



January 11, 2019

TO: Employers Signatory to the Collective Bargaining Agreement between MCA Detroit and Plumbers Local 98.

RE: Temporary Apprentice On-The-Job Training Program

Dear Employer:

Due to a downturn in employment opportunities, a higher than usual number of apprentices are on the out of work list. MCA and Local 98 have agreed upon a temporary program to encourage the employment of such apprentices that provides a training stipend to Employers equal to one-half of the applicable apprentice Wage and Fringe package (Temporary Program). The intent of the Temporary Program is to encourage employment of apprentices who may not otherwise be employed in the current market, with an emphasis on first and second year apprentices who because of their shorter tenure in the Apprenticeship Program may be more inclined to resign due to lack of employment.

The Temporary Program will apply as follows:

1. Effective with the work week ending January 4, 2019, through the work week ending March 29, 2019, an Employer who hires an apprentice on the out-of-work list shall pay such an apprentice according to the applicable Wage and Fringe Benefit Schedule and will be eligible to receive a training stipend (Training Stipend). (Employers will be promptly notified if the bargaining parties terminate the program earlier.)
2. The Training Stipend shall equal  $\frac{1}{2}$  of the total Wage and Fringe Benefit package applicable to each such apprentice.
3. Prior to the commencement of employment, the Union shall inform an Employer whether a Training Stipend is available for a dispatched apprentice.
4. The Training Stipend will be paid one-half from a diversion of a portion of the Supplemental Unemployment Benefit Fund contribution (SUB Fund) and one-half from the Industry Apprenticeship Reimbursement Fund (IARF). (Notwithstanding, because the SUB Fund is currently well-funded, each participant in the SUB Fund will receive the same credit on his/her behalf as if the full contribution has been made to the SUB Fund.) Training Stipends will be paid by the IARF.
5. At the end of each month, an Employer may submit to the Fund Office a request for the Training Stipend on the enclosed form prepared by the Fund Office. **All such requests must be received within 30 days of the end of the month for which the Training Stipend is requested.**

6. Because the purpose of the Temporary Program is to employ apprentices who would not otherwise be employed in the current market, **not all apprentice employment will qualify for the Training Stipend.** As noted above, Employers will be informed at time of dispatch whether a Training Stipend is available for a dispatched apprentice. Any Employer suspected by MCA and Local 98, in their sole and complete discretion, of undermining the intent of the program will be ineligible to receive the Training Stipend.

By way of example, an Employer must lay-off an apprentice for whom the Employer is receiving a Training Stipend before laying off any apprentice(s) for whom the Employer is not receiving a Training Stipend. Further, the Training Stipend will not be available unless the Employer employs apprentices without the Training Stipend equal to the number of apprentices employed (for approximately the same hours per month) as it did as of December 24, 2018.

If you have any questions, please contact Local 98 or MCA.

Sincerely,

BENESYS INC  
On Behalf of the IARF

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