

You Ought To Know

ISSUE: 14

Who benefits from the Joint Proposal?

It benefits all of us – IBEW members (employees), contractors and their clients.

Many of you know that the two parties – the Electrical Trade Bargaining Agency (ETBA) and the IBEW Construction Council of Ontario (IBEW CCO) – have, since 1991, negotiated a Joint Proposal before each round of bargaining. It is a mechanism by which the parties agree that there will not be a labour disruption if they cannot reach a wage settlement.

As we shared with you in the second issue of You Ought to Know, the parties agree to take unresolved wage negotiations to Final Offer Selection. The selector is a neutral third-party who reviews both final proposals along with other information presented and, from that, determines the most reasonable wage offer. Over the last 11 rounds of bargaining, only 4 have ended up at Final Offer Selection. During the other 7 rounds, the parties were able to agree on a reasonable wage increase.

The Joint Proposal has always included a Post-Negotiated Wage Adjustment (PNWA). We understand that the premise behind the PNWA is that IBEW members won't agree to the Joint Proposal unless they can share in gains negotiated by other trades. It's also important to note the timing of our negotiations; we are generally one of the first groups to start and finish collective bargaining.

The past few rounds of bargaining have had Joint Proposals with a somewhat limited PNWA. The parties agreed that if a specific list of 8 trades negotiated higher increases, a calculation would be completed to determine if the ETBA-IBEW wage settlement needs to be increased. The PNWA has benefited IBEW members more than it hasn't. Since the first Joint Proposal, the PNWA has added a cumulative total of \$6.05 to the increases that were negotiated by the parties during collective bargaining. In other words, without the PNWA, the average wage package for the IBEW would be \$6.05 lower today.

Where does our wage package rank?

We completed wage negotiations in February 2022 with an agreed wage increase of \$6.05 over 3 years. This was the highest wage increase ever negotiated between the parties. Inflation was at an all time high and continued to rise over the year. The average of all ICI trade increases was \$7.32 over three years. The other 8 trades (from our PNWA) settled with increases ranging from \$5.74 to \$9.83. You might think that our wage package must now be lagging since, with the PNWA, our increase rose to \$7.05. As the table below shows, that is not the case.

Going back in time to the average wage packages in 1994 after our first round of bargaining with the Joint Proposal and PNWA, Electrical was number four. Before the most recent round of bargaining, the May 1, 2021 column shows average wage packages for Electrical plus the 8 trades included in our PNWA. We added a comparison with the May 1, 2024 average wage package. Refrigeration is the only trade ahead, on average. In fact, out of the 21 wage packages we have available, Electrical is number two.

Trade	May 1, 1994	May 1, 2021	May 1, 2024
Electrical	\$35.51 (#4)	\$68.31 (#1)	\$75.36 (#2)
Refrigeration	\$36.76	\$67.33	\$77.16
Sprinkler Fitters	\$35.32	\$66.21	\$75.21
Mechanical	\$36.23	\$65.10	\$73.53
Boilermakers	\$35.67	\$63.84	\$72.34
Operating Engineers	\$33.69	\$63.44	\$72.44
Sheet Metal	\$35.16	\$62.22	\$70.37
Millwrights	\$35.27	\$63.00	\$68.83

Did you know that we negotiate the same increases for each local?

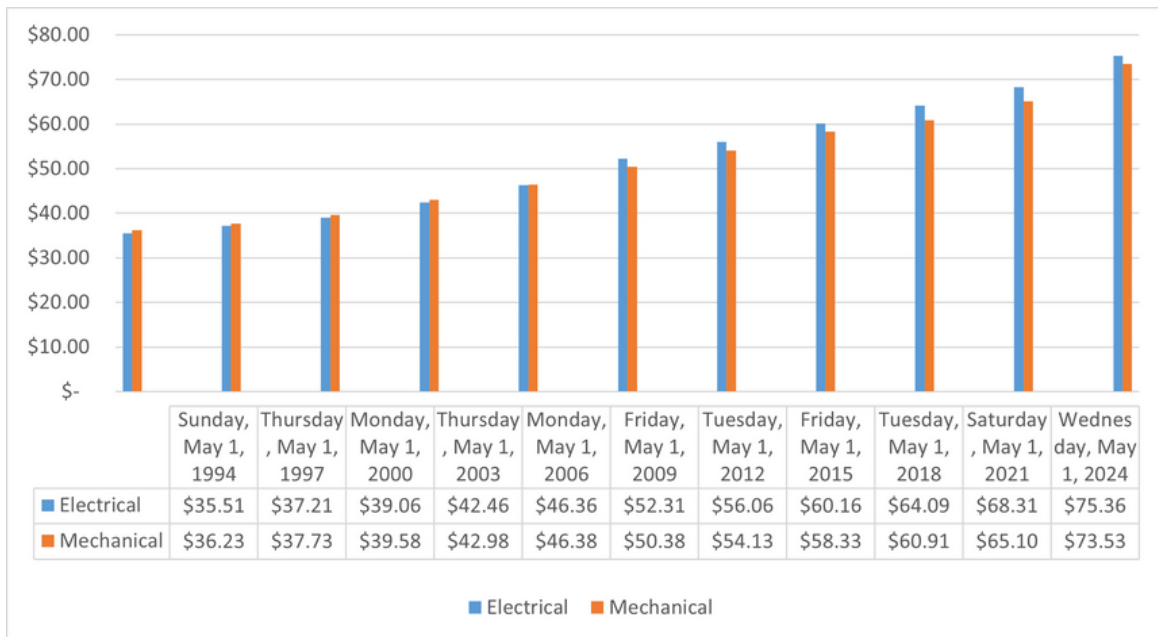
During bargaining, we negotiate dollar increases to the wage package, not percentage increases. Hamilton gets the same increase as Thunder Bay, who gets the same increase as Toronto, who gets the same increase as Windsor, and so on.

There are differences if you look at the wage package at various locals; those differences are based on the varied wage packages each local had before the first Principal Agreement in 1978. Since then, all increases have been province-wide and in dollar amounts, not percentages.

Other trades negotiate differently than we do. Many negotiate percentages and some negotiate regional amounts. Some trade money for language.

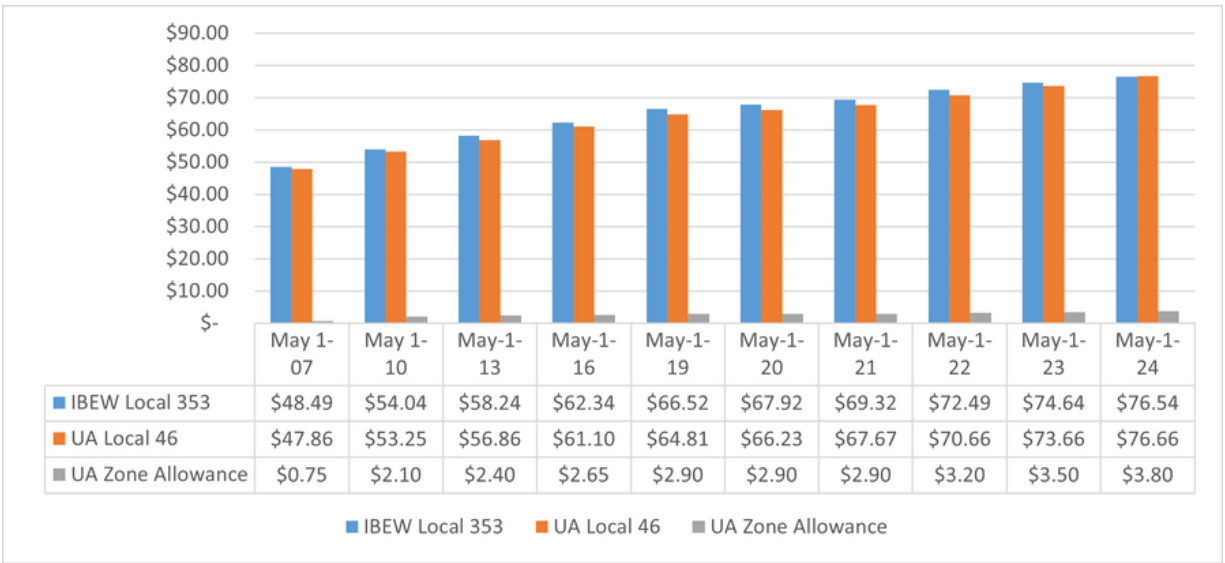
And did you know that these differences mean we are sometimes comparing apples to pork chops?

The UA Plumber and Pipefitters (Mechanical) are often used as a comparator. In their collective agreement, there are 15 zones, and each zone has its own wage increase and these differ across the zones. Looking at the chart below, you will see that the UA average wage package was higher than the IBEW Electrician average wage package until May 1, 2009. Since then, and still today, the average IBEW Electrician wage package has been higher.



Delving deeper, we determined that the wage package average for the UA is skewed on the high range since their Toronto Local (Local 46) includes a Travel Zone Allowance as part of their wage package. This Travel Zone Allowance provides an hourly rate to UA members instead of paying them by the number of kilometers driven, whereas travel allowances for IBEW Toronto Local 353 members are paid on a per-project basis.

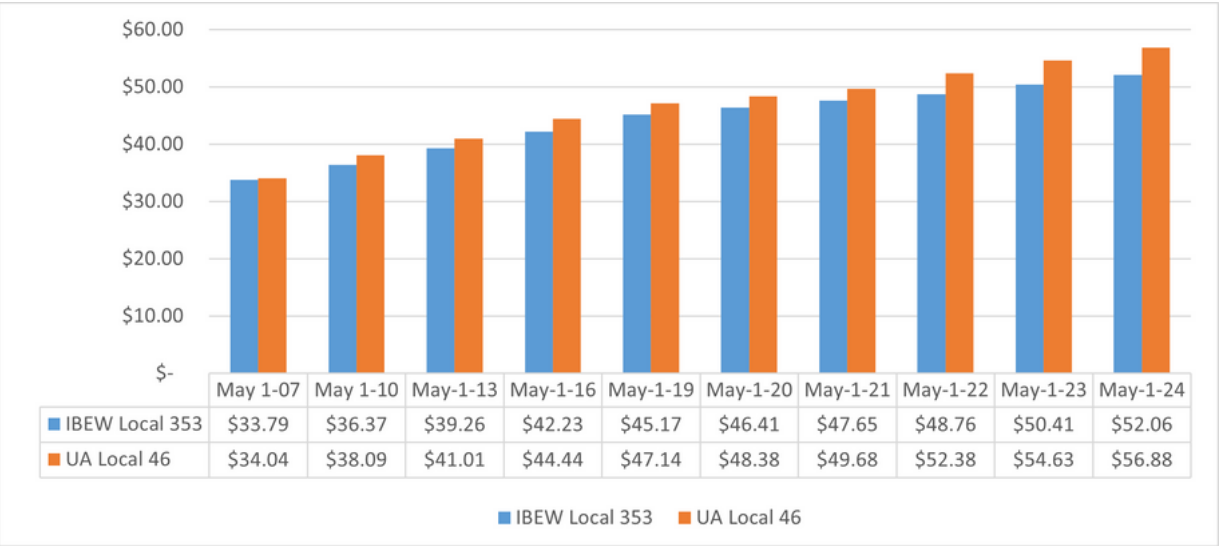
As of May 1, 2024, the UA Local 46 Travel Zone Allowance is \$3.80. They have had a zone allowance included in their wage package since 2004, which increases their take-home pay. See below for a comparison of the wage package in Toronto without the Travel Zone Allowance.



What about take home pay?

As mentioned in previous YOTK issues (#1, 3, 6 and 11), the union and its members determine take home pay. Members need to go to their local union meetings if they want to have an impact on the amount of money they bring home each week. Contractors are obligated to pay the wage package, and the way that is distributed is determined by the local union and its members.

Continuing our comparison between IBEW Local 353 and UA Local 46, below you will see that the IBEW base rate has been lower than the UA base rate since before 2010. The IBEW Local 353 wage package is higher, and the IBEW Local 353 take home pay is lower. As of May 1, 2024, the UA Local 46 wage package will be 12 cents higher than IBEW Local 353.



Wage structure can – and does – vary by union and by trade, so comparing apples to apples isn’t always easy. Through ECAO’s various communications, we try to shed light on the differences so you can see a clearer and more complete picture. As party to our industry here in Ontario, you ought to know.