

**Joint
Arbitration
Board**

**MECHANICAL CONTRACTORS ASSOCIATION
and
PIPE FITTERS' ASSOCIATION, LOCAL UNION 597, U.A.**

7065 Veterans Blvd. Burr Ridge, IL 60527 312-384-1220 FAX: 630-655-3287

To: All Employers Subject to the Area Agreement and/or the Industrial Agreement
with Pipe Fitters Association, Local Union 597, U.A.

Date: May 2, 2024

Please be informed that the Joint Arbitration Board has concluded negotiations on allocating the previously negotiated increase of **\$3.00, effective June 1, 2024**. The basic hourly rates for Journeypersons, Apprentices, and Metal Trades Division, as well as trust fund contributions and wage-work assessment, are as set forth in the new rate schedule included with this memo. The Journeyperson's total package will be **\$97.04 per hour**.

The area in which this Agreement shall apply shall cover all operations in the counties of Bureau, Cook, DeKalb, DuPage, Grundy, Iroquois, Kankakee, Kane, Kendall, Lake, LaSalle, McHenry, Putnam, Will and those portions of, Livingston, Marshall, and Woodford Counties in the State of Illinois and in the Counties of Jasper, Lake, LaPorte, Newton, and Porter in the State of Indiana to which Territorial Jurisdiction has been assigned or may in the future be assigned to the Union by the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry.

(NOTE: This schedule does **not** apply to work under the Residential Agreement).

Contributions to Fringe Trust Funds are to be made by Employers **FOR ALL HOURS WORKED** by Journeypersons, all Supervisory Classifications, and Metals Trades Division Fitters, in addition to the aforesaid wage rate.

Pipe Fitters Association
Local Union 597, U. A.



Chris Hernandez
Business Manager

Mechanical Contractors Association



Marc Pittas
Chairman, JAB

**MCA of CHICAGO / LU 597 WAGE and BENEFIT FUNDS
EFFECTIVE JUNE 1, 2024**

	Wage Rate	Benefit Funds						Total Package	Deductions	
		Welfare Fund ³	Retirement Fund	Defined Contribution	LMCC	Training Fund ⁴	Piping Education Council		Emergency Savings Fund ⁵	Wage Work Assessment ¹
Building Trades										
Journeyman	\$57.00	\$13.65	\$9.85	\$13.00	\$0.09	\$3.12	\$0.33	\$97.04	\$1.00	\$1.14
Foreman	\$60.00	\$13.65	\$9.85	\$13.00	\$0.09	\$3.12	\$0.33	\$100.04	\$1.00	\$1.14
General Foreman	\$62.00	\$13.65	\$9.85	\$13.00	\$0.09	\$3.12	\$0.33	\$102.04	\$1.00	\$1.14
Superintendent	\$64.00	\$13.65	\$9.85	\$13.00	\$0.09	\$3.12	\$0.33	\$104.04	\$1.00	\$1.14
General Superintendent	Negotiated	\$13.65	\$9.85	\$13.00	\$0.09	\$3.12	\$0.33		\$1.00	\$1.14
Building Trades Apprentice Rates ²										
First Year	\$22.80	\$3.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.80	\$0.00	\$0.46
Second Year	\$31.35	\$3.00	\$0.00	\$3.00	\$0.00	\$0.00	\$0.00	\$37.35	\$0.00	\$0.63
Third Year	\$37.05	\$12.65	\$0.00	\$3.00	\$0.00	\$0.00	\$0.00	\$52.70	\$0.00	\$0.74
Fourth Year	\$44.46	\$12.65	\$0.00	\$3.00	\$0.00	\$0.00	\$0.00	\$60.11	\$0.00	\$0.89
Fifth Year	\$57.00	\$12.65	\$0.00	\$13.00	\$0.00	\$0.00	\$0.00	\$82.65	\$0.00	\$1.14
Metal Trades										
Metal Trades Technician	\$51.30	\$13.65	\$9.85	\$13.00	\$0.09	\$3.12	\$0.33	\$91.34	\$1.00	\$1.03
Appliance Service Technician	\$29.81	\$13.65	\$9.85	\$13.00	\$0.09	\$3.12	\$0.33	\$69.85	\$1.00	\$0.60
Metal Trades Apprentice Rates ²										
First Year	\$22.80	\$3.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.80	\$0.00	\$0.46
Second Year	\$31.35	\$3.00	\$0.00	\$3.00	\$0.00	\$0.00	\$0.00	\$37.35	\$0.00	\$0.63
Third Year	\$37.05	\$12.65	\$0.00	\$3.00	\$0.00	\$0.00	\$0.00	\$52.70	\$0.00	\$0.74
Fourth Year	\$44.46	\$12.65	\$0.00	\$3.00	\$0.00	\$0.00	\$0.00	\$60.11	\$0.00	\$0.89
Fifth Year	\$51.30	\$12.65	\$0.00	\$13.00	\$0.00	\$0.00	\$0.00	\$76.95	\$0.00	\$1.03

¹ The "Local Union 597 Wage-Work Assessment" is an after-tax DEDUCTION from the wage rates and shall be paid for all hours worked for all classifications of Local Union 597 members.

² Retirement Fund, Training Fund, Emergency Fund, LMCC, and Piping Education Council are **NOT** payable on Apprentices.

³ \$1.00 for the Health Reimbursement Account (HRA) is paid on Building Trades Journeyman, Foreman, General Foreman, Superintendent, General Superintendent, Metal Trades Technician, and Appliance Service Technician. It is **NOT** paid on 1st through 5th year Building and Metal Trades Apprentices.

⁴ \$1.09 of the Training Fund contribution is applied to the Apprentice Wage Reimbursement (AWR) Fund. This Fund pays the wages and fringes directly to apprentices for the regular work days that they are in attendance at the LU 597 apprentice school. Currently, the Fund covers wages and fringes for **all Apprentices**.

⁵ The "Emergency Savings Fund" is an after-tax DEDUCTION from the wage rates and shall be paid for all hours worked on Building Trades Journeyman, Foreman, General Foreman, Superintendent, General Superintendent, Metal Trades Technician, and Appliance Service Technician. It is **NOT** paid on 1st through 5th year Building and Metal Trades Apprentices. This deduction is mandatory, and Employees cannot opt out of this deduction. This contribution shall be remitted to the Pipefitters Emergency Savings Fund on a separate payment in care of the Pipe Fitters' Local 597 Individual and 401(k) Plan ("401(k) Plan"). The 401(k) Plan will then remit the monies to the Employee accounts.

EMPOWER CASH ACCOUNT / EMERGENCY SAVINGS ACCOUNT

The Emergency Savings Fund is a new fund in the Fringe Benefits package effective June 1st, 2024. The rate for the savings fund is \$1.00 per hour worked. Benefits are only paid on hours truthfully worked (not vacation time). For overtime, benefits are reported as straight time. For example, if you work overtime, the rate is still \$1 being contributed per hour for this fund, not \$1.50. This is an **AFTER-TAX** deduction from the members paycheck, it is **not** funded by the Employer. This money is sent to the fund office from the contractor on behalf of each member on a monthly basis along with the other benefits. The fund office in turn processes the contributions and sends this money off to the Empower plan. Empower then credits each member's bank account at UMB Bank with the funds received for that work period. In order for the members contribution to process, the bank account must be opened by the Pipefitter PRIOR to the contribution being received. No money will be sent until there is an active bank account to send the money too.

MEMBERS:

- \$1 per hour will be contributed AFTER TAX by the employer to go into a new account at Empower beginning with June hours.
- This dollar comes off of the MEMBER'S paycheck, it is not funded by the Employer
- This new benefit is for Journeypersons including Pipeline workers and those working on a "B" or "C" card. No apprentices, no residential.
- Members MUST login to their Empower portal and open an Empower Cash Account. Instructions are on our website and are being emailed and mailed to all members who qualify.
- Once June contributions are received on or around July 15th the Fund Office will process and send contributions to Empower before the end of July. Money should be in member accounts no later than August 1st.
- Members can withdraw money at any time or leave it as long as they want. There are no penalties for withdrawals
- The interest rate on this account is 4.7%
- Members should call Empower at 833.378.5971 if they have any trouble opening the account -**THEY NEED TO MENTION THEY ARE A PIPEFITTER TO THE EMPOWER REP**

CONTRACTORS:

- This is an AFTER-TAX deduction from the members paycheck (similar to the dues assessment fund)
- There will be no additional report in the Employer XG portal for this fund. This fund is included with the other fringe benefits included in the package – it will be an additional line item in the general contract report based off of hours worked
- This benefit is only paid on hours worked, not vacation time. For overtime, the benefit is still reported as straight time, as the other benefits are
- If you have additional questions, please contact the MCA at 312.384.1220