

THE ACT REPORT

VOLUME 11 NUMBER 11
NOVEMBER 2002



A PUBLICATION OF
THE AFFILIATED
CONSTRUCTION
TRADES FOUNDATION

The ACT Foundation is a division of The West Virginia State Building and Construction Trades Council, with offices in Charleston and Clarksburg. Steve Burton, President; Roy Smith, Secretary-Treasurer; Steve White, Director.

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ACT FILES LAWSUIT

Trades Protest State's Secrecy

Members of the Tri-State Building Trades protested the secrecy surrounding a new auto parts plant in Wayne County as Gov. Bob Wise announced the plants construction.

Union members are protesting because bid information on the \$25 million dollar plant was deliberately withheld from union contractors.

"Several of our contractors attempted to contact Sogefi S.P.A. of Mantova, Italy, the plant owners, multiple times," said Steve Burton, Business Manager, Tri-State Building Trades. "Everyone who has tried to get information on the project has been unsuccessful."

Everyone except a few businesses who had the right connections such as Nelson's Ex-

cavating & Construction of Wayne County, a nonunion company who ended up with the site preparation job. (Not

to be confused with Nelson Excavating from Tucker County.)

"How did they get the job

when everything was suppose to be a government secret?" asks Burton.

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More than 75 members of the Tri-State Building Trades showed up to protest unfair secrecy and bidding at the Prichard Industrial park in Wayne County.

Key Labor Friendly Candidates Lose

The 2002 election resulted in a general loss for labor supported candidates.

The Republican Party will take control of the U.S. Senate and retain control of the U.S. House by gaining 4 seats.

West Virginia's Congressional delegation shaped up to include labor supported Senator Jay Rockefeller along with U.S. House members Alan Mollohan and Nick Joe Rahall.

However, WV AFL-CIO endorsed 2nd congressional district candidate Jim Humphreys came up far short against Republican incumbent Shelley Moore Capito.

"Construction workers stand a good chance of losing many

federal protections such as Davis Bacon laws," said Steve White, ACT Director.

"Labor did a good job but the Democratic Party asks us to carry the entire load and we just can't do it alone."

tors lost.

In the state Senate Republican Lisa Smith defeated Oshel Craig, Chairman of the Senate Finance Committee from Putnam County.

Senate Judiciary Committee

House of Delegates member from Monroe County lost in her bid for the Senate seat covering Greenbrier to Mercer Counties.

In the House of Delegates friends of labor Susan Hubbard, Dale Stephens and Randolph McGraw also lost.

"We are sad to see them go," said ACT's "BB" Smith. "Working people have counted on these representatives to be their voice in the legislature for a long time."

What does all this mean for working families in West Virginia?

The Bush Administration has also said it isn't in favor of Davis Bacon, which requires companies working on federal

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'WITH CORPORATIONS PICKING UP GROUND ON THE NATIONAL AND STATE LEVELS WORKING FAMILIES HAVE CAUSE FOR CONCERN.'

RANDY ATKINS, BUS. AGENT, TEAMSTERS LOCAL 175

One bright spot was passage of Amendment One, the economic development tool supported by labor and business. (See related story page 3.)

On the local level several longtime labor friendly legisla-

Chairman, Bill Wooten was also ousted by Russ Weeks in Raleigh County.

Dr. Tom Scott, a republican candidate backed by labor narrowly lost in Cabell County and Mary Pearl Compton, a

POLYMER ALLIANCE ZONE STUDY YIELDS GOOD NEWS

West Virginia Construction Costs Competitive

West Virginia finally gets some good news.

According to a study released by the Polymer Alliance Zone (PAZ) West Virginia's Construction costs are very competitive with other states in the U.S. including North Carolina and Louisiana.

The PAZ, based in Jackson County, is an organization promoting West Virginia as a location for polymer manufacturing facilities.

The study was commissioned by the PAZ because of persisting rumors that West Virginia's construction costs were out-of-line and prevent-

ing new companies from locating.

"We kept hearing these stories about high costs but never any facts," said Sam Davis Business Manager, Parkersburg Marietta Building Trades and a member of the PAZ.

"We agreed to participate in the study and let the facts speak for themselves."

And according to the study construction costs should be a selling point for the state.

The construction cost analysis measured many factors that go into construction cost such as productivity, workers compensation rates, training, and

availability of skilled labor on a scale from 1 (poor) to 10 (excellent).

West Virginia scored between 7.5 and 9.1 in every category. In addition union workers outperformed nonunion workers in almost every category.

The study lists the PAZ strengths as follows:

"Characteristics of workers are considered very good" — Overall quality is rated 8.64 (very good to excellent)."

"Turnover is extremely low — West Virginia construction workers work at polymer plants for the long term."

"Accuracy and productivity

are high — according to most employers an important aspect in maintaining polymer plants."

The study also says that the availability of skilled workers is good in West Virginia — union carpenters, painters and boilermakers are readily available.

"Organized labor's emphasis on training and accountability have contributed greatly to the strengths this study touts," said Davis. "Hopefully, we can turn this conformation of quality into good paying long term jobs for our members."

Some of the weaknesses of the PAZ include:

The lack of young people entering the trades — There is

no strong community college support system to help high school graduates who want to enter the trades.

"As far as the lack of young recruits goes, we are working to remedy that with labor councils putting on job fairs and such," said Davis.

"We are encouraged by the report but we realize there are many improvements we can make to make West Virginia an even better choice for businesses to locate or expand."

According to Davis business and labor are again teaming up to analyze the studies results and look for positive ways to work together.

WORKING FAMILIES CAUGHT IN CROSSFIRE

Tort Reform Fight Looms Over Legislature

Now that the election is over the focus of politics in West Virginia will be on the upcoming legislative session.

One issue sure to be on the agenda is Medical Malpractice insurance rate for doctors.

Doctors across the state have claimed the rates they pay for insurance are much higher than what would be paid in other states.

High insurance rates, so the claim goes, are forcing doctors to leave the state and stopping efforts to recruit new doctors.

Tort reform, or limits on lawsuits, is one of the solutions often mentioned by the medical community.

They place the problem squarely on lawyers and frivolous lawsuits.

Lawyers who represent workers have often argued tort reform is a code word for giving up worker's legal rights.

They claim doctors are being misled and that tort reform will cause harm to injured workers and their families but give no relief to insurance rates.

There is no evidence, says the legal community, that West Virginia has any more lawsuits than other states or any facts to support changing the legal system.

Tort reform is dangerous because it tampers with our jury system, an important part of our American way of life.

In this war of words one

thing is certain. Working families are caught in the middle.

"We don't want to lose our doctors," said Roy Smith, Secretary-Treasurer of the WV State Building Trades.

"And we don't want to lose our legal rights."

According to research con-

'WE DON'T WANT TO LOSE OUR DOCTORS, AND WE DON'T WANT TO LOSE OUR LEGAL RIGHTS.'

ROY SMITH, SEC.-TREAS, WV STATE BUILDING TRADES

ducted by the Center for Justice and Democracy (CJD) the current insurance "crisis" is self inflicted by the insurance companies and has very little to do with jury awards.

The insurance business is cyclical; it parallels the overall

economy because company profits are based on returns from investments, the study says.

In other words, there is an insurance "crisis" every time interest rates go down, as they are right now.

"In order to buy into the insurance industry's argument that tort reform would lower rates you would have to believe that jury awards are cyclical as

well.

"They are not. Jury awards have been consistent and conservative regardless of the state of the economy," said the CJD.

In the case of medical malpractice, juries side with the doctor or hospital 67 percent

of the time and when insurance companies lose the average award is only \$30,000.

In many of states where some form of tort reform has passed the insurance companies did not lower premiums saying, "tort reform is not a silver bullet that solves the problem", according to the research.

"The bottom line is these insurance companies are creating these problems about every decade to try to get out of paying for their customers mistakes," said Smith

"And we will continue to fight for our members rights to make guilty parties pay for their mistakes."

In the upcoming shoot-out between doctors and lawyers it is unclear who will win, but it looks like either way workers will lose.

Amendment One Is Passed By Big Margin

One of the bright spots in the recent election was passage of Amendment One.

This economic development tool was endorsed by labor, business, government and a wide range of groups across the state.

But in the last few weeks leading up to the election it looked bad for the amendment because most of the public didn't know about it.

In the end the Amendment passed with 57 percent of the vote, a clear victory.

include prevailing wages and local workers on all construction projects that use the Amendment One tool, also public notice and comments are mandates as well as competitive bidding, follow up reports and detailed project and employment plans.

According to White over \$200,000 was raised to get the word out about the issue. Labor, mostly building trades groups, put up approximately \$40,000.

But as important as the money was a lot of work to get the word out with mailings,

'WE KNEW IF WE COULD GET THE MESSAGE OUT ABOUT AMENDMENT ONE PEOPLE WOULD SUPPORT IT.'

STEVE WHITE, ACT DIRECTOR

"We knew if we could get the message out about Amendment One people would support it," said Steve White, ACT Director. White, along with Dana Waldo of the WV Roundtable were the Working Co-Chairs of the All For One Committee established to promote the measure.

Jim Bowen, President of the WV AFL-CIO held the Honorary Co-Chair position along with Paul Arbogast of the WV Roundtable.

"Labor did it's part to support Amendment One because our concerns were met about it's contents," said Bowen. "No one cares more about jobs than the labor movement, and we did our part on November 5th."

Key components of the law

speakers and media tours.

"We had a great team of supporters from business, county and municipal government and leaders from the eleven regional economic development councils across the state," said White.

"Most important was the leadership of Secretary of Tax and Revenue Brian Kastick who worked tirelessly educating the public about the details of the proposal."

Amendment One is a tool now available to local areas to pledge future property taxes from new or expanded projects to help finance those projects. Similar tools are available in 46 states.

"Now we have to make sure this tool is used as it is intended, to create good jobs for local workers," said White.

WV AFL-CIO Endorsement Results

AMENDMENT ONE:
Vote Yes ✓ **W**

U.S. Senate

Jay Rockefeller **W**

U.S. House of Representatives

First Congressional District: Alan Mollohan **W**

Second Congressional District: Jim Humphreys **L**

Third Congressional District: Nick Joe Rahall **W**

State Senate

1st: Ed Bowman **W**

2nd: Larry Edgell **W**

3rd: Jim Ball **L**

4th: Oshel Craigo **L**

5th: Thomas F. Scott (R) **L**

6th: Truman Chafin **W**

7th: Tracy Dempsey **W**

8th: John Mitchell **L**

9th: Bill Wooton **L**

10th: Mary Pearl Compton **L**

11th: Randy White **W**

12th: Joe Minard **W**

16th: John Unger **W**

17th: Brooks McCabe **W**

House of Delegates

1st: Joe DeLong **W**; Randy Swartzmiller **W**

2nd: Jack Yost **W**

3rd: Rick Altman **L**; Tal Hutchins **L**

4th: Scott Varner **W**; Ken Tucker **W**

5th: Dave Pethtel **W**

7th: Paul Janes **L**

9th: Kenny Brown **L**

10th: Shuan Butcher **L**; John Beary **L**; John Ellem (R) **W**

11th: Bill Groves **L**

12th: Carroll Jett **L**

13th: Dale Martin **W**; Brady Paxton **W**

14th: Jim Ferguson **L**

15th: Margarette Leach **W**; Kevin Craig **W**; Jim Morgan **W**

16th: Susan Hubbard **L**; Dale Stephens **L**; Karen Nance **L**

17th: Richard Thompson **W**; Don Perdue **W**

18th: Earnie Kuhn **W**

19th: Greg Butcher **W**; Lidella Wilson Hrutkay **W**; Bill Wright **W**

21st: Harry Keith White **W**

22nd: Rick Staton **W**; Richard Browning **W**

23rd: Emily Yeager **W**

25th: Mark Wills **L**

26th: Gerald L. Crosier **W**

27th: Virginia Mahan **W**; Randolph McGraw **L**; Sally Susman **W**

28th: Tom Campbell **W**; Ray Canterbury (R) **W**

29th: Tom Louisos **W**; David Perry **W**

30th: Bonnie Brown **W**; Bobbie Hatfield **W**; Ray Keener **L**; Priscilla M. Haden (R) **L**

31st: Carrie Webster **W**

32nd: Jon Cain **L**; Derek Walker **L**

34th: Brent Boggs **W**

39th: Bill Hamilton (R) **W**

40th: Mary Poling **W**

41st: Ron Fragale **W**; Richard Iaquina **W**

42nd: Tom Coleman **W**

43rd: Mike Caputo **W**; A. James Manchin **W**

44th: Barbara Evans Fleischauer **W**; Gene Claypole **L**; Nancy Houston **W**

46th: Stan Shaver **W**

54th: Walter Duke (R) **W**

55th: Vince George (M) **L**

57th: John Doyle **W**

58th: Dale Manuel **W**

W= Won

Thanks to all who voted

L= Lost

North Central Trades Prospers On Wind Power Projects

North Central West Virginia Building Trades is making sure that the wind power boom is creating hundreds of good local union jobs.

North Central currently has labor agreements with three wind power companies throughout Grant, Preston and Tucker Counties.

The first company to take advantage of West Virginia's windswept hilltops and its highly qualified local work force was Florida Light and Power, obviously based in Florida.

This 42-windmill project is worth more than 92 million dollars.

"These are significant projects for construction workers in North Central West Virginia," said Darwin Snyder, President, North Central West



The Backbone Mountain Project in Tucker County is the first wind project in West Virginia.

Virginia Building Trades.

The next wind power company to support local union workers was US Wind Force based in Pennsylvania.

The project could end up with as many as 166 windmills in Preston and Tucker counties. Phase one is priced at approximately \$150 million.

"We are glad to work with

U.S. Windforce, they are supporting us so we intend to give them top quality workmanship in a timely fashion," said Snyder.

The third project in Grant County is owned by Ned Power a Dutch based company.

The project will consist of 200 windmills.

Each project will create

about 100 jobs, according to Natalie Stone, Executive Secretary, North Central WV Trades.

"These projects prove that early participation in the planning stages pays off," said Stone. "We landed a total of 412 mills worth hundreds of millions of dollars that will pay about 300 local skilled union

workers."

West Virginia has some of the best sites in the country for wind power. New federal tax rules together with technology gains have made these projects a reality. The only question is will local workers benefit from this new wave of energy projects? The answer so far is clearly a good one.

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Protest

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Alberici Mid-Atlantic of Nitro and McGraw/Kokosing, with a shop in Kenova, ten miles from the location, were two union contractors that attempted to obtain information.

"We think all of the agencies involved have broken the law by refusing to release information requested by ACT in a Freedom of Information Act (FOIA) letter," said Burton.

Wayne County agreed to give Sogefi \$500,000 while the State Economic Development Authority approved the company for a \$10 million loan for equipment. And the state's \$200 million grant committee has approved \$990,000 in additional state funding.

"The company is using public funds. They should have adhered to competitive bid and FOIA laws. Instead, the Wise administration kept the whole thing under wraps so the contractor could be hand picked."

ACT is asking the Kanawha County Circuit Court for an injunction to stop the construction of the auto parts manufacturing facility until the legal matters can be solved.

The complaint is against all state and county agencies involved as well as the construction companies already working on the project.

ACT is alleging that the agencies' failure to respond to a FOIA letter in a timely fashion harmed ACT members by de-

nying them the opportunity to obtain work.

"Governor Wise said the plant will create 90 to 115 new jobs, but local construction workers were kept out of the loop in Wayne County again," said Burton. "This has become all too familiar with the Wayne County Commission."

"And even though we've come to expect this kind of behavior from the Wayne County Commission it is surprising the Wise Administration would do this after the support our members gave them on Amendment One."

"One thing is certain, this could not be done under the laws that Amendment One spells out."

Election

CONTINUED FROM P. 1

projects to pay prevailing wage.

"We've seen the attacks on Davis-Bacon prevailing wages come every time a new spending bill is debated in Congress," said Smith. "If they keep weakening the law we won't have much left."

"With the Corporations picking up ground on the national and state levels working families have cause for concern," said Randy Atkins, Business Agent, Teamsters Local 175. "These attacks on labor may trickle down into the states' law books as well."

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