

IUPAT Leadership Announces Freeze

From the Desk of the IUPAT General President

Once again, we are forced to face the facts of a down economy. Although, at the time of this writing, the construction industry and the economy in general are showing signs of a stronger pulse, we still face daunting unemployment figures.

I hear from many of you on an almost-daily basis as the work disappears in both the U.S. and Canada. Although the union can't create jobs for our members, we can do many other things to bring some relief to those in financial crisis.

That is why I recently convened the IUPAT Executive Board to take action on a constitutionally mandated (Section 17[a]) \$0.40 per capita tax increase on the membership scheduled for January 1, 2010. I am pleased to report that it was moved, seconded and unanimously approved to defer that increase to 2011, rather than be put in effect next year.

Immediately following that meeting, I conducted a teleconference with all of the IUPAT business manager/secretary-treasurers. In that meeting, I briefed the BMSTs on the board's vote to defer the per-cap raise and urged them to do the same with your dues. Once again, we had a unanimous vote. All of the BMSTs agreed that freezing dues at their current rate was the right thing to do.

Would this or could this have happened 10 years ago? Probably not. Frankly, we didn't have the resources on the international or local level to con-

sider a per-cap or dues freeze. It's a much different financial picture today, thanks to something we started doing years ago.

ANNUAL REPORTS SPUR FINANCIAL ACTION

You see, about five years ago, I instituted the creation and presentation of annual reports from each of our district councils. We measured trends in membership, training, and their financials. The reports were covered as a group at our yearly General President's Advisory Committee (GPAC) meetings. Everyone got the good, the bad, and the ugly of each other's council.

The result? Almost immediately, the financial health of our district councils substantially improved. The improvements came because each district council leader could see what was working and what wasn't working in other councils. Best practices were adopted to improve operations by changing how vendors were retained, knowing the optimal amount of people to keep on staff, and even the best way to invest and bank their money.

Because we started five years ago, when the economy was booming and ongoing construction jobs were on the horizon, our operations were prepared for a down economy. We can continue to deliver the services and training you've come to expect as a union member.

**IUPAT General
President
James A. Williams**

in Per-Cap and Membership Dues in 2010

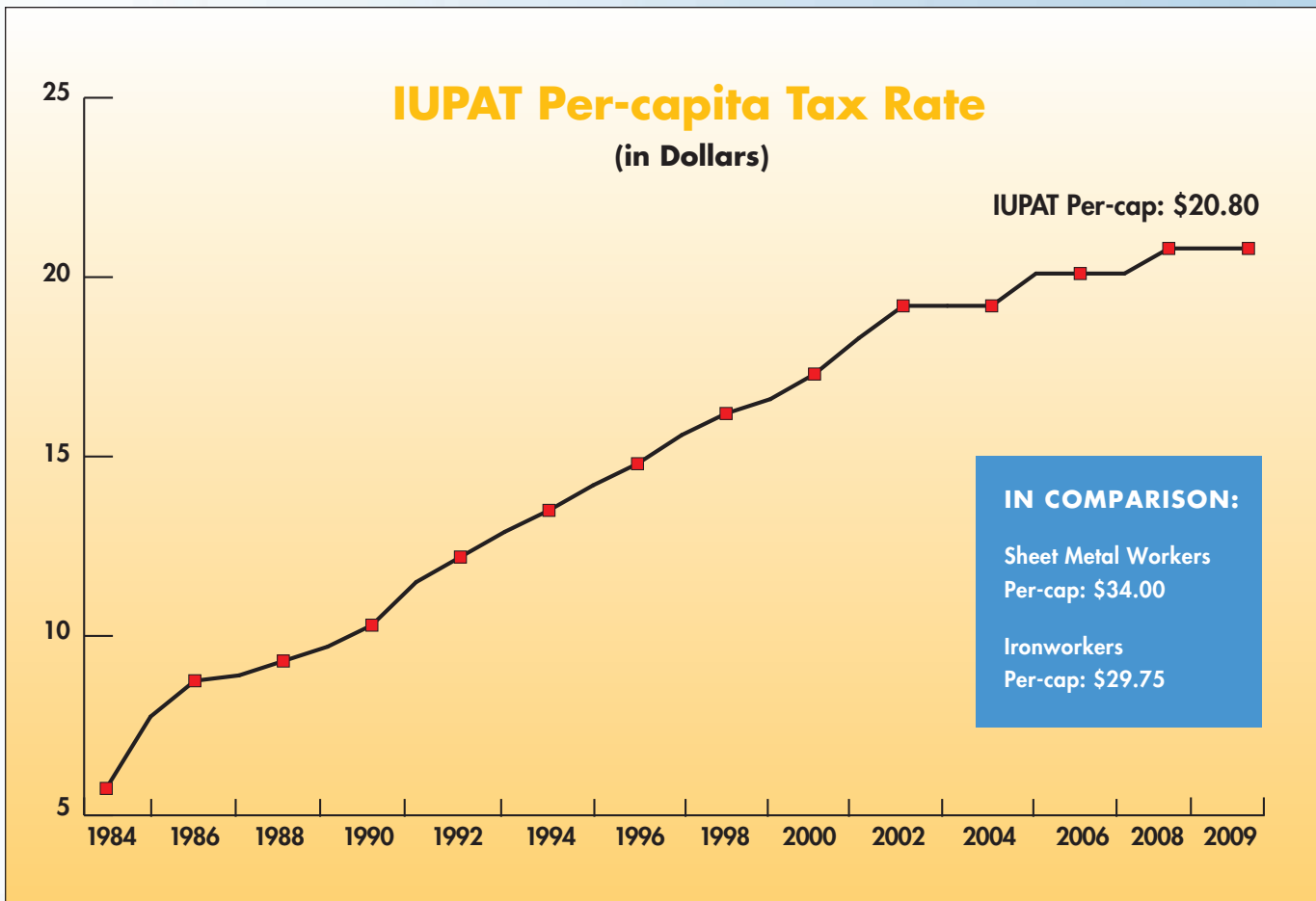
It was this renewed focus on union finances that allowed us to stem a steady increase in the per-cap rate. As you can see in the chart on the next page, in 2002, the IUPAT General Executive Board instituted an unprecedented three-year per-cap rate freeze after a fairly steady upward trend. In fact, it was at the 2004 General Convention that your leadership promised not to raise the per-cap rate again to meet the day-to-day operations of the International. It would only go up to fund needed expansion in union capacity and programs.

That is exactly what happened in 2005, when the increased per-cap rate went toward the construction and maintenance of our new International Training Center in Hanover, Maryland. A worthwhile investment, to say the least. The only other increase after that was to bolster the Death Benefit Fund available to our members. Again, not a day-to-day expense of union headquarters but, rather, an expansion in our capacity to benefit our members; in this case, the loved ones of our members.

THE RIDDLE OF UNION NEED VS. APPROVAL IN A DOWN ECONOMY

A few months ago, I announced to you in the *Journal* that we had created a classification of membership called the Solidarity Status. Those out of work for a designated amount of time may apply for this status, which allows someone to remain a member in good standing at a greatly reduced dues amount.

Now, why is it so important to remain a union member in a down economy?



Because that's when you need protection, on and off the job, the most.

Reports throughout the United States indicate that more and more workers in construction are victims of "wage theft" in this struggling economy. Wage theft is the underpayment or non-payment of wages for hours worked. Unfortunately, it affects millions of people in the workplace, in and out of construction.

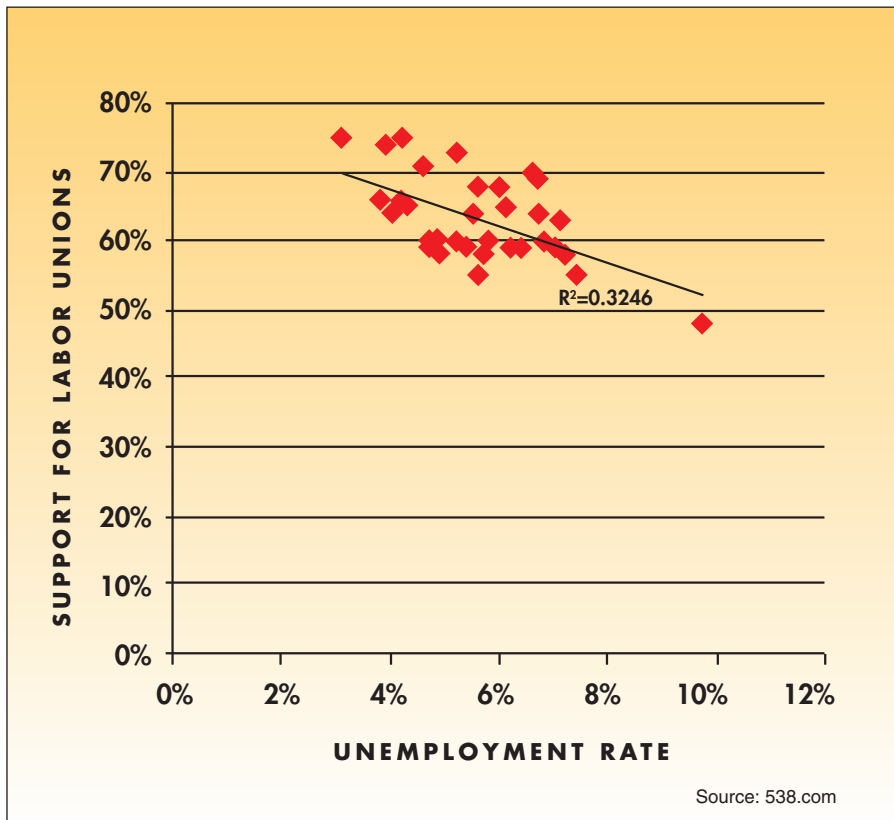
Imagine for a moment that you're

one of the fortunate ones to have a job right now—but you're not a union member. After standing in line for your check on the job site, you open your envelope to discover that you haven't been paid in-full for your overtime. Or you haven't even been fully paid for the regular hours you put in. Now, what do you do? Where do you turn?

Remember, in this scenario, you're not in a union. You can't go to your

steward—you don't have one. Call the police? Nope. You can go to the U.S. Department of Labor or the state labor department. You might need to hire a lawyer for that, though. The General Accountability Office recently released a report that found that the labor department's Wage and Hour Division mishandled serious cases nearly 20 percent of the time. Hilda Solis, our new U.S. Secretary of Labor, has pledged to rec-

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IUPAT	
PER-CAPITA ALLOCATION	
<i>(2008 Allocation)</i>	
	REGULAR
PER CAPITA TAX	\$22.80
LESS DBF	(\$2.00)
SUBTOTAL:	\$20.80
FUND TRANSFERS:	
PAT	(\$1.50)
ORGANIZING	(\$3.00)
AD & D	(\$0.05)
CONVENTION	(\$1.04)
BUILDING CORP	(\$0.70)
GO FUND	(\$1.25)
FIDR FUND	(\$0.25)
SUBTOTAL:	\$13.01
AFFILIATION FEES:	
AFL-CIO	(\$0.65)
BCTD	(\$0.60)
STATE AFL-CIO	(\$0.46)
SUBTOTAL:	\$11.30
JOURNAL COST:	
JOURNAL	(\$0.22)
POSTAGE	(\$0.07)
SUBTOTAL:	\$11.01
OVERHEAD:	
PERSONNEL	(\$7.92)
GENERAL OVERHEAD	(\$3.32)
IUPAT	(\$0.23)

tify this situation by adding more investigators and field personnel, but that's going to take some time.

You could complain to the employer, but let's face it: These are tough times, and the employer might not call you back for work the next day and might use someone instead—someone who might not complain about being underpaid.

What if there isn't proper safety equipment on the job? What if your employer wrongly refuses you workers' compensation when you got hurt on the job?

Of course, these are worst-case scenarios; most contractors and sub-contractors will pay owed wages and make certain their job sites are safe. But, as the economy takes time to recover and construction companies feel the squeeze, more and more of them will take advantage of a workforce grateful to be working and hesitant to complain or rock the boat.

That reason might also be cause for a puzzling statistic recently released by a political analysis website called FiveThirtyEight. It found that, since 1948, there was "a decrease in approval of 2.1 points for unions for every point increase in unemployment."

It's an interesting statistic because it would seem that common sense dictates that unions would be more popular in a down economy, when worker abuse (e.g., wage theft) typically increases. However, this analysis says otherwise. It would seem that, when the economy gets rough, people take the abuse because they're just happy

to have jobs. When more jobs are out there, that's when they'll stand up to a bad employer, because they know that they have good odds of working the next day if they get fired as a result.

I urge you to realize that the exact opposite is true. Now more than ever is the time to remain united so our rights in the workplace remain intact. With the union behind you and your co-workers, you're going to have an effective voice to make certain you get a fair day's pay for a fair day's work. Furthermore, you have someone onsite making certain corners aren't

being cut that threaten your safety.

Yes, these are hard times. But it's in the hard times when you may need your union the most. You pay your dues for service, and it's our job to deliver. Let us do our job for you. If you're out of work and in danger of dropping from membership, contact your local union or district council and see if you qualify for Solidarity Status.

I hope to see you at one of your union meetings soon. In the meantime, use the card in this magazine to write to me or e-mail me at:

askthegeneralpresident@iupat.org.

ANNUITY HARDSHIP WITHDRAWALS

You've already read about and, if you're going to your local union/district council meetings, probably heard about the IUPAT Pension Fund's announcement that Hardship Withdrawals are now available for those participating in the Annuity Plan. To qualify, the hardship distribution must address an unpaid expense that is necessary for you or your family, such as:

- **medical expenses, including COBRA costs;**
- **costs for purchase of a principal residence, or payments to prevent eviction or foreclosure on your residence, which may include unpaid taxes, utilities, and other debts that can create liens leading to foreclosure or render your home uninhabitable;**
- **tuition, related educational fees, and room-and-board expenses for the next 12 months of college education, so your children will not lose their opportunities for the future;**
- **burial or funeral expenses, if tragedies strike while you are down; or**
- **repair of damage to your home, if calamity strikes.**

Contact the Pension Fund office for more information: 1-800-554-2479 or pension@iupat.org.