

## LOCAL S/6, INDUSTRIAL UNION of MARINE & SHIPBUILDING WORKERS OF AMERICA / I.A.M.A.W.



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July 17, 2020

Dear Secretary Braithwaite,

On behalf of the 4,300 members of Local S6 of the International Association of Machinists and Aerospace Workers (IAM), I would like to thank you for your distinguished service as a U.S. Navy Aviator and Officer. Your many accomplishments during your venerable career are proof of your commitment and dedication to the U.S. Navy and our great nation. A large percentage of IAM Local S6 members are veterans of the armed forces, and we all share your dedication to the U.S. Navy as we proudly strive to provide our men and women in uniform with the best ships known to man.

As you likely know, our recent negotiations with Bath Iron Works (BIW) ended in disagreement on several pivotal issues, leading our membership to ultimately vote in favor of a work stoppage. These proud shipbuilding workers, who have now been on strike for four weeks, do not take lightly the decision to stand up and take collective action, but the Company has left these men and women little choice.

At the crux of the disagreement is the Company's proposal to increase the frequency of subcontracting and to eliminate the Union's ability to provide input into the subcontracting decision. Throughout these negotiations, the Union has presented the Company with several workable solutions to adequately meet the workforce needs of BIW and our shared shipbuilding mission. Unfortunately, the Company has refused to listen to any of these sensible solutions and instead remains steadfast in its proposal to subcontract additional work to a substandard, underskilled workforce. Our members are highly concerned about the impact the Company proposals could have on the mission to which they have devoted their lives. The ships they build engage in a wide variety of combat and peacekeeping maritime missions with world-class success for the U.S. Navy. Given the vital role these ships play in the safety and security of our nation, our members are highly concerned by the prospect of any dilution of their skills, qualifications, and certifications.

I am writing today to bring to your attention a troubling concern regarding the Company's arguments in pushing for a blank check to outsource additional work at Bath Iron Works. Throughout our contract negotiations and previous discussions during the joint agreement process, which lasted more than ten months, we have had numerous conversations with BIW regarding subcontracting. Consistently throughout these negotiations, the Company has made clear, both implicitly and explicitly, that their desire to increase their ability to outsource work is based heavily on the Navy's strong endorsement of additional subcontracting at BIW.

For example, on August 20<sup>th</sup>, 2019, the Union has notes depicting BIW's claim that the Navy is "agreeable to subcontracting". Previous to that meeting, BIW showed the Union bargaining committee a slide show advocating for additional subcontracting, entitled "Operational Performance and Hiring". At the conclusion of that slide show, a Local S6

negotiator asked pointedly if the Navy is on board with this plan to increase subcontracting. At that point, BIW's Director of Labor Relations Jeff Veilleux responded, "They are, and time is of the essence".

On December 5<sup>th</sup>, 2019, the Union proposed a Memorandum of Agreement (MOA), titled "Comprehensive Joint Union/Company CPI Recovery Plan" which outlined how the Union and the Company would work collectively to build ships to schedule to ensure we may attain future work. After reviewing the MOA, the Company was concerned the Navy would not be satisfied with any plan that does not contain additional subcontracting. Most recently, on June 11<sup>th</sup>, 2020, BIW's President Dirk Lesko responded to a letter from U.S. Representatives Chellie Pingree and Jared Golden with the following description of a conversation between Congresswoman Pingree and Rear Admiral William Galinis, the U.S. Navy Program Executive Officer on January 17<sup>th</sup>, 2020:

As you may recall, in stressing the need for BIW to deliver ships on time, Rear Admiral Galinis noted that the other shipyards with which the Navy does business, our competitors, regularly use subcontractors to address shortfalls in skilled labor or to overcome schedule challenges.

It is unclear to the Union whether these statements made by representatives of BIW accurately reflect the Navy's position regarding the increased use of subcontracting and removal of the Union's valuable input from the outsourcing decision-making process. We truly hope the Company's assertions about the Navy's position are inaccurate. We strongly believe the changes in subcontracting language which the Company is pushing for will be detrimental to the skilled workforce at BIW and the Navy's shipbuilding mission. In order to shed light on the validity of the Company's statements and assertions with regard to the Navy's position on additional subcontracting at BIW, I respectfully ask that you respond to this letter with a description of the Navy's position on this issue.

Again, thank you for your devoted service and your attention to this important matter.

Sincerely,

Chris Wiers President

Local S6, IAMAW

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