



# LOCAL 8888 CONTRACT HIGHLIGHTS

A detailed summary of the new tentative agreement reached last week will be mailed to the home of every member soon. The second round of contract negotiations produced a better agreement that will ensure all shipbuilders enjoy a higher standard of living for their labor in the yard.

- higher wages
- a first-time essential pay bonus
- first-ever domestic partner benefits
- faster promotions
- more income for retirees

Here are some of the key highlights from the forthcoming summary:

## **Wages**

- There is new money in every year of the agreement, with increases to wage rates by an average of \$3.26 per hour or 12.3% over the 60-month contract, not counting overtime and other wage additives.
- A 3.50% raise across the board for all labor grades on February 7, 2022

## **Essential Personnel Appreciation Bonus**

For the first time, frontline shipbuilders will receive payment that recognizes our role as essential shipbuilders:

- \$2,000 bonus paid within 14 days of ratification of the new agreement to all employees that are fully vaccinated and provide verification. If the company has no verification of an employee's vaccination on the contract ratification date, the Company will pay the employee a \$1,500 bonus within 14 days of ratification of the contract.

• **OVER**

- Employees who are not fully vaccinated or for whom the Company has no verification of vaccination may still qualify for the \$500 additional bonus if they provide verification of vaccination within 35 days of the contract ratification date.

### **Promotional Opportunities/Wage Progression**

Thousands of shipbuilders will benefit from major improvements in the wage progression:

- The starting rate will **increase** from Pay Grade 2 to Pay Grade 4. All employees in Pay Grades 2 and 3 will be raised **immediately** to Pay Grade 4.
- The number of hours worked to progress from Pay Grade 13 to Pay Grade 14 is **reduced** from 4,160 to 3,210 hours.

### **Pension Improvements**

The union made important gains that will enhance the retirement income and security of members:

For employees hired before June 7, 2004

- The pension formula increases from \$60 to \$75 per month per year of pension credit. Essentially, the benefit for an employee retiring at age 62 with 30 year of service increases from \$1,800 per month to \$2,250 per month.
- The pension formula increases for years of pension credit over 30 years from \$35 to \$50 per month per year of pension credit.

For employees hired on or after June 7, 2004 and before July 10, 2017, the pension formula increases from 5.5% to 6.0% of total Plan.

**Health Care Benefits** The union fought off company attempts to saddle members with the full burden of health care costs as inflation rises.

- **No cuts** in medical benefits. **No changes** in deductible, copayments or out-of-pocket maximum amounts.
- **No increase** in employee health care contributions during first 2 years of Agreement.
- Employee health care contributions increase 5% on July 1, 2024; July 1, 2025; and July 1, 2026.
- No increase in employee health care contribution if employee does not participate in wellness program.

### **Domestic Partners Benefits**

For the first time, you can cover your domestic partner for medical, prescription drug and vision care under the health Plan (and his/her eligible children under age 19 -- or under age 25 and a full-time student).

This is a solid contract and the best deal possible for Local 8888 members who are holding it together at home and in the yard. You will have more money, better benefits and concrete recognition as essential shipbuilders for the first time. Most importantly, this contract continues to move shipbuilders and this union forward in turbulent times.