

To the Board of Education and the Madison Metropolitan School District

1. The Building and Construction Trades Council of South-Central Negotiating Committee and its Appropriate Affiliated Locals propose a 2.44% base wage increase effective July 1, 2019
2. The Building Trades Council represents Building Trades Locals and Building Trades Craftworkers in both the private and public sectors
3. The Collective Bargaining Agreement between the BOE, MMSD and the BTC includes five trades: Carpenters, Electricians, Painters, Plumbers and Steamfitters
4. Building Trades Contractors and Locals are extremely busy at the present time; all trades are actively recruiting new workers and apprentices due to worker shortages
5. The wages of the MMSD Building Trades are not keeping up with the wages of private sector Building Trades
6. Private sector Building Trades Local Unions have been averaging yearly increases of three plus percent to their wage packages
7. If this trend continues it will become increasingly difficult for the BOE and MMSD to recruit and retain **QUALIFIED** Building Trades craftworkers for positions at MMSD.

The following tables show the increases that the BOE and MMSD approved for the contract years and the private sector increases for the five trades that are included in the CBA between the BOE, MMSD and the BTC:

2018 - 2019			
BOE and MMSD 2.13 %			
	6/1/2018	6/1/2017	Increase
Carpenters	\$54.93	\$53.23	3%
Electricians	\$61.14	\$59.22	3%
Painters	\$47.86	\$46.36	3%
Plumbers	\$64.67	\$61.72	5%
Steamfitters	\$70.45	\$68.39	3%
Average			<u>3%</u>

2017 - 2018			
BOE and MMSD 1.26%			
	6/1/2017	6/1/2016	Increase
Carpenters	\$53.23	\$51.68	3%
Electricians	\$59.22	\$57.40	3%
Painters	\$46.36	\$45.35	2%
Plumbers	\$61.72	\$59.37	4%
Steamfitters	\$68.39	\$66.39	3%
Average			<u>3%</u>

2016 - 2017			
BOE and MMSD			
0.12%			
	6/1/2016	6/1/2015	Increase
Carpenters	\$51.68	\$50.26	3%
Electricians	\$57.40	\$56.11	2%
Painters	\$45.35	\$44.35	2%
Plumbers	\$59.37	\$57.04	4%
Steamfitters	\$66.39	\$64.52	3%
Average			<u>3%</u>

The private sector building trades collective bargaining agreements typically start on June 1st. I am in the process of collecting the new wage rate from the trades. At the present time I have the 2019 rates for the Carpenters, Electricians and Painters:

2019 -2020			
WERC 2.44%			
BOE and MMSD			
0.5%			
	6/1/2019	6/1/2018	Increase
Carpenters	\$56.68	\$54.93	3%
Electricians	\$63.09	\$61.14	3%
Painters	\$49.52	\$47.86	3%
Plumbers			#DIV/0!
Steamfitters			#DIV/0!

The following table shows the CPI as computed by the WERC and the increases/offers from the BOE and MMSD and how they compare to the private sector trades for contract years from 2016 to present:

Contract Year	WERC CPI	BOE /MMSD Offer	Private Sector %
2016-2017	0.12%	0.12%	3%
2017-2018	1.26%	1.26%	3%
2018-2019	2.13%	2.13%	3%
2019-2020	2.44%	0.50%	

These tables show the 2018-2019 base rates and total package rates for the private sector, the base rates and 13% longevity rates for the trades at MMSD and the difference in base rates and 13% longevity rates:

2018-2019 BTC Wage Rates

	Carpenter	Electrician	Painter	Plumber	Steamfitter
Base Rate	\$34.93	\$39.04	\$29.38	\$42.45	\$47.99
Total Package	\$54.93	\$61.14	\$47.86	\$64.67	\$70.45

MMSD 2018-2019

	Carpenter	Electrician	Painter	Plumber	Steamfitter
Base	\$27.78	\$28.63	\$26.56	\$28.63	\$37.96
13% Longevity	\$31.39	\$32.35	\$30.01	\$32.35	\$44.64

Difference

	Carpenter	Electrician	Painter	Plumber	Steamfitter
Base	(\$7.15)	(\$10.41)	(\$2.82)	(\$13.82)	(\$10.03)
13% Longevity	(\$3.54)	(\$6.69)	\$0.63	(\$10.10)	(\$3.35)

Conclusion

The wages of the trades at the school district are lagging behind what those trades could earn if they were employed in the private sector. Even with a 2.44% increase the wage increases at the school district the trades will not be keeping up with private sector increases. The building trades proposal to the BOE and MMSD is the maximum increase allowed by Act 10: 2.44% effective July 1, 2019