

FAA Service Contractor Frequently Asked Questions

Q. How does the law permit the IAM to bargain increased wages and benefits?

A. FAA service contract employees are covered by the [McNamara O'Hara Service Contract Act \(SCA\)](#). Under this law, employers are required to pay service contract employees [a minimum wage and benefit package](#) appropriate to their classification. This compensation is called a [Wage Determination](#) (WD) and it's issued by the U.S. Department of Labor.

Section 4(c) of the Act allows for a union-negotiated collective bargaining agreement to replace the Wage Determination. This provision also sets the new government-reimbursement levels for the employer.

Sec. 4(c) No contractor or subcontractor under a contract, which succeeds a contract subject to this Act and under which substantially the same services are furnished, shall pay any service employee under such contract less than the wages and fringe benefits, including accrued wages and fringe benefits, and any prospective increases in wages and fringe benefits provided for in a collective-bargaining agreement as a result of arm's-length negotiations, to which such service employees would have been entitled if they were employed under the predecessor contract: Provided, That in any of the foregoing circumstances such obligations shall not apply if the Secretary finds after a hearing in accordance with regulations adopted by the Secretary that such wages and fringe benefits are substantially at variance with those which prevail for services of a character similar in the locality.

Q. What job classifications can form a union and bargain with their employer?

A. All contract employees except supervisors, managers and uniformed security personnel. Professional and nonprofessional employees are eligible to form a union although the “pass-through” for wage and benefit increases is restricted for professionals.

Professionals are subject to a [complex legal definition](#) but it typically boils down to this: People working in classifications that require at least a 4-year college degree to hold their jobs are generally considered professionals. For example: lawyers, CPAs, engineers, physicians and nurses are professionals. Air Traffic Controllers, computer programmers, instructors and administrative employees are not considered professionals under the law.

Q. What are my legal rights?

A. Under the [Service Contract Act](#), you have the right to be paid a minimum of the appropriate Wage Determination and receive 1.5 times your basic rate of pay for all hours worked over 40 in a week. The Service Contract Act is enforced by the [U.S. Department of Labor Wage-Hour Division](#).

Under the [National Labor Relations Act](#), you have the right to join together and form a union of your choosing then bargain wages, benefits and working conditions with your employer. Specifically, you have the right to:

- Form, or attempt to form, a union in your workplace,
- Join a union whether the union is recognized by your employer or not,
- Assist a union in organizing your fellow employees; or,
- Refuse to do any or all of these things.

The National Labor Relations Act is enforced by the [National Labor Relations Board](#).

Q. How can the IAM promote my job security? ([Click here for video of IAM members talking about job security.](#))

A. There are three ways the IAM promotes job security. First, as a contractor, you can be subject to a *successor employer*. Your current employer could lose the government contract and, if that happens, without the IAM you will be at the mercy of the successor employer. A successor employer does not have to hire the existing workforce nor pay the wages and benefits of the original employer. They only have to meet the DoL Wage Determination minimum for their new workforce.

With an IAM union contract, you are [legally guaranteed that your wages and benefits go forward to the successor employer](#) for one year and that the successor can not *underbid* the union contract wages and benefits. In other words, any employer who seeks to take the government contract from the existing employer, must bid at the union negotiated pay and benefit levels. Then, during that first year under your new employer, the IAM will reorganize to retain your bargaining rights. But often, succession is a simple process of the IAM negotiating a “bridge agreement” between the two employers that makes your transition seamless.

Second, when you work in an IAM-represented job, you have an independent voice that can protect you from employer abuse. Without the IAM, you are an *at-will employee*. This simply means that you can be let go or demoted or reassigned without practical recourse. The IAM levels the playing field at work and allows employees to have “a day in court” before an impartial arbitrator whose decision is

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final and binding and enforceable in a court of law. The IAM can't save a "bad employee," but we can make sure that everyone is treated fairly and that the employer takes actions that conform to the high standards recognized in modern contract employment law.

Third, as a contractor – like it or not – you are subject to the fiscal and political whims of the Federal government. With the IAM, you get a [strong and recognized voice](#) in the Administration and on Capitol Hill. Companies with government contracts often come to the IAM for assistance in getting their message to the halls of Congress. If our members are threatened by government action or inaction, we will take your case to the decision-makers and the people who can promote your interests.

If you have other questions, please send them to organize@iamaw.org.

