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UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548

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STATEMENT OF  
FRANKLIN A. CURTIS, ASSOCIATE DIRECTOR  
HUMAN RESOURCES DIVISION  
BEFORE THE  
SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES  
ON  
WHETHER LOCAL 154 OF THE INTERNATIONAL BROTHERHOOD  
OF BOILERMAKERS, IRON SHIPBUILDERS, BLACKSMITHS,  
FORGERS AND HELPERS UNION  
IS REFERRING INDIVIDUALS WHO DO NOT MEET  
THE REQUIREMENTS OF BOILERMAKER JOURNEYMEN



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Mr. Chairman, we are happy to be here to discuss the results of our work regarding Local 154 of the International Brotherhood of Boilermakers, Iron Shipbuilders, Blacksmiths, Forgers, and Helpers Union (the International Union). In your August 16 and 23, 1983, letters you requested that GAO review selected International Union locals to determine whether individuals classified as "Qualified Construction Boilermakers"--i.e., journeymen--had either completed the required 8,000 hours of practical field construction boilermaker work experience or completed an approved apprenticeship training program. Subsequently, we agreed with your office to focus our review on determining whether

1. Local 154 referred individuals who did not meet the requirements of "Qualified Construction Boilermakers"--i.e., journeymen, to employers;
2. Local 154 members had completed an approved apprenticeship training program;
3. a "mechanic," as used in the boilermaker construction trade, is a "journeyman," and
4. the Boilermaker Employers of the Western Pennsylvania Area (the Employers), who negotiated the Articles of Agreement, (the collective bargaining agreement) with Local 154, evaluate individuals' qualifications referred by the Local to perform boilermaker work and are forced to accept unqualified boilermaker journeymen referred by Local 154.

REQUIREMENTS FOR  
BOILERMAKER JOURNEYMEN

Local 154 located in Pittsburgh, Pennsylvania, operates a hiring hall and an out-of-work referral list for individuals seeking employment as journeymen and apprentices in the boiler-maker trade primarily in Western Pennsylvania. The Articles of Agreement, effective June 1, 1976, to May 31, 1979, stated that journeymen boilermakers qualify for registration on Local 154's out-of-work list and are eligible for referral if they satisfactorily establish that they have had at least 4 years of actual practical working experience in the boilermaking field construction trade or who either have (1) completed a boilermaker apprenticeship program approved by the Department of Labor or a state apprenticeship agency or (2) successfully passed a competency examination.

On February 9, 1979, Local 154's, Joint Referral Rules Committee, which is composed of three union and three employer representatives and establishes rules for referring boilermakers to jobs, first adopted the 8,000-hour requirement for registration as a journeyman boilermaker. It was initially incorporated in the Articles of Agreement, effective June 1, 1979, to May 31, 1982. That agreement also eliminated the competency examination and 4-year boilermaker work experience requirements. Instead, it required that a boilermaker journeyman must have at least 8,000 hours of actual, practical working experience in the boilermaker field construction trade or have completed a boiler-

maker apprenticeship training program. These requirements remained the same in the current agreement, effective June 1, 1982, to May 31, 1985.

Reason for the  
8,000-hour requirement

The 8,000-hour requirement was established in January 1977 by the International Union's National Joint Rules and Standards Committee. The Committee, which is composed of three union and three employer representatives, establishes national minimum standards and rules. A legal representative for the International Union, in a January 12, 1983, letter to the National Labor Relations Board (NLRB), stated that the 8,000-hour requirement was established as an alternative to completing a formal apprenticeship program for registration as a boilermaker journeyman.

The letter also stated that the employer representatives on the Committee believed some uniformity in qualifications among boilermakers should exist to the extent practicable nationwide. Thus, the employers and the union representatives agreed that a uniform standard should be required. In his letter, the legal representative also stated that the 8,000-hour requirement is obviously intended to assure contractors that they will receive the services of skilled, experienced construction boilermakers in accordance with the wage scale set forth in the Articles of Agreement.

SCOPE AND METHODOLOGY

To determine whether Local 154 was referring boilermaker

journeymen to employers in accordance with the criteria stated in the Articles of Agreement, effective June 1, 1979, we examined the following Local 154 records your committee provided us: the Local's (1) membership list as of March 1, 1983, and (2) health and welfare benefit fund records for 1977-82, which showed the individuals' hours worked and wages earned from each participating employer. From the membership list, we drew a random sample of 50 members and analyzed their hours worked as shown on the health and welfare records to determine whether they met the 8,000-hour requirement when Local 154 referred them to employers.

Also, as your office requested, we reviewed the files developed by NLRB during its ongoing investigation, initiated in 1978, of complaints that Local 154 had discriminated against non-local members in referring individual boilermakers to employers. To determine whether individuals completed an apprenticeship program, we reviewed boilermaker apprenticeship training records maintained by the Department of Labor and the Pennsylvania State Apprenticeship and Training Council.

Before presenting our findings on the referrals and the other matters you requested, we need to point out that Local 154 health and welfare fund records for the 1977-82 period probably do not reflect many individuals' total hours worked in the trade. Therefore, we attempted to obtain additional information from the International Union and its pension fund officials to determine whether the individuals had worked 8,000 hours in the

trade. On October 7, 1983, we wrote letters to the International Union and to its Boilermakers, Blacksmiths, National Pension Trust fund requesting a meeting to discuss our review and to obtain access to their records.

However, the International Union and pension trust fund officials refused to meet with us or provide us their records. In November 1983, a legal counsel to the International Union told us that the officials would not meet or deal with us until your Committee completed its investigation and hearings. The Counsel considered our request duplicative and said the officials could not afford the time to spend with us while still dealing with your Committee.

Also, on April 6, 1984, we wrote to the President of Local 154 requesting a meeting to discuss the results of our review on Local 154 referrals and to obtain records and information on the Local's basis for determining the qualifications of boilermakers on the out-of-work referral list. The Local's legal counsel, in an April 17, 1984, letter and in subsequent discussions, told us that Local 154 would not provide us its records because the Local did not wish to duplicate its efforts by furnishing information to various governmental representatives and agencies who already have investigated the Local including your Committee. The legal counsel said it had provided similar information we requested to your Committee and suggested we obtain the data from your office.

The legal counsel and acting business agent for Local 154 did meet with us in Pittsburgh on May 25, and they generally

discussed the process, procedures, and requirements the Local uses in referring boilermaker journeymen. But, they did not provide us information on the specific individuals covered in our review or provide any Local 154 documents or records concerning the out-of-work list and referral processes and procedures.

NOT ALL LOCAL 154 REFERRALS MET  
THE 8,000-HOUR REQUIREMENT

In 1978, NLRB received several complaints charging that Local 154 was operating its referral system in a discriminatory manner. NLRB's investigation disclosed that when individuals came to the Local to register for work, Local officials did not ask for or document their qualifications or did not know whether those who signed the out-of-work book, and were referred to employers were qualified.

As part of its investigation, NLRB developed detailed case files on 118 individuals which Local 154 may have discriminated against in its referrals. NLRB obtained records on the 118 individuals' earnings from the Social Security Administration, the Internal Revenue Service, and various employers. In addition, the 118 individuals were requested to state on an affidavit if and when Local 154 referred them to employers. The affidavits also contained information on the individual boilermaker's field construction work experience.

Of the 118 individual case files developed by NLRB, we examined 102 files that were available during our review. The other 16 files were not readily available because various NLRB

personnel were using them during its investigation. Of the 102 individuals, 85 were referred for boilermaker work after June 1, 1979, when the Local's Articles of Agreement first included the 8,000 hour or completion of an apprenticeship program requirements for referral.

Our review of NLRB's case files showed that 43 or 51 percent of the 85 individuals either did not have the required 8,000 hours of boilermaker experience or had not completed an apprenticeship program at the time they were referred as journeymen. Thirty-six of the 85 met the requirements and information from NLRB case files was not sufficient for us to determine whether the remaining six individuals met the requirements.

Prior to June 1, 1979, the Articles of Agreement stated that individuals could qualify for referral if they successfully passed a competency examination. However, we found no evidence in the NLRB files that any of 43 individuals had taken such examinations.

Four of the 43 were referred after September 30, 1982, when the Local revised its referral rules and started enforcing the 8,000-hour requirement.

In our random sample of 50, from our review of the Local's health and welfare records we found that, after June 1979, the Local referred 18 individuals for boilermaker work as journeymen who had no record of working at least 8,000 hours in the trade from 1977 through 1982. The Local's health and welfare fund

records showed that all 18 individuals were paid journeymen's wages.

In our review of NLRB records, we found information on only 1 of the 18 individuals in our sample. The information showed that the individual had worked over 8,000 hours in the trade and, accordingly, met the journeymen requirements. Also, the Pennsylvania State Apprenticeship records showed that another individual in our sample had completed an approved apprenticeship program. The above records did not contain any indication that the remaining 16 individuals met the journeymen requirements. Three of the 16 individuals were between 18 and 19 years old when they were referred. Since the records showed that each of the three individuals had worked less than 8,000 hours--two of them had worked less than 2,000 hours--and since an individual cannot enroll in the boilermaker apprenticeship program until the age of 18, it is unlikely that these individuals, because of their age, could have met the journeymen requirements.

NUMBER OF LOCAL 154 MEMBERS COMPLETING  
APPRENTICESHIP PROGRAM

The International Union's apprenticeship program, which was approved by the Department of Labor, is administered by six area joint apprenticeship committees. The Northeastern Area Joint Apprenticeship Committee, which administers the ongoing Western Pennsylvania Area Apprenticeship Program, covers Local 154. This program was registered by the Pennsylvania State Apprenticeship and Training Council.

The Northeastern Area Joint Apprenticeship Committee union coordinator monitors Local 154 apprentices and maintains records on apprentices' job performance and program completion. We attempted to meet with the coordinator and review his records. However, we were told by the International Union's legal counsel that the coordinator or other union representatives would not meet with us or respond to our request for records until your Committee concludes its hearings on the International Union.

We obtained information on the Local 154 members who completed the apprenticeship program from a review of Pennsylvania State Apprenticeship and Training Council records dating back to 1954. Our review showed that as of February 1, 1984, sixty members of the Local had completed the program. We provided your office with the names of the 60 individuals and program completion dates.

Some apprentices are receiving  
journeymen wages

Records at the Department of Labor and Pennsylvania State Apprenticeship and Training Council office showed that on February 1, 1984, twenty-four individuals were enrolled in the Western Pennsylvania Area Apprenticeship Program. Our review of Local 154 health and welfare records showed that 9 of the 24 apprentices had received journeymen pay prior to, or while enrolled in, the program. Six of the nine apprentices were paid the journeymen rate by more than one employer.

BOILERMAKER "MECHANICS"  
ARE "JOURNEYMEN"

In December 22, 1982, letters to the International Union's

and the Employers' legal representatives, an NLRB official asked whether there are differing standards in effect for the referrals of welders (journeymen) versus mechanics. The Employers' representative's January 6, 1983, letter to the NLRB official stated that Local 154's current Articles of Agreement are like most or all boilermaker agreements throughout the United States, and they make no distinction between "welders" (journeymen) and "mechanics". The International Union legal representative's letter to the NLRB official, dated January 12, 1983, also stated there are no differing standards for registration or referral of "welders" (journeymen) as such under the agreement currently in effect with Local 154.

Also, 10 boilermaker employers we contacted told us that a boilermaker "mechanic" is a "journeyman". One stated that all boilermakers who reach the top of their craft are classified as journeymen. Finally, an official in the Department of Labor's office responsible for issuing wage rates and wage determinations under the Davis-Bacon Act, stated that in the construction trade, a mechanic is a journeyman.

COMMENTS FROM EMPLOYERS--WHO  
NEGOTIATED ARTICLES OF AGREEMENTS--ON  
LOCAL 154 REFFERALS

We contacted all eleven employers who negotiated the current Articles of Agreement with Local 154 to determine (1) their processes in evaluating whether a person referred by Local 154 is qualified to perform boilermaker work and (2) the validity of allegations that the employers are forced to accept

unqualified boilermakers referred by Local 154. We received responses from 10 of the 11 employers. We did not verify any of the responses by examining employers' records, inspecting testing facilities, or observing employers on-the-job performance reviews or supervision of employees.

Employers' process in evaluating qualifications of boilermakers referred by Local 154

All 10 employers said or indicated that they do not verify whether a referred boilermaker journeymen had completed at least 8,000 hours of work in the boilermaker trade or completed an apprenticeship program. The 10 employers stated, however, that they determine the qualifications of boilermaker journeymen referred as welders by giving welding tests. They said they test welders in accordance with the standards and requirements of the American Society of Mechanical Engineers boiler and pressure vessel code.

The Articles of Agreement state that employers have the right to reject any job applicant referred by Local 154. All 10 employers stated they do not accept boilermakers who are not qualified to perform boilermaker assigned work. One employer said many journeymen boilermakers come to the job site to take the welding tests to become certified welders but do not pass the tests. The employer said if such a person is not needed for other work--i.e., non welding--he will not hire the individual. Several other employers said that individuals who were referred by Local 154, but were unable to successfully complete a parti-

cular welding test were released. Another employer stated that he released boilermakers who either did not pass a welding test or were unable to do boilermaker tasks.

Most employers said they do not initially check on whether Local 154 is referring qualified non welder--e.g., riggers-- journeymen construction boilermakers. They place initial reliance on Local 154 for assuring the referred individuals are qualified journeymen. However, all employers stated that they evaluate these workers by observing on-the-job performance.

Employers other comments  
on qualifications

We asked employers whether they have experienced any problems in obtaining qualified boilermakers from Local 154. Most employers who responded said that they have not experienced problems in obtaining qualified boilermakers. One employer, however, stated that his company found out that some of the individuals referred by Local 154 were not journeymen and his company refused to pay them journeymen wages.

Three other employers stated that they have experienced problems in obtaining qualified individuals from Local 154 at times. Reasons stated were (1) a periodic shortage of workers due to other projects in the area, (2) shortages exist for all crafts at times of high employment, and (3) all union companies operating in the construction industry experience difficulty at times in securing the kind of employees they would like to have from all the crafts.

On page 8 of my statement, I said that we could not identify whether 16 individuals, out of the random sample of 50 Local 154 members, had met the 8,000-hour boilermaker work experience requirement when referred by Local 154. We asked the employers whether they (1) were satisfied with the quality of the individuals' work, (2) tested the individuals classified as welders, and (3) terminated individuals because they were not qualified.

We obtained responses from four employers. These responses indicated that employers were satisfied with the quality of the workers and all said they tested the welders. Also, the responses indicate that most employees were terminated for reasons other than qualifications, e.g., they were terminated for absenteeism and job completion.

Comments on safeguards to prevent welding test falsification

We asked employers what safeguards they take to assure that an individual could not have another person take a welding test for him or her. The employers' responses indicate that they believe it is unlikely for one individual to take a welding test for another. The primary reason given by most employers was that welding tests are administered or supervised by company personnel.

The employers cited other reasons, such as (1) individuals must provide their social security number and signature (two employers); (2) supervisors would quickly detect an individual who could not perform as a certified welder (two employers); (3)

individuals wear identification badges, with photographs, while taking a welding test (one employer); and (4) many individuals are known to supervisors who work with them on numerous jobs during the year (one employer).

We recognize that, during your Committee's oversight hearings on the International Union in 1983,<sup>1</sup> several witnesses, who are members of the Union, testified they were personally aware of or have participated in falsifications of welding tests at construction sites where nuclear and fossil-fueled power plants were built. The witnesses alleged they took welding tests for other unqualified individuals in order for them to be hired as journeymen welders.

At your office's request, we recently interviewed two of the witnesses who testified at the hearings. The two witnesses told us that cheating on welding tests is still occurring and welders are hired without taking tests. One individual told us that he had, in early 1983, taken a welding test for another boilermaker, who was hired by the company as a journeyman welder. We did not verify this information.

The International Union's President, in a statement submitted at the oversight hearings concerning the allegations of test cheating, stated that the International Union has little, if any, control or ability to stop such practices because testing and issuing of welder certification cards are matters under the

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<sup>1</sup>See Hearings on Oversight on Boilermakers, 1983 before the Senate Committee on Labor and Human Resources, 98th Congress 1st Session (June 29, August 2, and October 25, 1983).

exclusive control of the employers. Nevertheless, in September 1983, the International Union issued a letter to its 400 locals calling their officials' and members' attention to the allegations and instructing that, if any union member is requested or ordered to take a welding test for another person, he or she should refuse and promptly report the incident to the authorities and the International Union.

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That concludes my statement, Mr. Chairman. We will be happy to answer any questions you or other members of the Committee may have.