

# Building Contractors Association of New Jersey

# NATIONAL LABOR NEWS

September 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.*

### **Federal Aviation Program Dodges Shutdown**

Political sparring shut down the FAA for two weeks in August, knocking out more than 200 airport construction projects, including several in New Jersey, and idling more than 24,000 construction workers. A late-August short-term extension would have reopened the FAA only until September 16. But by September 9, Congressional leaders had reached a deal to extend operating authority for the FAA through the end of January without addressing any of the contentious issues that divide the House and Senate along party lines. The five-month extension gives Congress a little breathing room to negotiate a long-term solution, the first for the FAA since 2007.

### **UAW Negotiates Two-Tier Wages With Detroit Car Manufacturers**

In tandem with its media-image repositioning, there's something else new in Detroit – a two-tier wage system for United Auto Workers at General Motors and Chrysler. The idea isn't exactly new; the UAW allowed new hires to come in at a lower wage four years ago to answer competition from foreign car manufacturers. But now it's becoming the new

normal – and the wages are slowly rising, although they will stay well below those of the long-time union members.

GM was the first to reach a new agreement with the UAW, whereby its workers with lower-tier wages, who start at \$14-to-\$16 per hour, can see raises of \$2-to-\$3 per hour, up to \$19.28 by 2015. These workers make up about 4% of GM's workforce. The agreement specifies that after 2015 GM must cap hiring of lower-tier workers at 25% of the workforce.

New hires at Chrysler also begin at about \$14 an hour, roughly half the hourly wage of long-time union members. About 12% of Chrysler's 23,000 union workers earn the lower wage. Overall, approximately 4,000 of UAW's 112,000 members are lower-tier hires.

### **Federal Judge Upholds Parts of Alabama's Immigration Law**

As we told you in the June Labor News, Alabama's immigration law was considered one of the toughest when it was passed this spring. And now a federal judge has refused to block key portions of it, including the provisions that allow the state to require K-12 schools to determine if a student is in the US illegally or police to

determine the status of suspected illegal immigrants. US District Judge Sharon Blackburn did, however, block other provisions, ruling Alabama cannot make it a crime for an illegal immigrant to solicit work, nor for a person to transport or harbor an illegal immigrant.

## **National Labor Relations Board News**

### **• *NLRB and AGC At Odds Over Union Election Rule***

On August 23, AGC of America submitted comments to the NLRB, calling for the Board to withdraw its proposed rule that would amend procedures for allowing a union to become the collective bargaining representative for a group of workers. The proposed rule would shorten the time between filing a petition to organize and holding the election, a provision that led opponents to dub the proposed rule the “quickie election” rule. Other changes in the rule that AGC finds objectionable include eliminating pre-election hearings, requiring employers to provide employee e-mail addresses and phone numbers to union organizers, and allowing post-election review at the discretion of the NLRB. AGC’s comments were specific to the construction industry and supplemental to its signing onto comments submitted by the Coalition for a Democratic Workplace and, separately, by the US Chamber of Commerce. For more details, visit [www.agc.org](http://www.agc.org).

### **• *NLRB Requires New Poster***

As we told you in Bulletin #86-11, effective November 14, 2011, 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. As an update to our bulletin, the poster is now available on the NLRB website at [www.nlr.gov/poster](http://www.nlr.gov/poster).

## **E-Verify “Self Check” Now In New Jersey**

As we posted in Hot Topics this month, US Citizenship and Immigration Service has expanded its E-Verify “Self Check” program to 16 additional states, including New Jersey. Self Check is a free online service that allows individuals to confirm their own employment eligibility and start the correction process if they find errors. Self Check, which launched in March, is now available in English and Spanish in Arizona, California, Colorado, Idaho, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Jersey, New York, Ohio, South Carolina, Texas, Utah, Virginia, Washington, and Washington DC.

## **Census Update**

The Census Bureau reported this month that the number of Americans living in poverty rose to 15.1% in 2010, the highest level since 1983 and up from 14.3% in 2009. About 1 in 6 people, 46.2 million, were listed at poverty level or below. The number of people without health insurance increased to 49.9 million. The increases were mostly among working-age Americans who lost employer-provided insurance.