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Reclaiming the Residential IBEW Locals Organize

The cornerstone of the IBEW's resurgence in construction organizing has been the willingness to confront the mistakes of the past and return to the roots that made the Brotherhood a major force in the industry and the trade union movement.

A significant cause of the loss of market share that the organized sector of the construction industry experienced in the 1970s and 1980s was the fact that many contractors and IBEW locals—but by no means all—sought the more lucrative commercial and industrial work and abandoned the residential construction market to the nonunion sector.

Starting in 1987 when he set the IBEW on the course of intense organizing efforts, International President J.J. Barry has often asserted that the residential area was the breeding ground for the nonunion sector, giving them a vital toehold in the construction industry. Most contractors get their start in residential, as this is the training ground for commercial and, eventually, industrial contractors.

Now, many IBEW local unions throughout North America are going home—seeking to take back the residential market and build a stronger market share within their jurisdictions.

While some IBEW local unions have maintained control of their residential markets over the years, they are the exceptions. Many other locals are now fighting to reclaim the work that was lost—and some locals have adopted specific programs to achieve this goal.

Examples of this trend abound. Local 357 in Las Vegas, Nevada, recently organized a major residential contractor, bringing in some 200 new members. In California, Locals 180, Vallejo, 551, Santa Rosa, and 340, Sacramento, have also targeted the home building market. There are, of course, many others. Two especially good success stories come from Local 353, Toronto, Ontario, and Local 494, Mil-



waukee, Wisconsin, which show how different approaches can yield the same result—organizing success.

Toronto Local Tackles the Market

When the housing market in the Toronto area began to heat up a few years ago, IBEW Local 353 was ready with a plan of action that has met with remarkable success.

In 1996, the Toronto area population was growing and projected to rise from a base of 4.3 million to 6.3 million in the next decade. To meet demand, huge housing projects were underway with more in the planning stage. In June 1996, the local launched its campaign to organize the housing sector. Business Manger/Financial Secretary Joseph Fashion, working in conjunction with the Construction Trades Council of Ontario, hired two full-time organizers, Barry Stevens and Perry Speranza, to work exclusively in the residential arena.

At that time there were no union electrical contractors performing work in housing. The hourly pay for electricians was about \$17 an hour, and working conditions were poor and hazardous. Other construction trades doing residential work (such as plumbers, sheet metal workers, drywallers, carpenters, painters and laborers) were organized, and their members enjoyed comparably higher wages and better benefits.

Since electricians performing resi-



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Construction Market— to Regain Lost Ground

At left, Local 353 electricians employed by Riviera Electric, the first shop the local organized in its residential campaign, signal thumbs up on the organizing win. Organizers Perry Speranza (kneeling, at left) and Barry Stevens (seated, front center) are among those celebrating the victory.



Local 353, Toronto, Ontario, has organized the top 15 electrical contractors doing residential work in the greater Toronto area.

dential wiring were spread out over a large geographical area and under strong control of their contractors, organizing was a formidable task. Nonetheless, Local 353 assessed resources and undertook an all-out effort, including holding general meetings and sending organizers to job sites. The local learned that electricians were fed up with the working conditions, but doubtful about the prospects of successfully organizing and remaining competitive.

Local 353 decided to target the eight largest contractors in the region, sign cards and then conduct a surprise certification blitz. On August 16, 1996, the local applied for Riviera Electric, one of the top eight contractors in the area. On August 23, 1996, Local 353 won a certification vote with 79 percent voting for the union.

Subsequently, between August 26 and August 29, 1996, the local applied for six additional electrical contractors—Proto Electric, Hilton Electric, Internazionale Electric, Tam Electric, Ragno Electric and Discovery Electric—and won all those votes with resounding majorities of over 80 percent.

The local fought some tough battles, but by February 28, 1997, had certified the top 15 residential contractors, involving 500 journeyman and apprentices. As of December 3, 1998, the local had almost 600 employed, dues-paying members working under its low-rise residential agreement, which pays a total hourly package of \$30.11 for a journeyman.

Local 353 has achieved other successes in the interim and continues with active stripping and salting of the few remaining nonunion contractors. The local has now swung into the final phase of the campaign and has hired a third organizer, Tony Chiapetta, to complete the low-rise organizing in the area.

Local 353 also helped form the Residential Alliance of Building Trade Unions, which consists of nine area building trades locals. The Alliance hired a respected and experienced trade unionist, John C. Stefanini, as its executive director. Stefanini acts as the liaison to the Toronto Homebuilders Association and is engaged in establishing a closer relationship with the builders.

Brewing Success In Milwaukee

While Local 353 worked “bottom up,” Local 494 in Milwaukee worked from the other direction. When an electrical contractor recognizes the many advantages that the IBEW offers—trained craftsmen, a ready talent pool, unparalleled quality of work—he or she may readily sign an agreement, and the organizing is “top down.”

It happened in Milwaukee, where Gerald “Jerry” Schultz, president of JSE Electrical Contractors, signed Letters of Assent with IBEW Local 494 on May 4, 1998. Schultz is quite candid about his reasons for his action: 1) the high level of initial training provided IBEW wiremen; 2) the continuing education available to IBEW members and 3) the experienced labor pool available through the IBEW.

Top down worked with Schultz, says Local 494 Business Manager/Financial Secretary Paul Welnak, because Schultz is a contractor who shares the IBEW’s commitment to excellence, including using state-of-the-art computer programs for bidding contracts. Consequently, June 1, 1998, will go down as one of the most significant dates in the organizing history of Local 494 because that’s when 82 field employees of JSE began work under their IBEW agreement, which covers inside, residential and material handler work at JSE.

Discussions began in January 1998 between Local 494
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and Milwaukee-based JSE. Local 494 Organizer Leon Burzynski noted that in past years few contractors previously established as nonunion companies have been amicable to such top-down organizing approaches. JSE is different because of the high performance standards the company sets for itself.

So, the IBEW's JATC training programs and the membership's commitment to quality and excellence in the workplace were the keys to victory. These IBEW assets enable our employers to compete with those who attempt to gain market share through low wages.

On Saturday, May 16, 1998, Local 494 held a membership enrollment meeting at the union hall to welcome and enroll the new JSE members, more than 50 of whom attended. IBEW Sixth District International Vice President Jeremiah J. O'Connor administered the oath of obligation. Business Manager Welnak and others extended the hand of friendship to their new IBEW brothers and sisters.

Some Never Lost It

Vice President O'Connor recently indicated that organizing the residential market is a priority for local unions throughout the Sixth District, and he noted that International President J.J. Barry has assigned a temporary organizer, James H. Dudley Sr., to the District staff to focus solely on residential organizing. According to Vice President O'Connor, the following Illinois locals have never lost the residential market and continue to control 75 to 80 percent of the housing market in their jurisdictions: Local 34, Peoria; Local 117, Elgin; Local 134, Chicago; Local 150, Waukegan; Local 461, Aurora; and Local 701, Lisle. Local 1, St. Louis, Missouri, has long been the dominant force in that area's residential market, and has fought hard to keep its share over the years, currently controlling about 75 percent. Some locals offer the Plus-5 plan, wherein the electrical work on a house is guaranteed for five years. In general, members of these locals performing residential work receive the same wages and benefits as inside wiremen. Another story of the successful retention of the resi-

dential market comes from the West Coast.

In the mid-1980s, Local 48, Portland, Oregon, realized the residential sector was its base and a separate residential contract with reduced wages and benefits was developed, along with a new residential apprenticeship program. This contract and the apprentice program kept the local competitive.

By the early '90s, the local controlled a majority of the residential remodel work and a major portion of the new residential work. The local trained apprentices, who became journeymen in less than three years, used market recovery in innovative ways, and increased wages.

Local 48, whose jurisdiction covers northwest Oregon and southwest Washington state, currently has over a dozen contractors who deal in the residential market and performs approximately 35 to 40 percent of all new residential construction in Oregon (which has strict apprenticeship standards, helping ensure only qualified electricians work in the industry), and about one-half of all residential service and remodel work in that state. The state of Washington has no apprenticeship training requirements for electricians, which aids unscrupulous nonunion contractors. The state offers a trainee's license (for residential and commercial work), that can be obtained by anyone without any schooling. In Washington the local has approximately 20 percent of new residential work and about 30 percent of service and remodel work.

Finding new ways to increase its residential market share in recent years, the local mailed its wage and fringe package to every licensed electrician in the jurisdiction, posted billboards, and advertised on local radio stations. ■



Local 494, Milwaukee, Wisconsin, Business Manager Paul Welnak (left) introduces International Vice President Jeremiah J. O'Connor to newly organized employees of JSE Electrical Contractors Inc. at the May 1998 enrollment meeting.



JSE employees and Local 494 representatives gather for a group photo at the union hall.