

## **IMPORTANT LOCAL 636 NEGOTIATIONS INFORMATION**

MCA continues to negotiate with Local 636 and Local 98. Our latest offer to Local 636 includes wage increases among the highest of all contracts negotiated in Michigan. The average increase of Michigan construction contracts is around 2.4%, and some include much lower increases or freezes. Our latest offer averages over 3.0% over 3 years (\$1.65, \$1.70, and \$1.75).

Despite this, Local 636 refuses to allow employees to vote. Rather, it seems that Local 636 is holding out for increases of \$2.50 to \$2.75. Such increases far exceed any Michigan increases and simply are unacceptable to our members and our customers. Our market is in shambles.

Customers are cutting costs and demanding price reductions. The “Big 3” and their suppliers are shutting down plants and cutting tens of thousands of employees. Many customers are going non-union. Schools and other public entities are canceling or reducing the size of projects. Michigan unemployment just hit 8.5%, and Michigan will suffer its 8<sup>th</sup> straight year of job losses. (See today’s Detroit News)

There has been **NO** talk of a strike. Rather, it seems Local 636 is intent on simply extending negotiations. We learned this morning that Local 636 might be sending out interim agreements to contractors, which might contain wage increases far beyond what contractors and customers could ever pay. These increases would price our contractors out of many of our markets.

**PLEASE DO NOT SIGN AN INTERIM AGREEMENT!** Signing interim agreements could lead to outrageous permanent increases. Interim agreements are ineffective, and they will jeopardize our ability to reach a reasonable long-term agreement. There is no reason to even consider signing an interim agreement when there is no strike or even talk of a strike.

Please immediately contact us if you are approached with an interim agreement. There are other options. We will answer all of your questions and explain all of your options.

It is vital that we stick together and allow these negotiations to progress. We are doing all that we can to reach an agreement. We will keep you informed.

Carl Evans, MCA Detroit

June 19, 2008