



UNION NEWS

Union Steward

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Approved for posting,

Jon Holden
District President and
Directing Business Representative
IAM&AW District Lodge 751

Union Brings Improvements on Wage Disparity

As a result of actions taken by our Union, thousands of our members will see an increase in their pay.

Last October, we reported that we demanded to bargain the effects of Boeing's wage disparity created by changes in the Company's hiring practices. Without opening the contract, we utilized effects bargaining and Letter of Understanding #45 the Joint Company/Union Wages Committee as a pathway to discuss pay topics we believe needed to be addressed in a positive manner for our members. In this case, we were addressing both documented contractual practices and arbitrary decisions regarding wages for new hires.

Our efforts focused on the company's pay practices when hiring at pay rates above the minimum rates in order to attract new employees with specific experience. Because of some arbitrary practices, this caused members already employed at Boeing to receive pay rates less than new employees with equivalent experience. You all understand the morale issue this caused in the shop.

Keep in mind: When an employer changes our working conditions, we have choices to make to protect our members. Grievances can be filed, unfair labor practice charges can be made, or the union can demand to bargain the effects of these changes. Often times if particular decisions by the Company are not memorialized in contract language, then our only opportunity is to demand to bargain the effects of those changes.

What is effects bargaining? A union has the legal right to demand to engage in 'effects bargaining' whenever working conditions or company policies change. This is an important tool we are using more often to address issues. If we do not engage in effects bargaining, a change in company policy could simply go unchecked and be implemented, and we would miss an opportunity to either mitigate the policy or make improvements for our members.

In this case, effects bargaining and LOU #45 gave us a pathway to address these wage disparity issues. The Company and the Union have come to a resolution with the following results positively impacting thousands of our members:

Minimum Pay Rate Increase:

- Effective Jan. 1, 2019 the minimum rates will increase by the following:
 - \$4 an hour increase to grades 1 – 11
 - 8820A minimum will be increased to \$15.00 an hour
 - Those employees that are below the new minimum rate will have base rates increased to the new minimum rate. Employees currently making wages above those levels will not see any change to their wages.

Labor Grade Promotions:

- Effective for future promotions:
 - Increase promotion amount to \$0.75/hour from \$0.56/hour (maintain demotion at \$0.56/hour)
 - For internal promotions to jobs providing higher entry rates based on experience, Boeing will apply either the contractual promotion or match the higher offer rate; whichever the greater of the two.

Experience-Based Offers:

- Effective March 8, 2019
 - In jobs where the Company is offering experienced-based wage rates, we will review those employees previously hired (internally or externally) to ensure their current pay rate aligns with equivalent experience factors. Pay adjustments will be retroactive to the date at which the Company starts to bring in new employees at the higher amounts.

Second Shift Differential:

- Effective March 8, 2019
 - Second shift differential will increase from \$0.75 to \$1/hour

There were other wage issues we attempted to address and will continue to push for improvements for our members when the opportunity arises.