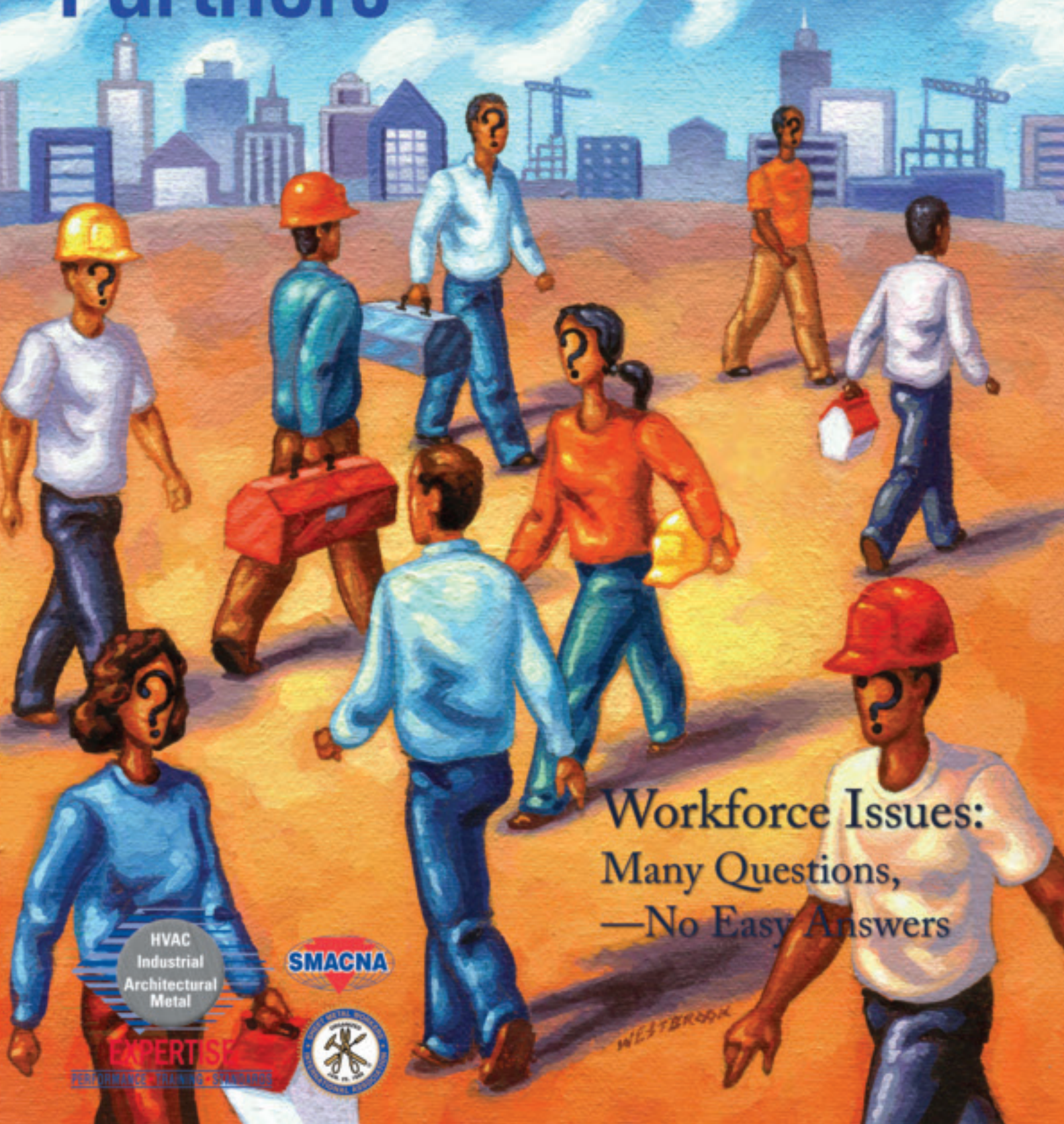


# Partners **IN** PROGRESS

SMACNA & SMWIA—Building A Future Together SUMMER 2006



Workforce Issues:  
Many Questions,  
—No Easy Answers

HVAC  
Industrial  
Architectural  
Metal

SMACNA



**EXPERTISE**  
PERFORMANCE TRAINING STANDARDS

WESTBROOK

## CONTENTS

NEWS AND SHORTS . . . . . 2

WORKFORCE ISSUES:  
LOTS OF QUESTIONS,  
NO EASY ANSWERS . . . . . 3

PEOPLE: AN INDUSTRY-WIDE  
PROBLEM . . . . . 6

A FUNNY THING HAPPENED  
EN ROUTE TO A CONTRACT . . . 8

AN INDUSTRY & ITS PEOPLE:  
WHAT THE DATA SAY . . . . . 9

PARTNERS ZERO IN ON  
MARKETING TARGETS . . . . . 12

SMWIA AND MERGERS:  
STUDYING THE  
POSSIBILITIES . . . . . 14

CROSSWORD PUZZLE . . . . . 15

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PARTNERS IN PROGRESS IS A PUBLICATION  
OF THE SHEET METAL INDUSTRY LABOR-  
MANAGEMENT COOPERATION FUND.

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INDUSTRY LABOR-MANAGEMENT COOPERATION FUND,  
P.O. Box 221211, CHANTILLY, VA 20153-1211.

FOR SUBSCRIPTIONS AND ADDRESS CHANGES,  
VISIT WWW.PINP.ORG.

CANADA PUBLICATIONS AGREEMENT No. 40725004  
STATION A, PO Box 54, WINDSOR, ON, N9A 6J5



PRINTED IN THE U.S.A.

## NEWS AND SHORTS

### Sheet Metal Shines In Los Angeles

“Sheet Metal Is Starting To Shine” read the headline on a March 20 article in the *Los Angeles Times*. The piece touted the beauty of architectural sheet metal—and quoted several members of SMACNA:

Atlas Sheet Metal (Irvine) “will create yet more shiny baubles when it clads or roofs 10 schools and 40 custom homes in the stuff this year,” the newspaper said. It quoted Jim Odlum, owner of Atlas: “It’s something different and modern-looking, you know? It’s a beautiful material.”

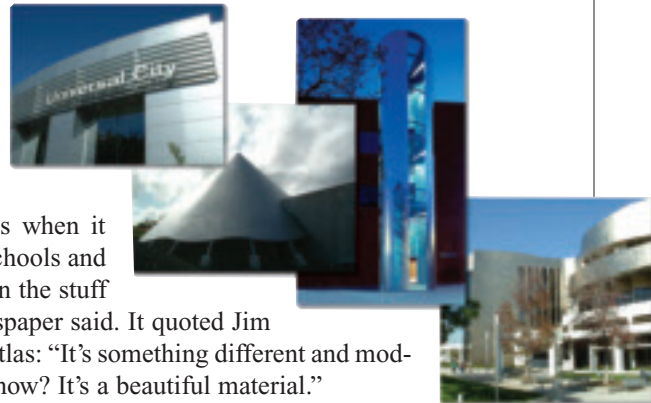
Cimco AC & Sheet Metal Inc. (Santa Fe Springs, Calif.) “has seen a 10% to 20% increase in business the last five years.”

Dave Duclett, co-owner of CMF Inc. (Orange, Calif.), said his company’s projects averaged \$100,000 or less in the year 2000. Today, “its current roster of present and future jobs includes 15 projects of at least \$1 million and several that easily top that figure,” the newspaper reported.

Wayne Chambers of Coastal Sheet Metal (Costa Mesa, Calif.) “estimated his raw materials costs have jumped by a third this year, in larger part because of increases in the price of copper.”

Weiss Sheet Metal (Gardena, Calif.) “has noticed an uptick in the call for architectural sheet metal,” the *Times* said. Weiss sees potential for growth of as much as 15% this year. “The pluses of building with metal play a role, too,” Andre Sarai, company president, told the newspaper.

“Metals tend to last longer, and there’s less maintenance. And aesthetically, they are very pleasing.”



### Focus On Gulf Coast Market

“Hazardous and toxic conditions are just some of the challenges facing SMACNA and SMWIA’s Gulf Coast Assistance Task Force,” said former SMACNA president Mark Watson at the Partners In Progress Conference.

Other challenges outlined included local wage rates, licensing, and simply finding housing. The task force is seeking ways to penetrate the Gulf Coast market and gain a greater share of the work.

Toward this end, SMWIA is developing a letter addressing available work opportunities, mobility of manpower, and incentives for contractors to bid work in the Gulf area. SMACNA staff is preparing information packets for contractors interested in bidding the work. ■

**NO PEEKING...YET**

See Page 15

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# Workforce Issues: Many Questions, No Easy Answers

Assuming the Sun doesn't explode soon,  
there will be a tomorrow.

Who will do sheet metal & HVAC work?

Tentative answer: No one really knows!

**F**or an index of how concerned the SMWIA-SMACNA team has become over the future sheet metal industry/HVAC workforce, consider this: The joint National Labor-Management Cooperation Committee has commissioned just one research project in its history (since 2001)...and that's on the future workforce.

Many questions about the future workforce are being discussed by SMACNA, SMWIA, and many other unions and contractor groups. There are many more questions than answers. These include:

**How** can the industry indenture and train enough future workers to replace those who will retire and provide for industry growth needs...when times are tough in some areas of the country?

**Will** tomorrow's workforce (consisting of younger people, a higher concentration of women, and more Hispanics than in the past) be welcomed into the sheet metal/HVAC industry?

**Can** the construction industry as a whole solve its retirement and recruitment problems?

Enhanced worker retention could prevent the dramatic need for new recruits. Is that possible in the construction industry generally, and in the sheet metal world specifically?

If the non-union element does little or no training, and organized construction's apprenticeship effort is stagnant (or, in places, de-emphasized)...*is the construction industry overall headed for a skilled worker shortage crisis*—of significant impact and extended duration?

## Many challenges

Prof. William F. Maloney of the University of Kentucky, who teaches undergraduate and graduate courses in construction engineering and management, is running the SMWIA-SMACNA research project. He provided insights to attendees at the Partners In Progress conference in late March/early April in Las Vegas.

*continued on page 4*



Dr. Maloney

*continued from page 3*

Maloney offered many good points, but perhaps he stunned his audience with some data from the *Jobs Rated Almanac* (priced recently on Amazon.com at \$9.72)...The publication rates 250 jobs. Here are the best/worst:

#1, 2, 3 = biologist, actuary, financial planner.

#248, 249, 250 = cowboy, fisherman, lumberjack.

And the *piece de resistance* from Maloney was this: The profession of sheet metal worker was ranked...#227. Most construction jobs were rated in the 200s; ironworker, for example, came in at #247.

With construction generally a “less desired” pursuit, and the sheet metal trade specifically ranked behind more than

90% of other occupations, retention and recruiting are critical now, and will be more so in the future, Maloney said.

To download a 77-page PDF (one slide to a page) of Maloney’s general-session presentation to the Partners In Progress Conference—*Recruiting Your Most Important Asset*—go here: [www.pinp.org/files/smiw/MALONEY\\_dc.pdf](http://www.pinp.org/files/smiw/MALONEY_dc.pdf).

### Avoiding the dregs

Maloney also spoke at a break-out session on the Thursday before the Partners conference, *Tools for Recruiting the Future Workforce*.

In this reporter’s attempt to cover the entire event, he ended up wandering from room to room. However, for a short period in Maloney’s session, there was at least one particularly impressive point made—not always heard—by the professor on the construction industry’s apprenticeship problems:

“Construction, for many people right now, is a career of last resort. We can’t work that way.”—*Joe Salimando*

## Efforts Of Three Local JATCs

Here’s just a bit of what the JATCs in Baton Rouge, La., Evansville, Ind., and Minneapolis-St. Paul, Minn., are doing these days about recruitment, retention, and more:

**Apprentices help in recruiting:** According to Michael Patrick, apprenticeship coordinator for Indiana, using apprentices to help at “career fairs” really works for SMWIA Local Union 20 in Indiana.

“They seem to speak the same lingo as the people we’re targeting,” said Patrick, who became coordinator in February (after 16 years as an SMWIA agent). “We probably do 60 or 70 of these career fairs in Indiana in a given year, and we use apprentices for at least 25% or 30% of them.”

What’s the benefit? “Our apprentices are walking, talking, living proof that—yes!—the program exists. And—yes!—we take in apprentices, and yes, they succeed, and yes, they become journeymen.”

**Assistance from a state grant:** Not every place gets shelacked by hurricanes, but when a disaster happens, government assistance can materialize. So says Greg Toney of SMWIA Local 21, the training coordinator in Baton Rouge.

“Before the hurricanes, we had applied for a welding grant,” he explains. “That got pushed to the back burner, with a lot of other things, afterward.”

However, government money was made available to Louisiana Technical College. An LTC person called Local 21, asking if it was still interested in moving forward on that welding training.

Result: The LTC produced radio advertising promoting welding training via the Baton Rouge JATC. You can hear the ads by going to these two locations on the Partners In Progress Web site:

- [www.pinp.org/files/audio/baton\\_rouge\\_1.wma](http://www.pinp.org/files/audio/baton_rouge_1.wma)
- [www.pinp.org/files/audio/baton\\_rouge\\_2.wma](http://www.pinp.org/files/audio/baton_rouge_2.wma)

What’s happened as a result of these ads? “I’m kind of shocked at the response we’ve had,” says Toney. In addition to some calls that were off-base, Local 21 is providing welding training to more than 60 non-union workers. They may become SMWIA members.

“It’s created a new problem for us, and for our contractors,” Toney says—happily. “Now, we need to put 60 more people to work.”

**Journey-level classes:** While the new modular training format will lead to an increase in journeyman training, the Metro JATC in Minneapolis-St. Paul has been offering such classes for more than six years.

“It was a priority of our JATC when I took this job,” says Buck Paulsruud, training coordinator for 6.5 years.

A visit to the SMWIA Local 10 Web site ([www.smw10.com/2005ckasses.htm](http://www.smw10.com/2005ckasses.htm)) shows off the journey-level class offerings. Printed out landscape format, the class list filled 14 pieces of paper.

“Our members are out there getting the training they need,” says Paulsruud. “This is a competitive advantage. The pipefitters aren’t doing what we’re doing.”

While classes are offered primarily in the evening, there are Saturday classes. Paulsruud asked to throw in a tribute: “We are blessed here with talented instructors. We have 23 part-time instructors and three full-time. You can’t offer the number and breadth of classes we have here without this kind of people.”

*And they’ve been busy.* In 2005, instructors taught 965 classroom hours. There were 538 students (out of roughly 2,500 SMWIA members in the metro area). According to Paulsruud, there were 12,542 student class-hours last year. ■

## It's Not Just Construction That Faces A Crisis

Issued by the National Association of Manufacturing, the 32-page 2005 Skills Gap Report, issued late last year, paints a scary picture of a skilled workforce shortage.

But it's in manufacturing, not construction. "More than 80% of respondents indicated that they are [in '05] experiencing a shortage of qualified workers overall," the report claimed. Further, 38% of those responding to the NAM survey "also indicated a moderate to severe shortage of qualified unskilled production employees."

Problems for manufacturers sound just like those in construction. "Research has shown a direct relationship between manufacturing's negative image—which is tied to the old stereotype of the assembly line—and the decreasing number of young people pursuing careers in the industry."

Among other items in the report:

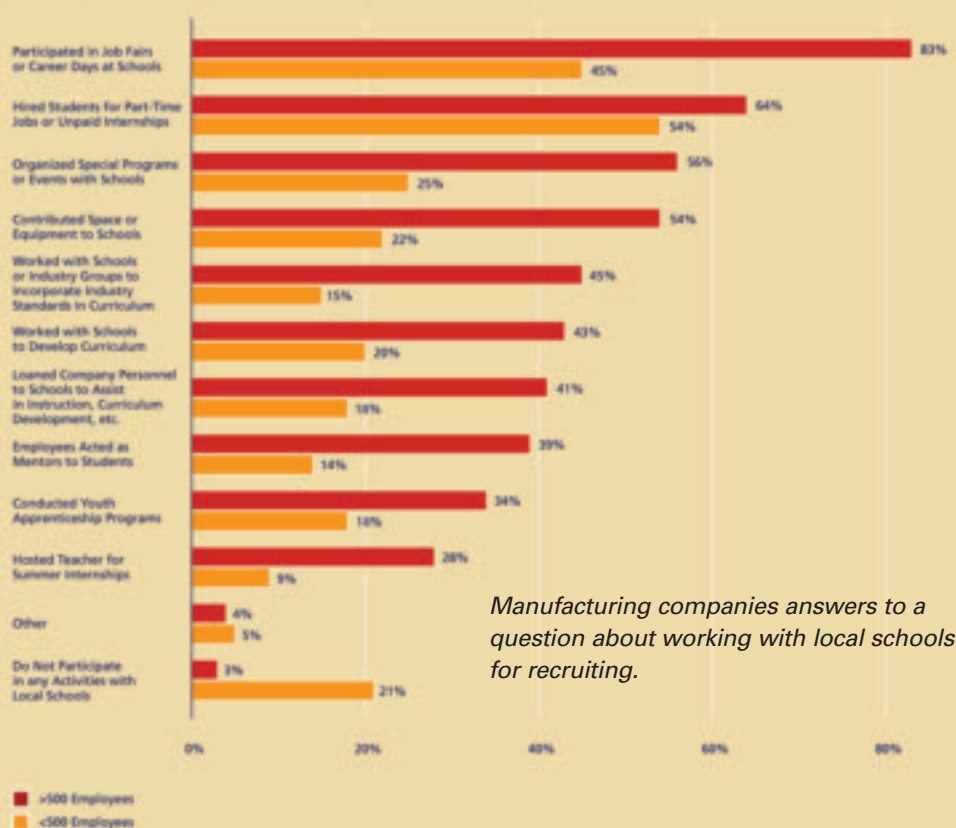
- 84% of respondents said K-12 schools were not doing a good job of preparing students for the workplace. The figure in a similar 2001 survey was 78%.
- 83% of companies with 500 employees or more participate in job fairs or career days at schools. Only 45% of the manufacturers with fewer than 500 employees did that.
- 61% of the respondents would like to see federal tax benefits given to companies that provide worker training.

One conclusion from the report: "Employers must implement new and non-traditional approaches to dealing with skills retention challenges. This includes efforts to reduce turnover, participate in efforts to change attitudes about manufacturing jobs and tap under-utilized talent pools among older, female, immigrant, and non-traditional workers."

Download the full NAM report here:

<http://tinyurl.com/e5uww>. ■

Figure 18. Has Your Company Participated with Local Schools in Any of the Following Activities? - Difference in Frequency Between Large and Small Employers (Select All That Apply)



*Manufacturing companies answers to a question about working with local schools for recruiting.*

## More On Workforce Issues

Workforce-related information elsewhere in this issue includes:

- Sheet metal worker age status vs. other trades (page 6);
- State-by-state projections for sheet metal workers in 2012, with baseline numbers for each state for 2002 (page 11);
- How the new SMWIA-SMACNA "core-and-modules" approach fits perfectly into the new era (page 7);
- What some local sheet metal JATCs are doing in recruiting, using outside assistance, and providing journey-level training (page 5);
- Facts on non-union apprenticeships, from the Building and Construction Trades Department, AFL-CIO (page 7);
- U.S. population make-up, focusing on Hispanics, through 2050 (page 9);
- Make-up of the civilian labor force from 1984 actual to projected figures for 2014 (page 10);
- There's a manufacturing skilled worker crisis, too (page 4).

# People:

## An Industry-Wide Problem

Is the construction industry preparing for the future? Well—no. And: There are good reasons to believe things might not change soon.

**W**hen it comes to people, the construction industry seems headed for a train wreck.

One wing of the industry—the unionized sector—is very good at recruiting quality people and turning them into skilled professionals. Unfortunately, the organized segment has a small (and said to be declining) market share.

What's more, in many areas, union members and contractors serving on local JATC committees have a hard time justifying the indenture of significant numbers of apprentices. They look at current conditions and see many journeymen "on the bench." Checking out the future, they look out to a horizon that might not include a significant amount of unionized work.

Result: In many cases, the local committee (no matter the trade) chooses to sit on its hands, and indenture relatively few apprentices.

It's a damned-if-you-do, ruined-if-you-don't situation. Apprentices not indentured in 2006 won't be journeymen in 2011. Those who are indentured must have work; if union contractors don't provide it, they face the horrid notion that the highly trained people—whose training they paid for—will go to work for their competitors.

On the other hand, there is the non-union sector. These people claim to have 80% of the work in construction, but they don't appear to be training proportionally.

### A huge problem

Elsewhere in this issue, you'll find specific numbers—Bureau of Labor Statistics assessments—of how many new sheet metal

workers and HVAC technicians will be needed in the period to 2014.

It's important to focus on the problem's scope. There's much more involved here than the sheet metal trade: The entire construction industry faces a "people" crisis, one that promises to worsen as we get closer to 2010.

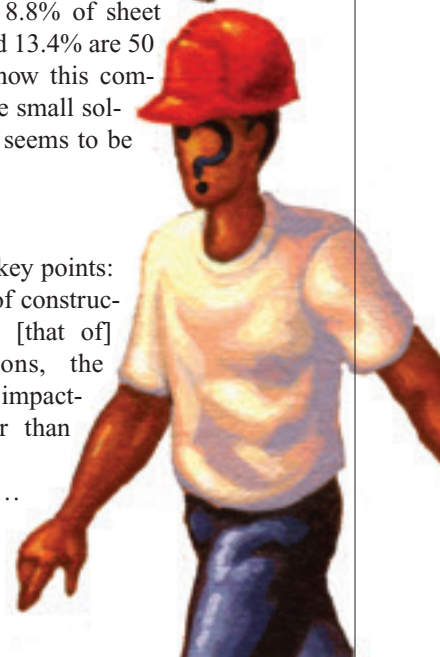
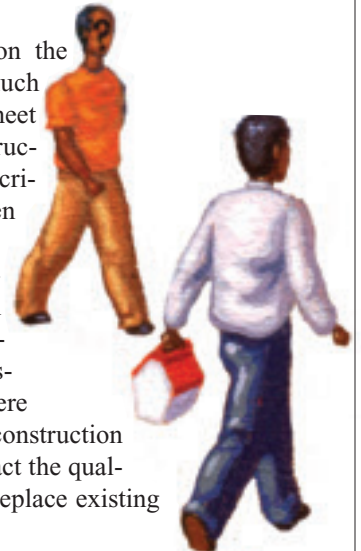
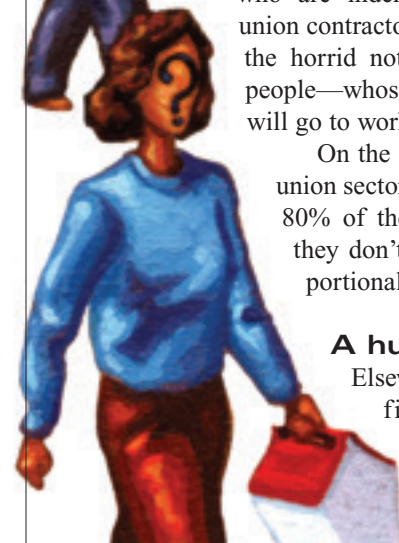
According to a Construction Labor Research Council report (available online), "population shifts affect all industries, not just construction. There will be competition between construction and all other industries to attract the qualified new entrants needed to replace existing older workers."

CLRC's report says that 8.8% of sheet metal workers are age 55+, and 13.4% are 50 or older. See Table One for how this compares to other trades. It may be small solace, but the sheet metal trade seems to be in "better shape" than others.

### Salient points

CLRC's report makes several key points:

- "With the working life of construction workers less than [that of] many other occupations, the demographic trends are impacting construction earlier than other industries."
- "Training requires time... today's actions will impact labor availability many years into the future...training



# Core + Modules Approach— Perfect For This Era?

The nearby main article seems fairly gloomy. Is there an alternative?

Interestingly, the International Training Institute's core-plus-modules approach to training, now being implemented at sheet metal JATCs across the nation, seems a perfect fit for the future described in the article.

One can credit great foresight or simple luck. SMWIA and SMACNA began talking about the modular approach to training in 1997.

What advantages does it offer?

- With a two-year “core” curriculum, apprentices are quickly brought up to speed. They will more quickly become productive at basic sheet metal tasks.
- The “modular” approach provides the sheet metal industry with the chance to turn out apprentices with different skill specialties. This enables a faster response to the market.
- Additionally, specific modules can be used to provide skill upgrade training to journeymen. When a specific worker's skills need updating or changing, he or she can enroll in a course or courses on (for example) architectural sheet metal, detailing, and much more.

While this analysis might seem biased toward “the home team,” if it's correct one can forecast one more thing: A shift by one or more of the other construction trades toward the SMACNA-SMWIA approach.

Table One

## Percentage Of Older Workers, By Trade

### Age 50 & Up

Boilermakers	27.7%
Bricklayers	19.5%
Carpenters	15.9%
Cement Masons	13.6%
Equipment Operators	20.7%
Electricians	17.1%
Ironworkers	15.5%
Laborers	15.4%
Millwrights	12.4%
Painters	15.6%
Pipefitters/Plumbers	21.6%
Sheet Metal Workers	13.4%

Source: Craft Supply Outlook, 2005-2015, a report by the Construction Labor Research Council (2005).

is important, but available data indicates training numbers are flat and dependent upon the union sector.”

- “BLS estimates of replacement needs appear conservative and may, therefore, underestimate the number of required new estimates.”
- “Replacement needs will be higher than in past years, because of the aging of the construction labor force. The upswing in older workers in the [construction] industry will lead to greater numbers of retirements throughout the 2005 to 2015 period.”

### Dilemmas abound

Essentially, the construction industry could be in quite difficult straits as the 2000s become the 2010s. Here's the potential nightmare:

- a. Restrained by its reduced market share, the organized sector does not ramp up apprentice indentures and training.
- b. Retirements accelerate, as the workforce ages.

While Table One holds open the possibility of a smaller surge in sheet metal worker retirements compared with others, our operations still must interface with the construction industry as a whole. Reduced numbers of skilled workers (be they union or non-union) available to other trades have the potential to turn each construction project into an individual quagmire.—*Joe Salimando*

## Facts About Non-Union Training

With its own resources as well as using data from a Government Accountability Office report, the AFL-CIO's Building and Construction Trades Department has provided eye-opening details on non-union apprenticeship training in the construction industry. Note: GAO is the research arm of Congress.

Facts from the BCTD and GAO reports include:

- Only six of the 80 local chapters of the Associated Builders and Contractors “sponsored an apprenticeship program that graduated over half of its apprentices.”
- 25 of the ABC chapters had graduation rates below 25%.
- 20 ABC chapters “either failed to sponsor a program or failed to enroll apprentices in the program it did sponsor.”
- ABC-sponsored programs in 49 states (Hawaii is excluded) registered 24,663 apprentices between 1995 and 1999. Only 7,154 graduated (29%).
- GAO found that “nonunion apprenticeship programs graduated only 30% of their apprentices in the period under study, significantly less than union programs.”
- Union apprentices “were paid 24% more than non-union apprentices when they began their apprenticeship, and they will earn 36% more when they finish their program,” according to GAO.

# A Funny Thing Happened En Route To A Contract

In St. Louis, the recent contract negotiations were ‘unlike anything’ participants had previously experienced. Why?

**S**omething weird and unforeseen happened recently in St. Louis, when SMACNA and SMWIA negotiators sat down to hammer out a new contract.

“It was a negotiation unlike anything any of us had ever experienced,” explains Jack Goldkamp of contractor Frank Fischer Inc. “I’ve been involved in four or five of these now. This was definitely unusual.”

Were outstanding issues settled by playing pinochle?

## Talking & Listening

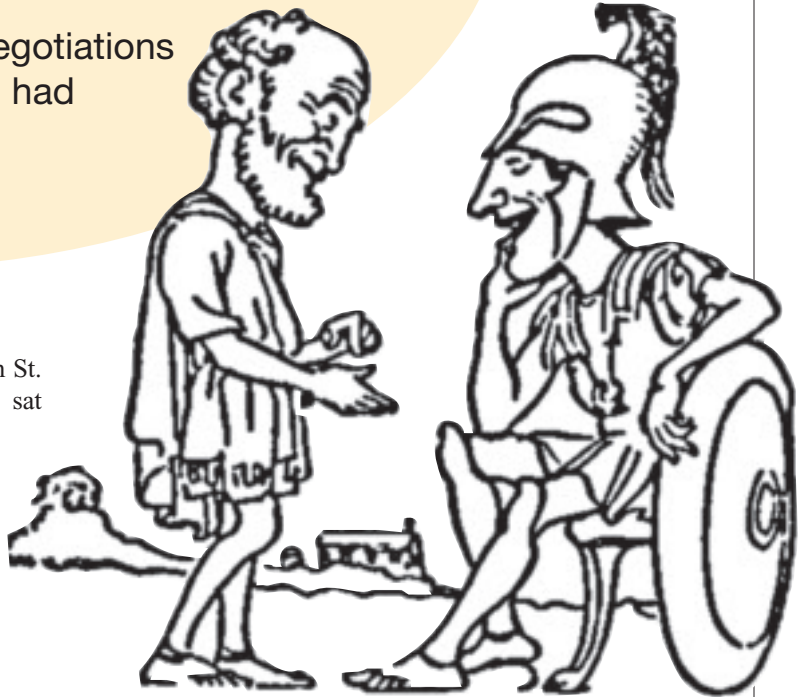
SMWIA Local 36 and SMACNA meet four times a year to discuss contract issues and more. “I’ve seen instances in the past where negotiations didn’t go well,” says David Zimmermann, business manager for Local 36. “I didn’t want to play games this time, to get involved in each side showing a lack of respect for the other.”

To build on the regular meetings and prepare for the contract talks, labor and management created a Long-Range Planning meeting, held in early December. With invitees included from the national organizations, the two-day session was dedicated to brainstorming ways the SMWIA-SMACNA team could gain market share.

“Of the 13 issues raised [see accompanying list] in the December meeting, five were specifically addressed in the negotiations,” says Goldkamp. “We addressed them from what is usually called a ‘mutual gains bargaining’ perspective.”

Also contributing to the nature of the negotiations was the national Partnership Conference, held March 30-April 1 in Las Vegas. Attendees from St. Louis included two of the contractors on the negotiating team, Zimmermann, some SMWIA members, and people from the local JATC.

“We attended all of the large-group meeting together, as a group,” remembers Goldkamp. “We sat together. We listened to the speeches together. We ate together.”



Thanks to years of meetings featuring open discussion, the December planning event, and the Las Vegas sessions, SMACNA and SMWIA had achieved the impossible—everyone was on the same page before contract talks started.

At some point early in the negotiations, the participants came to realize and acknowledge this most unusual development.

“We realized that, in these negotiations, everyone in the room was on the same side,” Goldkamp says. “It was most effective. We came to an agreement that’s fair for everyone.”

## Help For Contractors

One feature of the contract talks was the inclusion of specific items to help signatory contractors get more business.

“We did some additional things to help the contractors to be more aggressive, and to think outside the box,” says Zimmermann. “There are specifics that should energize the contractors to broaden the scope of work they go after and win.”

A major accomplishment for both sides—which has been in the making for years—was to upgrade pay rates for apprentices. “In the last contract, we entered some target percentages, where we wanted to have the apprentices in the next contract,” explains Goldkamp.

*continued on page 16*



# Our Industry & Its People: What The Data Say

Here's a look at data on the sheet metal and HVAC industries—and the nation as a whole—and what it tells us about the future.

By Joe Salimando

**W**hat will the future be like? The ancient Greeks had their Oracle at Delphi; they asked, and the high priestess babbled.

These days, we have a better handle on how things should shape up. Consider Table One, which shows the changing composition of the U.S. population through 2050, as projected by the U.S. Census Bureau.

Table One shows how our country is changing—with a focus on how the “white alone” component of the population recedes. It’s projected to move from seven out of every 10 people just a few years ago to five out of every 10 by 2050.

## Workforce Entrants

See Table Two for insight on workforce composition. It shows that the workforce in 2014, as projected by the Bureau of Labor Statistics, will be different from the one many remember (as of 1984):

- There will be more women;
- There will be many more people of Hispanic origin;
- There will be a significant jump in the number of workers age 55+.

More importantly, as employees retire and HVAC and sheet metal contractors hire to replace them—and to cope with workload growth—they’ll be hiring from a crop of workforce entrants that looks a lot different from those now in the industry. See Table Three for more on that.

More than one out of every five workforce entrants in the period 2004-14 will be of Hispanic origin. If these projections are correct, more than one out of every six workers in the total workforce will be of Hispanic origin when 2014 ends.

## Our Industry’s Task

Every two years, the Bureau of Labor Statistics updated its workforce projections. The most recent update, released in winter 2006, provided detailed information for the 10-year period ending in 2014.

*Partners In Progress* assembled data on our industry and presents it here in graphic form on two worker categories, HVAC/refrigeration mechanics & installers, and sheet metal workers.

*continued on page 10*

**Table One**

### Projected Population of the United States—In Percentages

	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2030</u>	<u>2040</u>	<u>2050</u>
<i>Population (in millions)</i>	282.1	308.9	335.8	383.6	391.9	419.9
White alone, not Hispanic	69.4%	65.1%	61.3%	57.5%	53.7%	50.1%
Hispanic (of any race)	12.6%	15.5%	17.8%	20.1%	22.3%	24.4%
White alone	81.0%	79.3%	77.6%	75.8%	73.9%	72.1%
African American alone	12.7%	13.1%	13.5%	13.9%	14.3%	14.6%
Asian Alone	3.8%	4.6%	5.4%	6.2%	7.1%	8.0%
All other races*	2.5%	3.0%	3.5%	4.1%	4.7%	5.3%

Source: U.S. Census Bureau

\* All other races includes American Indian and American Native alone, Native Hawaiian and Other Pacific Islander alone, and Two or More Races.

continued from page 9

Here are quick summaries of what the data say:

**HVAC/R**—our nation will have 321,000 of these workers in 2014, if the BLS is correct. Of those, fully 90,000 (28%) will be new workforce entrants, hired either to replace those leaving the field or to fill newly created jobs.

**Sheet metal workers**—there will be 222,000 jobs in 2014. Of these, 70,000 (31.5%) will not have been working with us in 2004; they'll have been hired to replace those leaving or to fill new slots.

Add it up, and U.S. contractors (union or non-union) who do HVAC/refrigeration and sheet metal work will have to hire and train 160,000 new workers in the 10-year period 2004-14, according to the Bureau of Labor Statistics.

#### Table Four

See page 11 for a long table, which provides 2012 projections for sheet metal workers by state. These figures aggregate to a higher number, as BLS two years ago projected a higher figure for 2012 for our industry (224,000 total).

State-by-state data are available for a variety of occupations at [www.projectionscentral.com](http://www.projectionscentral.com). However, the latest data available is for 2012; and there are glaring omissions for that year in many occupations (including HVAC/R mechanics and installers). ■

SALIMANDO (ECDOTCOM@GMAIL.COM) IS EDITOR OF PARTNERS IN PROGRESS.

**Table Two**

#### Civilian Labor Force—1984, 1994, 2004 and 2014 Projections (totals in millions)

	<u>Men</u>	<u>Women</u>	<u>White Non-Hispanic</u>	<u>Hispanic Origin</u>	<u>Age 25 to 54</u>	<u>Age 55 + Older</u>
1984	63.83	49.71	91.30	7.45	74.56	14.89
1994	70.82	60.24	100.46	11.98	93.90	15.55
2004	78.98	68.42	103.20	19.27	102.12	23.01
2014	86.19	75.91	106.37	25.76	105.63	34.31
<i>Percentages</i>						
1984	56.2%	43.8%	80.4%	6.6%	65.8%	13.1%
2014	53.2%	46.8%	65.6%	15.9%	65.2%	21.2%

Source: *Monthly Labor Review*, Department of Labor—November 2005

**Table Three**

#### Civilian Labor Force—1984, 1994, 2004 and 2014 Projections (totals in millions)

	<u>Total (millions)</u>	<u>Men</u>	<u>Women</u>	<u>Race</u>				<u>Origin</u>	
				<u>White</u>	<u>African American</u>	<u>Asian</u>	<u>All Other</u>	<u>Hispanic</u>	<u>All Other</u>
Workforce Entrants	39.05	53.3%	46.7%	74.8%	14.8%	6.9%	3.5%	21.5%	78.5%
Leaving The Workforce	34.35	55.9%	44.1%	83.5%	12.3%	2.7%	1.4%	7.8%	92.2%
"Stayers"	123.05	53.1%	46.8%	81.9%	11.1%	4.6%	2.5%	14.1%	15.9%
<b>Total In 2014</b>	<b>182.10</b>	<b>53.2%</b>	<b>46.8%</b>	<b>80.2%</b>	<b>12.0%</b>	<b>5.1%</b>	<b>2.7%</b>	<b>15.9%</b>	<b>84.1%</b>

Source: *Monthly Labor Review*, Department of Labor—November 2005

**Table Four**
**Long-Term State Projections—Sheet Metal Workers—to 2012**

State	SMW Employment		Change in 10 Years		State	SMW Employment		Change in 10 Years	
	2002	2012	Number	Percent		2002	2012	Number	Percent
Alabama	3,540	4,380	840	24%	Nevada	2,180	3,050	870	40%
Alaska	500	560	60	13%	New Hampshire	810	990	180	23%
Arizona	4,120	5,070	950	23%	New Jersey	4,500	5,100	600	14%
Arkansas	1,340	1,620	280	21%	New Mexico	670	760	90	13%
California	20,500	26,100	5,600	27%	New York	6,600	7,940	1,340	20%
Colorado	3,780	4,300	530	14%	N. Carolina	7,080	8,700	1,620	29%
Connecticut	2,730	2,680	-50	- 2%	N. Dakota	540	600	60	10%
D.C.	310	380	70	22%	Ohio	8,520	9,720	1,200	14%
Delaware	540	630	90	16%	Oklahoma	3,330	3,700	370	11%
Florida	10,790	13,600	2,820	26%	Oregon	3,230	3,530	300	9%
Georgia	7,260	8,750	1,490	21%	Pennsylvania	7,150	7,600	450	6%
Hawaii	590	730	140	24%	Rhode Island	600	750	150	25%
Idaho	710	1,110	400	57%	S. Carolina	510	650	140	27%
Illinois	6,680	7,930	1,240	19%	S. Dakota	420	510	90	20%
Indiana	5,180	5,630	450	9%	Tennessee	4,630	5,650	1,020	22%
Iowa	1,910	2,310	400	21%	Texas	15,000	17,850	2,850	19%
Kentucky	2,660	3,180	520	20%	Utah	2,050	2,620	570	28%
Louisiana	2,240	2,630	390	18%	Vermont	410	440	30	7%
Maine	1,070	1,040	- 30	- 2%	Virginia	5,920	7,250	1,330	22%
Maryland	5,400	6,710	1,310	24%	Washington	4,720	5,340	620	13%
Michigan	6,180	7,250	1,070	17%	W. Virginia	1,200	1,280	80	7%
Minnesota	4,460	5,330	870	19%	Wisconsin	5,560	6,840	1,280	23%
Mississippi	1,870	2,280	410	22%	Wyoming	260	350	100	37%
Missouri	4,940	5,690	750	15%	U.S. Total	204,280	244,890	40,510	20%
Montana	430	620	190	44%					
Nebraska	1,310	1,480	170	13%					

Note: Data obtained from [www.projectionscentral.com](http://www.projectionscentral.com). All data from that site are presented here; Kansas and Massachusetts data were not on site.

Note: Projections here are based on the Bureau of Labor Statistics' 2002-12 projections, which is why the 2012 total (244,890) is higher than the figure projected for 2014 (222,000).



IN PUGET SOUND AREA:

# Partners Zero In On Marketing Targets

**W**orking methodically, SMACNA-Western Washington and SMWIA Local 66 have embarked on a five-year marketing program. Elements include educational sessions for customers, print advertisements, direct mail, and adoption of the HVAC Expertise logo.

Plans for the program include regular evaluations (at Year 3 and Year 5) and adjustments. Initial efforts include evaluation of market-share data and surveys of customers; these are likely to be updated.

“We’ve adopted the HVAC Expertise brand,” said Tonia Sorrell-Neal, assistant chapter manager. “We’re sticking the logo on everything.”

Displayed nearby are advertisements used by the Puget Sound partners. Several of these were adapted from national ads now in use for the SMWIA-SMACNA marketing effort.

## Educational Effort

Perhaps the most successful single effort thus far was an educational event held for area architects, building owners, and others. Seats at the educational sessions were oversubscribed; not all who requested seats could be accommodated. In all, there were 165 attendees, of which 83 were architects.

“One reason [for the educational session demand] is that we gave away a SMACNA manual to each attendee, at the end

of the session,” Sorrell-Neal said. “We got a number of calls. One caller told us that his architectural firm had 400 people, and they had just one manual, for example.

“But we had an afternoon educational session as well, with no SMACNA manual giveaway—and we had great attendance at that one, too.” Two members of SMACNA national’s Technical Resources Department were the stars of the sessions.

According to Sorrell-Neal, the partners spent roughly 30% of their 2006 marketing budget on the event. The funds went to mailers to promote the event, purchase of the SMACNA manuals, and breakfast for attendees.

With the dramatic success, something similar is planned for next year.

## A Neat Idea

Helping contractors to “stick the logo on everything” is part of the plan, too. At the SMACNA chapter’s local trade show, the chapter plans to help signatory contractors—right there, on-site—register to use the HVAC Expertise logo.

All of the paperwork will be on hand to expedite the process. Contractors will be able to complete their application in minutes. ■



**Experience. It makes even the toughest jobs seem routine.**

SMACNA Contractors and SMWIA Local 66 members have seen it all. They've built it all. They have the knowledge and resources to make even the hardest jobs seem easy.

HVAC Expertise combines the latest technical knowledge with many years of solid, on-the-job experience. From duct fabrication and installation to air pollution control,



from welding to fume removal, you can be assured of sound engineering at the highest level. For a list of Contractors p

[www.smacnaww.org](http://www.smacnaww.org) or [www.smwia66.org](http://www.smwia66.org)

The SMWIA/SMACNA Partnership is more than 75 years old and is based on the mutual goal of delivering quality sheet metal applications and heating ventilating and air conditioning systems using skilled, trained, craft workers.

**Are We in Your future?**



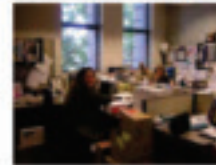
With sky-rocketing energy costs, you can't afford NOT to make us a part of your future.

Visit [www.smacnaww.org](http://www.smacnaww.org) or [www.smwia66.org](http://www.smwia66.org) for more information.

**We're Always with You...**



**If we've done our job, you won't notice!**



Look for the logo, your assurance that the company behind it features top managers and supervisors with experienced technicians backed by the nation's finest training program. Visit [www.smacnaww.org](http://www.smacnaww.org) or [www.smwia66.org](http://www.smwia66.org) for more information.



## We Protect the Environment...from the Inside.





Ensuring that a building has a healthy environment is a complex, challenging task. But not for a SMACNA Contractor. SMACNA Contractors are experts in environmental issues such as indoor air quality, energy conservation and heat recovery.



We understand that good air quality is crucial not only to the health of a building's occupants, but to the financial health of its owners, as well. For top-quality HVAC installation, visit: [www.smacnaww.org](http://www.smacnaww.org) or [www.smwia66.org](http://www.smwia66.org)

# SMWIA & Mergers: Studying The Possibilities

**A**s the organized sheet metal industry's research arm, the New Horizons Foundation is funded by contributions from SMACNA-member contractors and others (including Lennox Industries).

So perhaps it's a surprise that a recent NHF publication is titled: *The Impacts of a Merger or Consolidation for the Sheet Metal Workers International Association*. Highlights from the report's Executive Summary include:

1. There will be mergers among building trades unions.
2. The logical merger for SMWIA, which is now "a union with substantial strength," would be with the United Association (UA).
3. Assuming a merger with UA can't happen, another possibility is for SMWIA to merge with the Iron Workers.
4. "The future of SMACNA, and its unionized contractor members, will be affected by the merger (or lack of a merger) of the SMWIA with another trade."

## Research Project Details

Ronald L. Seeber of Cornell University—who spoke on mergers (in a session with SMWIA General President Michael Sullivan) at the late-winter Partners In Progress Conference—conducted the study.

[For Sullivan's comments, see page 7 of the Spring *Partners In Progress*—[www.pinp.org/resources/PIP/2006spring.pdf](http://www.pinp.org/resources/PIP/2006spring.pdf)]

NHF researchers spoke with more than one dozen SMWIA officials, including President Sullivan. SMACNA officials at the national and local level were also interviewed—as were the presidents of other unions.

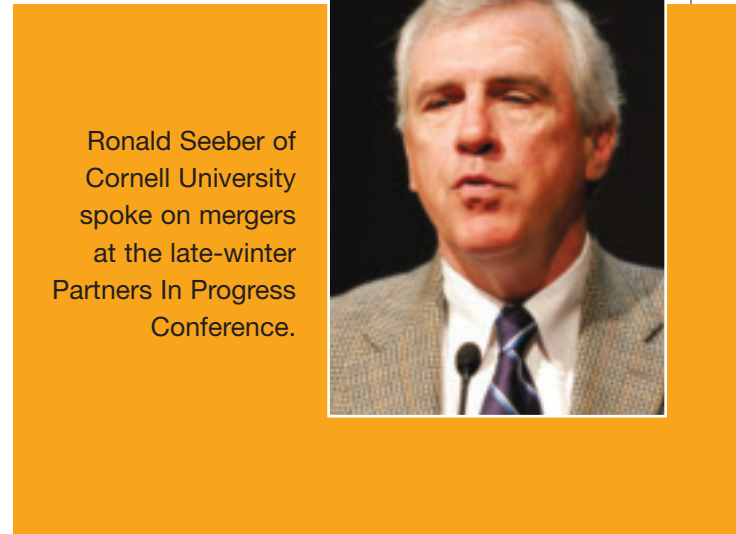
A SMACNA initiative, the New Horizons Foundation is a non-profit organization. For more, see [www.newhorizons-foundation.org](http://www.newhorizons-foundation.org).

## Recommendations

Recommendation #2 (of 4) on page 19 of the 20-page report includes this:

"If the only concern of the SMWIA was to try to assist unionized sheet metal and mechanical contractors to compete with non-union contractors, the SMWIA should merge with the UA."

However, Seeber was creating a real-world document. Recommendation #3 reads: "Given the reservations about a merger with the UA, the SMWIA should seek to merge with



Ronald Seeber of Cornell University spoke on mergers at the late-winter Partners In Progress Conference.

another similarly sized union. The best fit candidate is the Iron Workers."

*Rationale for this move?* "The Iron Workers are in roughly the same position as the SMWIA in size. There is little overlapping jurisdiction, and thus the merger does not face the internal resistance such as the merger with the UA.

"This merger would allow the SMWIA to maintain its historic identity and name. At the same time, this merger would enable the SMWIA and the Iron Workers to become a large enough union to maintain their position relative to the larger mechanical trades, and the emerging powers in the basic trades."

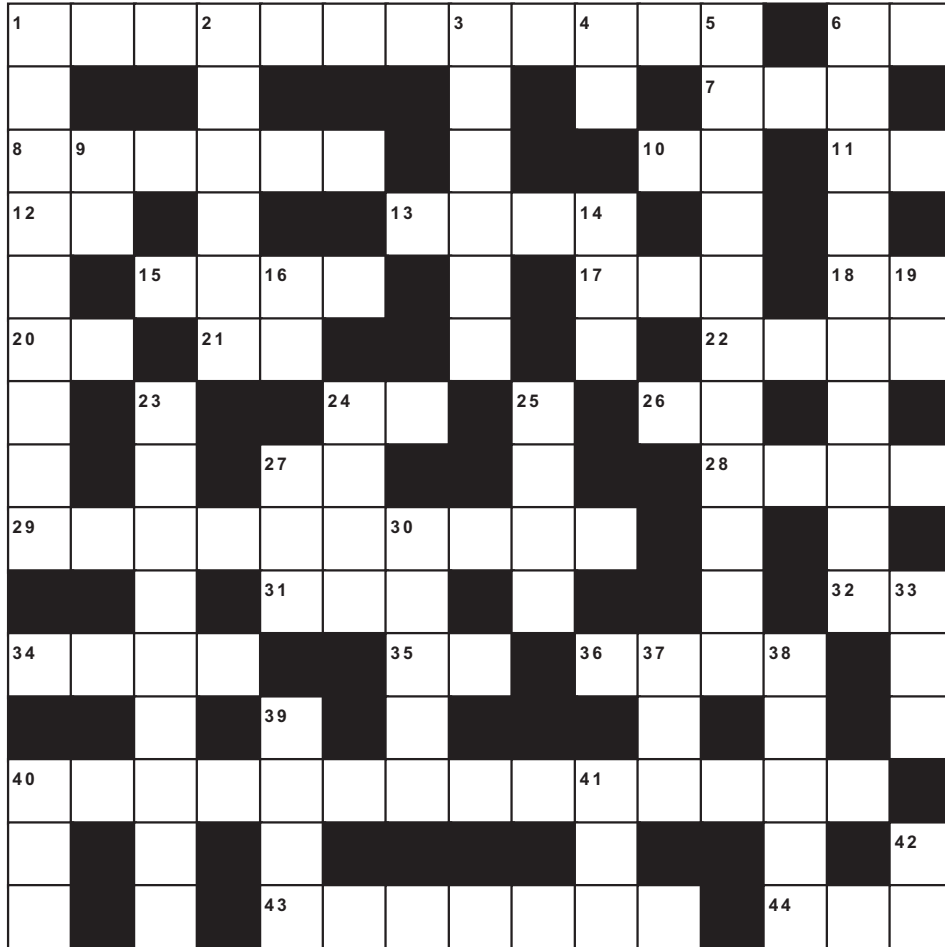
## A Role For SMACNA?

What should SMACNA-member contractors do about the future of SMWIA? In truth, the organization and its members "have only limited influence" over the choices SMWIA makes. The NHF document recommends that the association "prepare for each of three contingencies:"

- SMWIA remains independent;
- SMWIA merges with UA; or
- SMWIA merges with the Iron Workers.

"In addition," Seeber concludes, "SMACNA and its members should strengthen the already existing alliances with the Mechanical Contractors and National Electrical Contractors Association in anticipation of the merger of the SMWIA with another trade union." ■

# SHEET METAL / HVAC CROSSWORD PUZZLE



**ACROSS**

- 1. Used to make a U or a V when folding sheet metal
- 6. Heat exchanger, abbr.
- 7. Has affected almost all new construction, abbr.
- 8. Type of tab
- 10. Makeup, abbr.
- 11. Temp. differential, abbr.
- 12. Same as 9 down
- 13. Accidental dimple
- 15. May be temperature or pressure
- 17. Factor in system failure and retirement
- 18. Pumps are measured this way, abbr.
- 20. Center measurement, abbr.
- 21. Abbr. for round duct
- 22. This organization records weather data
- 24. Abbreviation for durable metal
- 26. Same as 10 across
- 27. Back-pressure, abbr.

- 28. Where metal ore comes from
- 29. Most efficient type of heat pump
- 31. Pressure, center, energy, abbr.
- 32. Type of heating gas
- 34. Stretchout \_\_\_\_\_
- 35. Lightweight metal, abbr.
- 36. Most common gas mixes
- 40. Modified version of 6 down
- 43. Prevents a coating from contacting metal
- 44. Type of weld joint

**DOWN**

- 1. The final steps of installing HVAC systems
- 2. Removes a parts from a die
- 3. Type of safety valve
- 4. Inner diameter, abbr.
- 5. Americans measure thickness in this

- 6. Complex reinforcement shape made by brake forming
- 9. Most common abbreviation in our trade
- 14. Air is this
- 16. Abbr. for round pipe
- 19. Deaerator, abbr.
- 23. Bent roof ventilator
- 24. Short for specification
- 25. Makes molecules move faster
- 27. Boiler performance measurement
- 30. What chemicals do
- 33. Pumped return for condensate, abbr.
- 37. Charged particle
- 38. Most common duct metal
- 39. We use this to level things
- 40. These systems are more likely to fail
- 41. Air, normally, not, abbreviations
- 42. Same as 32 across

*Answers on page 2.*

*continued from page 8*

“We talked about this in the Long-Range Planning meeting. Our apprenticeship program is second to none. So we re-examined what we were doing, and tweaked it, and adjusted the percentages. We looked together at the JATC financials, the budget projections, and we increased the money for apprentices.”

Adds Zimmermann: “If you look back, our apprenticeship rates were substandard years ago. With this contract, we’ve corrected that. We’ve increased their pay to where it is up with the other mechanical crafts, or maybe just a bit better. This should help us with recruiting.”

### Change Over Time

SMACNA’s St. Louis Chapter and SMWIA Local 36 were not always on the same page. There were regular arguments between the two. Further, jurisdictional problems with other trades often wrecked things for everyone. “We didn’t have jurisdictional disputes here, it was more like a war,” Zimmermann recalls.

Things began to change in 1999, when SMWIA members elected Zimmermann as business manager. His emphasis has been building bridges—with other trades, and with the SMACNA contractors. “We’re in this together, and there should at bottom be a mutual respect that we shave for each other,” he says.

“I look at the recent contract negotiations as a step ahead. This is what big corporations do—tackle the serious issues, and resolve them.”

Adds Goldkamp: “Butch Welsch is the chairman of [SMACNA’s] Labor Committee. He has probably negotiated 10 contracts. If you go back, probably the first four negotiations in which he was involved were more like a war.

“My company competes with his, but I admire Butch—because he was able to completely reinvent himself to deal with this new world that we’re in.

“You know, when you’re a contractor and you’re trying to run your business, and these meetings come up, it can be a pain. But it’s like any other pain—it pays off.

## Brainstorming & Market Share

Thirteen themes emerged from the first day of the Long-Range Planning conference in St. Louis. The list that follows is not in any particular order.

- Modify the referral/hiring hall process.
- Crew composition.
- Contingency compensation.
- Advertise.
- Beef up political/legislative activities.
- Contractors bidding out of the comfort zone.
- Modify the JATC.
- Contractors bidding as general contractors.
- Flex hours.
- Face-to-face marketing.
- Monitor technology.
- Fix the bad apples.
- Recruit minorities.

In addition to discussing these and other topics, the meeting crystallized the need for better market-share measurement. “We’re doing it ourselves,” says contractor Jack Goldkamp. “We’re taking findings from different vendors and licensing agencies.”

According to notes from the Planning conference, the market share measurement idea was not even put to a vote—it was “a given.” The idea is for labor and management to regularly monitor market share in all aspects of the industry, including specialties—and strive to improve it.

“If Butch has a lot of experience, in contrast this was David’s second negotiation. But together, David and Butch created the atmosphere in which we were working together, and not fighting each other.

“They did an outstanding job, and the result was a negotiation in which, in just about every meeting, we moved the ball up the field.”—*Joe Salimando*



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