uncertainty for ‘public sector’ unions but as a ‘private sector’ union, the IBEW’s pension fund is secure and healthy as it is one of the largest pension funds in America and is not regulated by governmental budgets.

The IECO letter depicts a graph titled “Percentage of Union Membership in U.S. Construction” (based on data collected at www.unionstats.com) with this statement below the graph: In 1973, unions represented 39.5% of the construction industry. In 2010, that same statistic dropped to a mere 13%.

The graph is inaccurate in that it represents total union membership and not just construction union membership. That is not to say there has been a decline in construction union membership in the past 40 years. A direct result of the decline in union membership is due to the development of the Business Round Table. The Business Round Table is comprised of a group of corporations that lobby for anti-labor law reform. Do a ‘Google’ search to learn more about this anti-worker organization.

Another graph is presented titled “Construction Jobs Pay Well- 2010 Average Hourly Wages of Largest Construction Occupations in Oregon” where it shows the average hourly rate of pay for electricians at \$30.00.

The chart is from 2010. What are your wages compared to the average hourly rate of \$30.00? As of January 1, 2011 IBEW Local 280 wages are \$35.76 per hour.

Just as important as today's pay, is the future opportunity. There are 8,200 licensed Journeymen electricians in Oregon. Over the next seven years, Oregon will need to replace or add a total of well over 1,900 more electricians. That means nearly one in four electricians will be relatively new to the trade by 2018- giving you greater opportunity based on your experience and merit.

The statement, "Over the next seven years, Oregon will need to replace or add a total of well over 1,900 more electricians" assumes this is a result of electricians retiring but the reality is, due to the economic times, people are forced to work longer therefore, this number is extremely high and inaccurate. Regardless of its accuracy, if in that seven years you had been working as a member of the IBEW you would have acquired \$100,195.00 in a pension and would have had health coverage for you and your family as well.

It's time to take control of your career. Put your skills and ability to work for you and your family with a merit-shop contractor today. Learn more about IEC Oregon contractors at: www.iecoregon.org.

It IS time to take control of your career by putting your skills to work for you and your family by becoming an IBEW electrician.

In the Willamette Valley Contact: IBEW Local 280 Representative for Membership Development, Bill Kisselburgh, at bill@ibew280.org or phone 541.812.1771.

In Central Oregon Contact: IBEW Local 280 Representative for Membership Development, Lance Zifka, at lance@ibew280.org or phone 541.971.3149