

Building Contractors Association of New Jersey

NATIONAL LABOR NEWS

December 2011

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.*

Alabama's Loss of Construction Jobs Blamed on Immigration Law

The saga of Alabama's strict immigration law continues, with Alabama's AGC Chapter head, Henry Hagood, charging that some of Alabama's sharp job loss in construction is due to that law, passed in June. AGC of America reports Alabama lost 5,200 jobs from June to October, ranking it near the bottom at 48th out of 50 states and the District of Columbia. More than half those job losses – 2,700 (3.2%) – occurred in the one-month period from September to October.

But Ken Simonson, AGC of America's Chief Economist, says it's too early to link the law with the loss, and calls for more months of data before a trend can be established. In the meantime, two officials from the US Justice Department returned to Alabama in late November to investigate if the immigration law has affected federal rights. The department received more than 1,000 e-mails and calls on a hotline fielding concerns about the new law.

Feds Focus on Construction Sites in Connecticut and Rhode Island

The US Department of Labor's Wage and Hour Division is conducting a multi-year enforcement initiative focused on the construction industry in Connecticut and Rhode Island, according to a DOL press release issued November 30, 2011. The investigation centers on "widespread noncompliance with the minimum wage, overtime and record-keeping" by general contractors, subcontractors and others working on large construction projects.

For Sixth Straight Year, Border Arrests Drop

US Border Patrol arrested 327,577 people trying to cross the southern border illegally in FY2011, which ended September 30, 2011. That's the lowest number of arrests since Richard Nixon was president, and reflects a six-year decline. The highest number occurred in 2000, when more than 1.6 million arrests were made. According to the Pew Hispanic Center, the decline in arrests corresponds with

the Center's estimate that nearly two-thirds of the country's 10.2 million adult illegal immigrants have been living in the US for at least 10 years. In 2000, less than half had been in the country for a decade.

UPDATES – National Labor Relations Board News

• *NLRB Votes in Favor of Union Election Rule as House Passes Bill In Opposition*

On November 30, 2011, the National Labor Relations Board voted 2-1 in favor of a proposal to streamline union election processes, a proposal, as we reported in the September Labor News, AGC of America opposed. On the same day, the US House of Representatives passed H.R. 3094, the Workforce Democracy and Fairness Act, which grants employers more participation in union election discussions, essentially slowing the streamlined process favored by the NLRB. The NLRB vote is an interim step, not a final decision, and the political makeup of the Board may change with the end of the congressional term in 2012.

• *REMINDER: NLRB Poster Deadline*
The new NLRB poster must be displayed in most private-sector firms by April 30, 2012. As we told you in Bulletin #86-11, nearly all private-sector employers will be required to post a new employee notice informing employees of their rights under the National Labor Relations Act. Federal contractors were already required to post the notice in May 2010. Commercial construction contractors with gross annual volume of \$50,000 or more must post it. For complete details, including a three-page fact sheet from

the National Labor Relations Board, access the bulletin in the "Members Only" section of the BCANJ website. The poster is now available on the NLRB website at www.nlrb.gov/poster.

New Jersey Construction Drives State Economy

To those of us in the construction industry, this story is familiar – when the construction industry in New Jersey is healthy, the economy is stronger. The NJ Department of Labor and Workforce Development backed up the concept with updated statistics in the December 2, 2011, issue of NJ Labor Market Views (#16). Accessible online at http://lwd.dol.state.nj.us/labor/lpa/pub/lmv_index.html, the report, "As Construction Grows Stronger New Jersey's Economy Will Follow," reveals that when New Jersey's construction industry is healthy, it "drives broader economic activity in other industries." The report also notes construction's "substantial multiplier effect...the ability to produce jobs and revenue in other parts of the economy." Some statistics called out in the report include:

- New Jersey's construction industry directly contributed \$12.6 billion to the nation's 2009 GDP – 2.8% of the GDP generated nationally by the construction industry
- The state's construction employment averaged 129,500 in 2010, only 4% of private-sector jobs (nationally construction holds 5.1% of private-sector jobs)
- As of October 2011, New Jersey's construction payroll was 5.3% below the state's June 2009 level, when the national recession officially ended – but that is still better than the national decline of 8%