

Building Contractors Association of New Jersey

NATIONAL LABOR NEWS

September 2012

BCANJ's Quarterly Labor Update

*Building Contractors Association of New Jersey publishes the **National Labor News** quarterly as an insert in our monthly Update in March, June, September and December. We will continue to focus on local and state issues via our monthly Update and regular bulletins. We welcome your comments.*

AGC Warns Employers About Immigrant Reprieve Program

As we told you in the August Update, the US Department of Homeland Security began accepting applications for “Deferred Action for Childhood Arrivals,” a program that allows young undocumented immigrants to gain a two-year reprieve from deportation and obtain work authorization. AGC of America warns employers the program could potentially raise problems if an employee applies for the reprieve using work documentation to prove eligibility, thereby revealing to the employer he or she is not currently authorized to work in the US.

For example, in an I-9 audit, the employer could be held liable for knowingly employing someone who was not legally eligible. Also, under current law, if an employer finds out an employee is unauthorized, the employer is required to terminate that employee. Also, if the employer has an “honesty” policy, the employer can terminate the undocumented employee as long as the employer can prove the policy is consistently enforced.

However, because of the reprieve program, an employee who is terminated under either scenario could then bring

unlawful discrimination charges.

AGC advises employers to keep all documentation relating to such a termination and consult an employment immigration attorney licensed in the state before taking any action.

For more information, employers can also visit the AGC website, www.agc.org, and click on Labor & HR, and then Labor & HR Topical Resources in the left navigation bar. In the drop-down menu under “Choose a Category” select “Other Legal Issues” and under “Choose a Subcategory” select “Immigration and Employment Eligibility.”

NYC Building Trades Employers Launch Compliance Forum

As we announced in an e-mail blast and flier last week, the NYC Building Trades Employers Association has launched the Construction Industry Compliance and Integrity Institute (CICII) to provide guidance for regulatory compliance, an initiative under the guidance of Manhattan District Attorney Cyrus Vance and law firm and BCANJ member Peckar & Abramson, the BTEA’s legal counsel. The CICII will be introduced to contractors at a two-day symposium October 2 & 3, 2012, at which Mr. Vance will be keynote

speaker. *Interested members may call the BCANJ office at 732.225.2265 for a copy of the agenda and registration form.*

Construction Industry Adds Only 1,000 Jobs in August

The Bureau of Labor Statistics' report on September 7, 2012, revealed the construction industry nationwide added only 1,000 jobs in August. The unemployment figure, however, dropped a full percentage point, from 12.3% in July to 11.3% in August, a decline attributed to many former construction workers moving to other industries or leaving the workforce.

According to AGC of America, more than 700,000 workers have left the construction industry since 2009, including 214,000 who left in the year since August 2011. The unemployment rate in construction is the highest of all the industries in the BLS report; all other industries except leisure/hospitality measured less than 9%.

In other BLS stats, construction employment declined in 30 states from August 2011 to August 2012 and in 26 states in the past month. New Jersey lost 600 jobs (down 0.5%) for the month, and 7,700 for the year (down 5.9%).

Displaced Workers Hit Hard Even When They Find Work

The US Department of Labor's biennial survey of "displaced workers," released in late August, shows that of the 6.1 million workers who lost jobs they had held for at least three years due to the recession between 2009 and 2011, roughly 30% took new jobs that paid less, about 27% remained unemployed and about 17% stopped job-hunting. Of those who took lower-paying jobs, most lost 20% or more of their previous wages.

However, those in the construction

industry who lost their jobs more recently were finding new jobs more quickly than those who lost their jobs in the 2007-2009 survey. Another BLS report released early this month projects 1.8 million jobs in construction by 2020. But that number still doesn't make up for the more than 2 million jobs lost in the recession that began in 2007.

AGC Study Reveals Low Rate of Discrimination in Hiring Vets

The US DOL's Office of Federal Contract Compliance Programs (OFCCP) has proposed a rules change that would increase the affirmative action and nondiscrimination obligations of federal contractors with regard to veterans and other individuals. But an AGC-sponsored study reveals very little discrimination against veterans, concluding that the need for the sweeping changes proposed is not supported by the evidence.

Between September 2004 and June 2012, for example, OFCCP received and investigated 1,124 veteran and disability-related claims. Of those, 95% were closed "without a finding of discrimination." Between 2007 and 2011, OFCCP conducted 22,104 routine compliance evaluations, and found only three instances of alleged discrimination.

New York Federal Reserve Chief Defines NJ Economic Recovery

William Dudley, head of the Federal Reserve Bank of New York, reports only 25% of the 250,000 jobs lost in New Jersey during the recession have come back. He cites New Jersey's educated workforce, industry diversity and proximity to New York City as strengths that will help the state regain ground, but said the lack of available credit, especially for small businesses, is a hindrance to job growth and recovery.