Volume 24, Number 9 • September 2015 (CTTRF



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A Division of the WV State Building Trades, AFL-CIO | Bill Hutchinson, President | Dave Efaw, Secretary-Treasurer | Steve White, Director

No Savings to Taxpayers Without Prevailing Wage

Neighborgall Construction's low bid of \$12,400,000 for the new Ceredo Kenova Elementary School was \$183,000 less than Jarrett Construction Services and \$500,000 less than Swope Construction.

Bids were submitted August 18.

The real difference is Neigborgall will be paying prevailing wage rates to construction workers even though the law does not require it.

Jarrett and Swope are only required to pay minimum wage of \$8 per hour, no benefits.

That means Wayne County tax-

payers will save at least \$183,000 with a company that pays prevailing wage rates.

The result is a very dif-

ferent fact than promised by Repub-

session. President

"The losers are the wage earners..."

Mark Johnson, Business Manager

Tri-State Building and Construction Trades Council

wage five schools could be built for the price of

lican leaders during the legislative

Senate

(R-Mercer)

was quoted

numerous

times saying

that without

prevailing

Cole

three – or a 40 percent reduction.

Owners of Jarrett Construction and Swope Construction were frequently at the capitol advocating the elimination of prevailing wage.

Both claimed great savings to taxpayers if prevailing wage rates were eliminated.

"They had their chance to make good on their promise and they failed," said Mark Johnson, Business Manager of the Tri-State Building

Continued on p. 3>>

With Local Political Leaders **Huntington Area Crafts, Contractors Meet**

Contractors and labor representatives are reaching out to political leaders to have early discussions about prevailing wage in advance of the next legislative session.

A recent meeting in Huntington was held on September 10 and was attended by contractors, labor representatives and local political leaders.

The discussion included a review of the last legislative session, an update on the wage survey and a discussion about how to educate more people on the benefits prevailing wage brings to the public.

"We had a good discussion and came up with some ideas on how to inform people who are not familiar with construction," said ACT Representative Matt McComas who organized the event.

According to McComas the group felt tours of training centers and job sites could showcase the workforce training, drug and alcohol free work places, and quality construction services available in the region.

"We have a great partnership be-

tween union affiliated contractors and workers which brings great value to customers, including tax payers," said McComas. "We need to educate the public."

Similar meetings in other parts of the state are being planned. ■



ACT's Steve White talks about prevailing wage with a group of Huntington area contractors, building trade's representatives and political leaders at a September 10 meeting held on the Marshall University Campus.

IBEW Local 246 Steubenville

Electrical Contractor Goes Union

IBEW Local 246 in Steubenville gained a new contractor when they recently signed G.E.M. Electric Industries Inc.

GEM, based in Mingo Junction, Ohio is owned by Terry Giuliani.

The company has been active with high end commercial work in office buildings and health care settings.

When Local 246 asked Eric Nutter

to work as an organizer he made it a point to talk with Giuliani whom he had known for many years.

According to Nutter they talked about how hard it is to get qualified, skilled labor and how training programs were critical to having a skilled workforce.

Another concern of the owner was the future wellbeing of employ-

ees

After many discussions with IBEW Local 246, Giuliana became a signatory contractor in late August and put their first member to work on September 1.

"In today's market access to a skilled workforce is an important business decision," said Kyle Brown, Business Manager for Local 246. The newly unionized company has already secured maintenance work in some local hospital sites and area Kroger's.

"The company is transitioning to a union contractor and we look forward to working with them," said Nutter. "There is a real interest in apprenticeship training and a reliable supply of manpower."

Good Data Hard to Find

Penn State Study Questions Local Hiring Claims from Shale, Says Numbers Too High

The report also tries to de-

termine how many jobs are

going to local workers rather

than imported workers.

A new study from Penn State questions previously reported local job impacts related to Shale Gas discovery and extraction in Pennsylvania.

The report released in August is called "Resident vs. Nonresident Employment Associated with Marcellus Shale Development" by Douglas H. Wrenn, Timothy W. Kelsey, and Edward C. Jaenicke.

Acknowledging that accurate data is lacking the authors attempt to estimate employment numbers from available county tax data.

The data is compared to estimates based on BLS (Bureau of Labor Statistics) and U.S. Bureau of Economic Analysis (BEA) data and finds the tax data results in employment numbers half of previous reports.

The study is critical of the BLS and BEA data because it does not identify where workers reside and does not distinguish between full and part-time workers.

The report also tries to determine how many jobs are going to local workers rather than imported workers. They conclude around 50 percent of the workers are imported which limits the economic benefit to the region.

A similar debate has been taking place in West Virginia for years. In 2011 the WV Legislature passed a law requiring an Annual Report on employment from shale related ac-

tivities but
the report
has never
provided
useful data
to answer
the question
of how many
jobs are created and

how many are local workers.

Local construction workers know

employment gains have at times been very significant on pipeline and pro-

cessing facility projects, much less so on the drilling and extraction phase of the gas work.

Citizens in the gas ar-

eas are very familiar with a large influx of vehicles from places like Texas and Oklahoma.

The increased use of imported workers has led to street demonstrations by local construction workers for the past several months in the upper Ohio Valley region.

The Penn State report concludes, "The analysis confirms what many local residents have been saying: much of the increase in employment from Marcellus shale development in Pennsylvania has largely benefited out-of-county and out-of-state residents."



Workers line the road near a large gas processing facility at Mobley, in Wetzel County in early September. Much of the plant was built with local workers but area residents are upset by an increasing amount of imported workers.

Painters DC 53 Apprentice Opportunities

District Council 53 Painters and Allied Trades Joint Apprenticeship & Training Committee will be accepting applications for apprenticeship in the areas of Painting, Drywall, Glaziers and Hydro Blaster/Vacuum Technicians. Applications are taken year round with the exception of holidays and weekends.

The program serves the state of West Virginia and a number of bordering counties in Ohio, Kentucky and Virginia.

The three year apprenticeship teaches all aspects of the trade in both classroom and on-the-job settings.

Apprentices are paid while on the job and learn under the direction of journeymen. As they progress through the program their pay increases.

All Applicants must fully meet the following minimum qualifications to qualify.

1. Applicants must be at least eigh-

teen (18) years of age (with the exception of school to work students).

A birth certificate will be required for proof of age.

- 2. Applicants must possess sufficient educational knowledge to satisfactorily complete the on-the-job training and related technical instruction and be in possession of a high school diploma or GED.
- 3. Applicants must be physically capable of performing the essential functions of the apprenticeship pro-

gram without posing a direct threat to the health and safety of themselves or others.

- 4. Proof of valid driver's license is required.
- 5. Those applying for the Glazier trade must take a Reading and MC/AP test at WorkForce locations.

All applications will be received without regard to race, color, religion, national origin, or sex.

Please contact 304-343-8250 ext. 302 to obtain an application. ■

Candidates Speak at WVSBT Conference



Senate Minority Leader Jeff Kessler (D-Marshall) speaks to the WV State Building & Construction Trades Convention held on August 12.

The event was at the Stonewall Conference Center in Lewis County and was attended by almost 100 representatives from building trades unions across the state as well as from some neighboring states.

Kessler talked about his long history of support for the Trades including recent fights to protect prevailing wage laws as well as his desire to become the next Governor of West Virginia.

Also speaking was democratic candidate for Governor Jim Justice.

No Savings

Continued from Page 1

and Construction Trades Council.

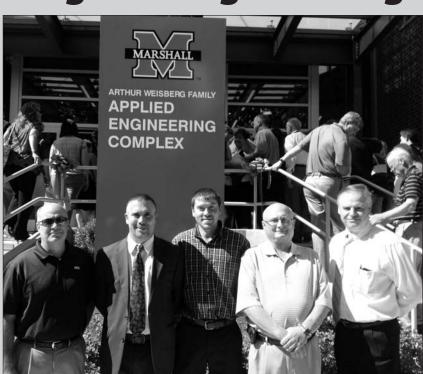
Because Republican leadership temporarily blocked the prevailing wage requirement, projects bid after July 1 have no wage protections.

A number of projects have been bid since the July 1 date and none have shown any of the promised savings – exactly what the Trades and hundreds of contractors predicted.

But the Neighborgall victory does not mean the war is over.

"These bid numbers support the prevailing wage studies that say there is no savings to tax payers when prevailing is removed," said Johnson. "The losers are the wage earners who work for the low road contractors and the wage difference goes into these contractor's pockets." ■

Ribbon Cutting Held for Marshall's New Engineering Building



Pictured in front of the new Arthur Weisberg Family Applied Engineering complex at Marshall University are (from left) BBL-Carlton representatives Todd Corey, Vice President; Chuck Moore, Vice President; Scott Thomas, Assistant Project Manager; and Don Bradley, Project Manager joined by Tri-State Building and Construction Trades Business Manager Mark Johnson.

The group was on hand for the ribbon cutting ceremony on August 13 in Huntington.

BBL-Carlton was the general contractor for the \$50 million plus project. Construction started in October of 2012 and completed on time and within budget.

"It's a great addition to Marshall and our members put in more than 500,000 manhours building this project," said Johnson.

Survey Results Expected September 30

The new prevailing wage survey is almost complete and WorkForce is expected to publish the results by September 30.

Participation by contractors has been strong with more than 50 percent of the 5200 surveys having been returned by early August.

Collection of the surveys continued until September 4, and with the data in hand the calculations are now being made.

While some differences are expected from prior rates because of the new methodology being used, the underlying re-

sults should be close to current wage levels.

"That's because in most of the state union contractors do the majority of the commercial and industrial work," said Dave Efaw, Secretary-Treasurer of the WV State Building Trades Council.

Once the new wage rates are published the prevailing wage law will be back into effect.

Projects that were awarded after July 1 did not have any prevailing wage requirements.

That's because Republican leaders blocked efforts to keep in place wage rates set at the beginning of the year until the new survey was complete.

This has meant some workers,

those without a contract, have already taken pay cuts.

Once the new rates are published then public works construction

contracts will again require the new rates.

Before the change wages were calculated on a "majority rule" method which means if a rate is paid to more than 50 percent of the workforce in a county that rate becomes the established prevailing wage. The new method uses a math average, so even if the union rate is used a majority of the time the nonunion wage rates are averaged in resulting in lower rates.

The rates will no longer be for a county but now will be set by eight regions in the state.

Fringe benefits such as health and retirement funds are to be included but a number of industry funds, such as alcohol and drug testing or industry promotional funds, are now excluded.

Once the rates are published a new appeals process has been established.

Anyone who wants to object to the rates or the methodology will have 15 days to file the appeal.

"We anticipate making some suggestions to improve the process," said Efaw.

"However we will just have to wait and see before deciding if an appeal is needed." ■

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Labor Day Parade

"We anticipate making some

suggestions to improve the

process."

Dave Efaw, Seretary-Treasurer

WV State Building Trades



Walking in the Paden City Labor Day Parade are (from left) WV AFL-CIO President Kenny Perdue, his wife Dusty Perdue and brother Steve Perdue, Business Agent, Sheet Metal Workers Local 33 Clarksburg District.

"The job killing, wage stealing, so-called Right-to-Work legislation hurts all workers not just union members because it leads to lower wages for all, more on-the-job-injuries, and never produces any additional rights or jobs," said President Perdue.





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