



Benefits and Options

The current [Service Contract Act Health and Welfare Fringe Benefit rate is \\$3.50 per hour](#). This is the amount required by law that your employer must pay for a total of all your benefits: Health Insurance, 401k, Pension, Life Insurance and any other fringe benefit. If your employer doesn't provide fringe benefits, your employer must offer cash equivalent payments essentially increasing your hourly rate by \$3.50. Either way, with an IAM collective bargaining agreement (CBA), you'll have a say in how this money is allocated.

Fringe benefits are two-dimensional. First, let's look at the amount you are paid. As discussed above, the current legal minimum is \$3.50 per hour. (By the way, if your employer is not paying this amount please get in touch.) And, secondly, how is the benefit money allocated.

With an IAM CBA you will negotiate both. Then, the negotiated amount is passed through to the Federal government and replaces the Wage Determination Service Contract Act Health and Welfare Fringe Benefit minimum. Thus, your employer is not "out of pocket" for this cost item. And, you will also be able to negotiate how the money is allocated – does it go to health premiums, 401k contributions or straight into your pocket. Wouldn't it be nice to have more and have options?

Find out more at [FAA Round-Up](#) on our [GOIAM webpage](#). Click through the videos and [Frequently Asked Questions \(FAQs\)](#) and [sign a union card](#) to get the ball rolling. If you have other questions, please send them to organize@iamaw.org.

Contact the IAM via US Mail, phone, or email.

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