

**Greater Pennsylvania Regional Council of Carpenters  
Local Union # 645, Northeastern Pennsylvania  
314 Pear Street, Scranton, PA 18505**

Testimony submitted to the House Labor Relations Committee

Public Hearing on Qualified Workforce & Workplace Safety issues relating  
to Marcellus Shale drilling operations in Pennsylvania

Thursday, September 16, 2010

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Good afternoon, my name is Vern Johnson. I represent The Greater Pennsylvania Regional Council of Carpenters and Carpenters Local Union #645 of Northeastern Pennsylvania. At this time I would like to thank State Representative Murphy and The House Labor Relations Committee for this opportunity to discuss the environmental, safety and workforce problems our organization has been having with the Marcellus Shale Industry and the out of state companies affiliated with the majority of the work being performed in the Northern Tier of our state.

We have tried every conceivable way to get our signatory contractors work with every gas company currently present in the Northern Tier counties of our state, with little or no success at all. Most of these companies will make us chase our tail until we're right back where we started; others will give our contractors the opportunity to go through the process of completing a take off and submitting a bid within hours of receiving the blue prints for a project, only to find out that the project has already been started by Non-union, out-of-state companies with unqualified employees/workers from New York who, we have serious reason to believe, are not paying local, state or federal taxes on their employees and may even be paying their employees cash while they are collecting Unemployment Compensation from the State of Pennsylvania. This puts our workforce, our environment, our communities and residents in serious jeopardy. Maybe they find the games they play amusing, but I assure you we do not.

Another tactic used to deter our companies from employment contracts on these sites is utilizing what is called a multi service agreement, or MSA. This ploy usually comes up when they run out of excuses as to why our contractors cannot bid their project. Every time we ask for the application and paper work to complete the MSA we get the same answer: they tell us that they have applications for MSAs that they haven't processed yet so they don't want to give any more out at this time. I find this hard to believe, unfair, and highly frustrating. We are not looking for any hand outs or feel this work should just be given to us—rather, all we are asking for is an opportunity to competitively bid on these projects.

Our Signatory Contractors have been performing this work for the past 40 years in the Northern Tier--and now we can't even get the opportunity to bid on any of it. Our membership is a highly trained and skilled workforce that our Council spends more than \$3 million annually to train--not only our local members, but also all of our members throughout the 60 counties that our Council covers in the state of Pennsylvania. This training consists of but is not limited to:

- OSHA
- Scaffold Erector and User
- First Aid/CPR
- High Lift
- Rigging

Our State Certified Apprenticeship Program is one of the best in the country, allowing applicants who qualify to enter into our four (4) year program and an opportunity to earn thirty-two (32) college credits while they work their way to their Journeyman Certification. Our First year Apprentice starts out with an hourly pay rate that is more than \$13.00/hour with a health benefits package included, and an option to contribute into a retirement plan, giving our apprentices the opportunity to earn while they learn.

Our organization highly doubts if any of the companies operating under the MSAs do the same for their employees or treat them in an equitable manner. For example, the Gas Companies currently working in the Northern Tier offer "training programs" that have an unspecified format and curriculum. What's more, they pay their employees \$10.00 to \$12.00/hour with no benefits or retirement plan--we have been told by many of these companies that they feel that this a good paying job. A \$10.00 to \$12.00 an

hour paying job, a 12 hour work day and 7 day work week with no overtime or any kind of benefit package is severely driving our work and safety standards down in this Commonwealth, and especially on most jobsites in the Northern Tier, where Spanish is the only language fluently spoken. For example, we just dispatched two men to erect scaffolding on a site in Bradford County and out of the entire job site, the two men we dispatched were two of three men on that site that spoke fluent English--the third was the Foreman.

This issue is most serious and critical—action must be taken on the legislative level. We are losing all of our local and state tax dollars to the out of state employees hired to work in the Northern Tier for gas companies that are from Texas, Oklahoma, Utah, Arkansas and several other states. We must begin monitoring and examining the entire workforce of this new industry, we as citizens of Pennsylvania have a responsibility to do so. These companies do not care about our environment--they have personally told us this--all they are after is a paycheck and our organization firmly believes that is the main reason they do not want our local workforce on their job sites. If they contaminate and destroy our water, land and environment, they wish to do so without anyone questioning or stopping them. Let me remind you, there is methane gas currently contaminating the Susquehanna River and several other issues currently in play that are destroying our environment as we speak.

In closing, we respectfully ask that you look to our future--we have a responsibility to take immediate action on these matters for our children and grandchildren. I reside in Bradford County; I've lived there my entire life. I want to make sure there is something left there when I'm gone. We must tell these companies, enough is enough, this is our home we have the right to work here and to maintain a safe environment for our future generations and we will guarantee this to our children and grandchildren through enacting regulations on qualified workforce and workplace safety.

Thank You.