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Agency Contact:
Julie Scopazzi
408/998-0570

Carpenters:
Bill Feyling
(510) 430-9706

CEA Contact:
Larry Nibbi
(415) 863-1820

CARPENTERS, CONTRACTORS NEGOTIATE FIVE-YEAR AGREEMENT

Northern California Contract Covers 46 Counties, 32,000 Union Members

SAN FRANCISCO – In a significant effort to assure continued stability in the construction industry, the Carpenters 46 Northern California Counties Conference Board and the Construction Employers' Association (CEA) have modified and extended their Carpenters Master Agreement more than a year before it was to expire. The agreement, now in force through June 30, 2008, provides for increases in hourly wages and benefits of \$1.25 on July 1 2003, \$1.75 on July 1 2004 and \$2 on July 1 in 2005, 2006 and 2007. In light of escalating health care costs, a significant portion of these increases has been allocated to cover health care costs.

The agreement covers 32,000 carpenters from Fresno and Monterey counties north to the Oregon state line representing 33 million carpenter hours annually. As the lead bargaining association for the Carpenters Master Agreement, CEA's 100 union building contractor members represent 21% of the total carpenter hours reported annually in Northern California. Additionally, independent contractors who have been signatory to the Carpenters Master Agreement are being asked to sign through June.

The agreement offers cost savings of 75 cents per hour for a seven-month period for employers who sign the new agreement prior to August 1 this year.

The agreement includes two other significant issues:

- A schedule is established for restoring uniform wage and benefit increases between the higher-cost nine Bay Area counties and the other 37 counties in the agreement.
- The commitment to craft training via enhanced apprenticeship and journey-level training programs is renewed.

“The agreement is a living document that protects its terms and preserves jobs,” said Bill Feyling, Executive Director of the Carpenters' Conference Board. “We were able to address the difficult industry issues and reach an early agreement that contributes to stability in the construction industry.”

“We know what our costs will be, and that is extremely important,” said Larry Nibbi, President of Nibbi Bros., Inc. in San Francisco and head of the CEA negotiating team. “The Carpenters Master Agreement is vital to the Northern California construction industry.”

The hourly increases in the agreement apply to a wage schedule whose rates vary according to experience, training, specialty and geographic area and range from less than \$20 for an apprentice to nearly \$34 for a foreman. Total fringe benefits, including vacation, health insurance, pension and work fee, add about \$12 per hour.

Already unique in the nation, the format under which the Carpenters and the CEA negotiate added a new element this year. Rank-and-file carpenters who are union employees, but hold no union office, joined the union negotiators.

Since CEA’s inception in 1985, union carpenters and union contractors in Northern California have been able to negotiate a master contract without an industry work stoppage. Key elements of success have been to address wages and other difficult issues both early and informally with a goal of concluding formal negotiations on a new agreement long before the old one expires.

“This agreement is the final product of a strong labor and management working relationship that hinges on trust and mutual problem-solving,” Nibbi said. “The agreement represents a process by which labor and industry will continue to address the most difficult issues long before they become a threat to any construction project.”

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