

MARBA MATTERS

May 31, 2020

Serving the Construction Industry Since 1971

Grievances and Arbitrationsⁱ

Chicago Regional Council of Carpenters Arbitrations

MARBA received one arbitration request this month regarding placement of a steward.

Laborers Joint Grievance Committee

The Laborers Joint Grievance Committee did not meet in May due to the extended Stay at Home order issued by Governor Pritzker. The next meeting is currently set for June 30, 2020, at the Laborers Burr Ridge office beginning at 9:00 a.m.

Operating Engineers Joint Grievance Committee

The Operating Engineers Joint Grievance Committee did not meet in May due to Governor Pritzker's Stay at Home order. The next meeting is tentatively scheduled for July 8, 2020; however, an off-cycle meeting may be scheduled for some time in June. There are currently twelve (12) grievances on the docket.

Teamsters Joint Grievance Committee

The Teamsters Joint Grievance Committee did not meet in May. The next regularly scheduled grievance committee hearing is scheduled for June 25, 2020, at a location to be determined.

Collective Bargaining/Labor Issues

MARBA Finalizes Negotiations with Two Trades

MARBA recently finalized two collective bargaining agreements with the Technical Engineers Local 130 and the Bricklayers ADC 1. The Technical Engineers Local 130 agreement is a five-year agreement that runs through May 31, 2025, and the Bricklayers ADC 1 agreement is a three-year agreement that runs through May 31, 2023. Allocations for both trades should be finalized shortly and posted on the MARBA website.

Other negotiations throughout the Chicago area and other regions throughout the Midwest are also wrapping up. Updates regarding those negotiations can be found on the MARBA website by clicking the following link, <https://www.marba.org/resources>, and scrolling down to the bottom of the page.

Industry News

Illinois Prevailing Wage Survey Open

The Illinois Department of Labor is conducting its annual survey to ascertain the Prevailing

Wage rate. After the survey is completed, the Department will certify the wage rate for all the counties in Illinois and post those rates on their website. The Prevailing Wage Act indicates the posting of the rates should occur by July 15. MARBA participates in the survey on behalf of its member associations.

State of the Economy

Economic Indicators

Unemployment Rate	April 2020 U.S. 14.7%, Illinois 16.5% (45 th)
Labor Participation Rate	April 2020 = 60.2%, March 2020 = 62.7%
CPI (All Urban Consumers)	April 2020 versus April 2019 = 0.33%
CPI Chicago All Items	April 2020 versus April 2019 = 0.26%
CPI Midwest All Items	April 2020 versus April 2019 = -0.43%
Union Membership	2019 = 10.3% (Private Sector 6.2%), 2018 = 10.5%
Rate of Unionized Construction Workers	3.6% (2019), 13.8% (2018), 14.0% (2017)
30 Year Fixed Mortgage	April 3.31%, down 0.14% from March 3.45% Annual Average 2019 = 3.94%, 2018 = 4.54%
15 Year Fixed Mortgage	April 2.80%, down 0.09% from March 2.89% Annual Average 2019 = 3.39%, 2018= 4.00%
WTI Crude Oil Price	\$ 35.49 per barrel (as of May 29, 2020) \$ 110.62 per barrel all-time Year Close 2013 \$ -40.32 per barrel (May 2020) all time March 2020
Privately Owned New Housing Building Permits	20.8% below revised March rate (+/-0.9%) 19.2% below April 2019 rate (+/- 0.9%)
Housing Completions	8.1% below revised March rate (+/-13.5%)* 11.8% below April 2019 rate (+/- 9.9%)
Privately Owned New Housing Starts	29.7% below March rate (+/- 8.1%) 1.4% above April 2019 estimate (+/- 12.7%)*
DJIA	25,383.11 as of May 29, 2020 (close) 24,345.72 as of April 29, 2020 (close)

Janik's J.D. – An Update on Labor/Construction Legal Issues
Aaron Janik – Executive Director MARBA

NLRB Issues Ruling in Cell Phone Prohibition Case

In a newly issued decision, the NLRB found an employer's policy of prohibiting cell phone possession while at one of the company's manufacturing facilities to be permissible under the *Boeing* standard. In *Cott Beverages, Inc.* 369 NLRB No. 82 (May 20, 2020) the employer, a company that manufactured and bottled beverages, enacted a policy that, among other things, prohibited personal belongings from being on the production floor. The policy prohibited jewelry, cigarettes, magazines, personal cell phones, and many other items from being at a workstation. Cell phones issued by the company were permissible.

The ALJ assigned to hear the case initially ruled in favor of the Charging Party holding the Employer violated Section 8(a)(1) of the NLRA by issuing a work rule that prohibited employees from possessing personal items on the production floor. Although the Employer did not mention safety as an underlying concern in the policy itself, it provided evidence that the nature of the work required a sterile work area and having personal belongings in the area, including cell phones, could comprise the manufacturing process. During the pendency of the case the Board issued its decision in *Boeing* which modified the Board's standards for determining when an employer's rules violate 8(a)(1). The Board subsequently overruled the ALJ finding the employer did not violate Section 8(a)(1) under its *Boeing* standard when it enacted its new policy.

Although the Board held the policy had a slight impact on the employee's Section 7 rights, the question on whether that impact is outweighed by the employer's business justification for enacting the rule was answered in the negative. That is the employer was justified in enacting the rule. Therefore, the Board held the employer's, "legitimate business interest outweighs the relatively slight risk" the policy will interfere with the right to engage in protected activity under the Act.

Upcoming Seminars/Events

Due to COVID-19 many upcoming in person events and seminars have been postponed. Industry events and seminars will be posted here once they resume.

Calendar

June 5	10:30 a.m.	MARBA Executives Meeting (online)
June 25	9:00 a.m.	Teamsters JGC (TBD)
June 30	9:00 a.m.	Laborers JGC (Burr Ridge) *

Did You Know: June 2, 1865 P.T. Barnum began his tour of the United States with his circus.

¹ Information for MARBA Matters was obtained from the following sources: BNA Construction Labor Reports, Crain's Chicago Business, Northwest Times of Indiana, Chicago Tribune, and Sun-Times, CDQ, and the BLS, as well as various websites and other publications.

*if necessary