

Grievances and Arbitrations¹

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 September. The next regularly scheduled meeting is set for October 27, 2020, at the Laborers Burr Ridge office beginning at 9:00 a.m.

Operating Engineers Joint Grievance Committee

The Operating Engineers Joint Grievance Committee met on September 16, 2020 at the Operators office in Countryside to hear twelve (12) grievances. The first six (6) grievances were filed against the same contractor. The Union alleged the contractor was using non-bargaining unit members to perform bargaining unit work. The Contractor countered that he terminated his contract with the union over 20 years ago and was under no obligation to use bargaining unit members. The contractor presented evidence that the Union filed a similar grievance against them about 13 years ago and the matter was eventually closed with no decisions being entered. After hearing the testimony and reviewing the evidence, the JGC was unable to reach a majority decision resulting in a deadlock. The Union retains the right to pursue the matter through the arbitration process in the CBA.

The next grievance involved a subcontracting dispute. The parties settled the matter during the hearing. The eighth (8th) grievance was continued prior to the Committee meeting. The ninth (9th) grievance alleged a Contractor was allowing a Laborer to operate a Skid steer. The Contractor countered that the CBA allowed a Laborer to use the Skid steer if they were involved in "minor excavation". After the parties presented their positions, the JGC issued an award in favor of the Union. The Contractor did not appear, and the Union presented its case. The JGC issued a decision in favor of the Union based on the testimony and evidence presented by the Union.

The next grievance was filed against a contractor alleging a violation of the subcontracting provision of the CBA relative to the assembly/disassembly of a crane. The contractor alleged the matter was jurisdictional and should not be heard by the JGC. The JGC was unable to reach a majority decision and the matter was deadlocked. The Union retains the right to pursue the matter through the grievance and arbitration provision of the CBA. The next two (2) grievances were resolved prior to proceeding to hearing. The next meeting is scheduled for November 11, 2020. There is currently one (1) grievance on the docket.

Teamsters Joint Grievance Committee

The Teamsters Joint Grievance Committee did not meet in September. The next regularly scheduled grievance committee hearing is scheduled for October 29, 2020, at the Local 731 Union hall. There is currently one grievance on the docket.

Collective Bargaining/Labor Issues

Technical Engineers Agreement Posted to MARBA Website

The collective bargaining agreement between MARBA and Local 130 Technical Engineers is posted on the MARBA website. The Bricklayers agreement is not yet posted. All other current CBAs can be found on the website or by [clicking here](#).

Industry News

Executive Order Targeting Diversity Training Requirements Issued

Last week, on September 22, 2020, President Trump issued an Executive Order that prohibits racial sensitivity training for those contractors that are awarded contracts on federal projects over \$10,000 in a 12-month period. The ban comes on the heels of the President's instructions to federal agencies to cease the practice of including such training earlier this month. In a statement announcing the order, the President characterized the training as "divisive and harmful". Those that work in the diversity and inclusion training arena have raised caution about the ban on such training. It is not yet clear the impact this ban will have.

For a more detailed analysis of the new Executive Order please visit the Ogletree Deakins website by [clicking here](#).

State of the Economy

Economic Indicators

Unemployment Rate	August 2020 U.S. 8.4%, Illinois 11.0%(44 th)
Labor Participation Rate	August 2020 = 61.7%, July 2020 = 61.4%
CPI (All Urban Consumers)	August 2020 versus August 2019 = 1.3% Half 2020 = 1.24%
CPI Chicago All Items	July 2020 versus July 2019 = 1.08% Half 2020 = 1.23%
CPI Midwest All Items	July 2020 versus July 2019 = 0.97% Half 2020 = 0.86%
Union Membership	2019 = 10.3% (Private Sector 6.2%), 2018 = 10.5%
Rate of Unionized Construction Workers	13.6% (2019), 13.8% (2018), 14.0% (2017)
30 Year Fixed Mortgage	August 2.94%, down 0.08% from July 3.02% Annual Average 2019 = 3.94%, 2018 = 4.54%
15 Year Fixed Mortgage	August 2.52%, down 0.06% from July 2.48%

	Annual Average 2019 = 3.39%, 2018= 4.00%
WTI Crude Oil Price	\$ 40.13 per barrel (as of September 30, 2020 at 12:50 p.m.) \$110.62 per barrel all time high Year Close 2013 \$ -40.32 per barrel (May 2020) all time low March 2020
Privately Owned New Housing Building Permits	0.9% below revised July rate (+/-1.4%) 0.1% below August 2019 rate (+/- 1.5%)
Privately Owned New Housing Starts	5.1% below revised July rate (+/-9.6%)* 2.8% above August 2019 rate (+/- 10.3%)
Housing Completions	7.5% below revised July rate (+/-14.2%)* 2.4% below August 2019 rate (+/- 11.9%)
DJIA	27,713.65 as of September 30, 2020 (1:52 p.m.) 28,574.55 as of August 28, 2020 (12:47 p.m.)

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

Several Multiemployer Pension Funds Approved for Benefit Reductions Under MPRA

Enacted in 2014, the Kline-Miller Multiemployer Pension Reform Act (also known as MPRA) delineated a process whereby multiemployer pension funds can apply to the Department of Treasury for a temporary, or permanent, reduction of participants pension benefits provided the plan meets certain requirements. Since its enactment forty-three applications have been filed by various funds with fourteen (14) having been approved.

Most recently, three more applications have been approved by the Treasury Department and voted on by beneficiaries to accept the proposed reductions. The Composition Roofers Local 42, IBEW Local 237 Pension Fund, Sheet Metal Workers Local Pension Fund (OH). All three funds had a larger percentage of beneficiaries not return ballots than those that voted against the benefit reduction. Under MPRA, unless participants and beneficiaries vote to reject the reduction, the reduction will go forward. The funds cover the following participants/beneficiaries: Local 42 – 462, Local 27 – 399, Sheet Metal -- 1561.

Information regarding MPRA and the various applications can be found by [clicking here](#).

Joint Employer Rule Struck Down

In the ever-ongoing saga of the Department of Labor's Joint Employer Rule, a district court judge in the 2nd Circuit struck down a large portion of the Trump administration's four-part test to determine when two employers can be considered a joint employer. That test was only recently updated in January of this year. The court let stand the aspect of the rule that deals with a "horizontal" relationship (two employers that are separate but associated jointly employ the same worker). The court ruled that the portion of the rule dealing with "vertical" relationships was arbitrary and capricious. A vertical relationship exists when a staffing company provides employees to another employer or in the context of the franchisee relationship. The DOL has indicated they are reviewing their options with respect to the decision.

A copy of the decision can be found by [clicking here](#).

Upcoming Seminars/Events	Calendar		
<p><u>CAGC Annual Meat Raffle (Virtual)</u></p> <p>Please join the CAGC for their Annual Meat Raffle from the comfort of your own home!</p> <p>When: November 8, 2020 at 12:00 p.m.</p> <p>To find out more information please click here.</p>	October 1	9:00 a.m.	UCA Annual Meeting (online)
	October 2	10:30 a.m.	MARBA Executives Meeting (Des Plaines)
	October 8	7:30 a.m.	CAGC Meeting (online)
	October 15	7:30 a.m.	Kent Conference (online)
	October 19-23	8:00 a.m.	FMCS Institute (online)
	October 27	9:00 a.m.	Laborers JGC (Burr Ridge)
	October 29	9:00 a.m.	Teamsters JGC (Burr Ridge)
<p>Did You Know: The first broadcast of The Tonight Show starring Johnny Carson occurred on October 1, 1962</p>			

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.

PLAYOFF BASEBALL IN CHICAGO!

