

# MARBA MATTERS

## GRIEVANCES AND ARBITRATIONS<sup>i</sup>

### Mid-America Carpenters Regional Council Arbitrations

MARBA did not receive any arbitration demands in the month of March.

### Laborers Joint Grievance Committee

The Laborers JGC did not meet in March. The next regularly scheduled JGC is set for April 30, 2024, at the Laborers offices in Burr Ridge.

### Operating Engineers Joint Grievance Committee

The Operating Engineers JGC did not meet in March. The next regularly scheduled JGC is set for May 1, 2024, at Local 150 offices in Countryside.

### Teamsters Joint Grievance Committee

The Teamsters JGC did not meet in March. The next regularly scheduled JGC is set for April 25, 2024.

## COLLECTIVE BARGAINING/LABOR ISSUES

### Teamsters LMCC Owner-Driver Remittance Form Posted to MARBA Website

Article 3 of the MARBA/Teamsters collective bargaining agreement contains language whereby Owner/Drivers may have a contractor act as a pay agent on behalf of the Owner/Driver for the purposes of a pension contribution, currently set at \$10.00 per hour. The Teamsters LMCC will act as a clearinghouse for these contributions. The LMCC remittance form and directions for how this process will work are posted on the MARBA website. It is important to note only those Owner/Drivers that have signed onto the Owner/Driver CBA with a Teamsters local AND who have also agreed with the general contractor to have the contributions made on their behalf are eligible for this process. A list of those Owner/Drivers who have signed onto the Owner/Drivers CBA is also available on the MARBA website.

The Owner/Driver CBA can be found by clicking [here](#).

The LMCC Side Letter between MARBA and the Teamsters can be found by clicking [here](#).

The LMCC Remittance Form can be found by clicking [here](#).

If you have any questions about this process, please contact Aaron Janik at [ajanik@marba.org](mailto:ajanik@marba.org).

**INDUSTRY NEWS**

**Gary Perinar Promoted to UBC International Second General Vice-Presidency**

Gary Perinar has served as the Executive Secretary-Treasurer of the Mid-America Carpenters Regional Council (formerly the Chicago Regional Council of Carpenters) for the past seven years. Recently, Mr. Perinar was promoted to the United Brotherhood of Carpenters Second General Vice-Presidency. Stepping into the role of EST for MACRC is Kevin McLaughlin. Mr. McLaughlin is a 39-year member of Local 10.

MARBA congratulates both men on their recent promotions. MARBA has been proud to work with Mr. Perinar these past seven years, including the recent extension agreement reached between MARBA and MACRC. MARBA looks forward to continuing this strong partnership with Mr. McLaughlin. A press release from MACRC can be found by clicking [here](#).

**Illinois Department of Commerce and Economic Opportunity Launches Bid Credit Program**

In 2019 Governor Pritzker signed the Illinois Works Jobs Program Act into law. The Act created three programs, one of which is the Illinois Works Bid Credit Program. According to a press release issued by the Governor’s office, the Illinois Works Bid Credit Program, “is designed for contractors working on or interested in working on State of Illinois-funded capital projects. The program offers eligible contractors the opportunity to earn bid credits by hiring and retaining Illinois Works Pre-apprenticeship Program graduates.”

The press release from the Governor’s office can be found by clicking [here](#). The DCEO Illinois Works Bid Credit Program has a website with more information for contractors which can be found by clicking [here](#).

**STATE OF THE ECONOMY**

**Economic Indicators**

Unemployment Rate	February 2024 U.S. 3.9% (January 3.7%), Illinois 4.8% (47 <sup>th</sup> tied)
Labor Participation Rate	February 62.5%, January 62.5%, December 62.5%
CPI All Urban Consumers	February 2024 over February 2023 = 3.15% Half Year 1, 2023 = 4.88%, Half Year 2, 2023 = 3.38%
CPI Chicago All Items	February 2024 over February 2023 = 3.39% Half Year 1, 2023 = 4.15%, Half Year 2, 2023 = 2.53%, Annual = 3.33%
CPI Midwest All Items	February 2024 over February 2023 = 2.75% Half Year 2023 = 4.55%, Half Year 2, 2023 = 2.99%, Annual = 3.69%
Union Membership	2023 = 10.0% (Private Sector 6.0%)

	2022 = 10.1% (Private Sector 6.0%) 2021 = 10.3% (Private Sector 6.1%)
Unionized Construction Workers	11.4% (2023), 11.7% (2022), 12.6% (2021), 12.7% (2020)
30 Year Fixed Mortgage	As of 3-21-24 6.87%, up 0.45% over the prior year. Annual Average 5.34% (2022), 2.96% (2021), 3.11% (2020)
15 Year Fixed Mortgage	As of 3-21-24 6.21%, up 0.53% over the prior year. Annual Average 4.58% (2022), 2.27% (2021), 2.61% (2020)
Brent Crude Oil Price	\$85.35 per barrel (as of March 27, 2024) \$145.61 per barrel all time high July 2008 \$2.23 per barrel all time low May 1970
Privately Owned New Housing Building Permits	1.9% above January rate 2.4% above February 2023 rate
Privately Owned New Housing Starts	10.7% above revised January rate (14.2+/-%) 5.9% above February 2023 rate (10.0+/-%)
GDP	Q4 2023 (2 <sup>nd</sup> ) +3.2% Q3 2023 +4.9%
DJIA	39,574.06 as of March 27, 2024 (1:00 p.m.) 38,627.99 as of February 16, 2024 (close) 38,248.86 as of January 31, 2024 (close)

**JANIK'S J.D. – AN UPDATE ON LABOR/CONSTRUCTION LEGAL ISSUES**  
**AARON JANIK - EXECUTIVE DIRECTOR MARBA**

***Withdrawal Liability Assessment Ordered to be Returned by 7<sup>th</sup> Circuit***

In a case recently decided, the 7<sup>th</sup> Circuit ordered a Teamsters Pension Fund to repay a withdrawal liability assessment of about \$2 million dollars to an Employer. The Employer was signatory to a CBA with Teamsters Local 142 covering work in Northwest Indiana. The Union also had an addendum to the CBA which covered “**Steel Mill Work Only**” (emphasis in original). In 2004 the Employer was awarded a contract for work hauling commodities for a non-steel mill entity. Despite the fact the work was not covered by the addendum the Union threatened to strike the Employer if they did not apply the addendum terms to the work they were performing. The Employer acquiesced to the Union’s demand and began applying addendum terms, wage rates and fringes, to the work. The addendum was not modified to reflect the fact the Employer was now applying the addendum to non-still mill work. Contributions were subsequently made to the Pension Fund on behalf of workers not covered by the addendum. The Employer did not notify the Fund the workers were not covered by that addendum.

The Employer lost the contract for the work and stopped making contributions to the fund for which it was assessed withdrawal liability. The Employer disputed the withdrawal liability amount but paid it

and demanded arbitration, pursuant to the arbitration rules under ERISA. The arbitrator found the Fund was entitled to the amount claimed because the Employer adopted the terms of both the addendum and the underlying CBA by its conduct. The case made its way to District Court and the Court framed the issue as whether the arbitrator was incorrect in basing its award on the adoption theory even though the written terms of the Addendum clearly excluded the work the Employer was performing. The District Court confirmed the arbitration award citing decisions in the 7<sup>th</sup> Circuit that hold collective bargaining agreements may be modified by the parties' subsequent dealings.

However, on appeal the 7<sup>th</sup> Circuit overturned the District Court's decision finding that the addendum did not cover the work the Employer was performing and under ERISA the obligation to make contributions must be in writing. In this case the Employer and Union agreed orally to apply the terms of the addendum. The words **Steel Mill Work Only** were not changed and the fact the work was not performed in a Steel Mill were key to the Court ruling the Fund was not entitled to the withdrawal liability assessment.

The decision can be found by clicking [here](#).

**UPCOMING SEMINARS AND EVENTS**

**CAGC UNDERPINNING BOWLING TOURNAMENT**

JOINT THE CAGC AS ATTENDEES COMPETE FOR TITLE OF BEST BOWLER

DATE: THURSDAY, APRIL 18, 2024  
 TIME: 5:30 P.M. TO 8:30 P.M.  
 LOCATION: SUBURBANITE BOWL  
 201 WEST OGDEN AVE.  
 WESTMONT, IL 60559  
 COST: \$45.00 FOR MEMBERS & GUESTS, \$65.00 FOR NON-MEMBERS  
 CONTACT: EMAIL [MIKE HAMPSON](#) OR REGISTER BY CLICKING [HERE](#)

**CALENDAR**

<b>APRIL 17</b>	<b>11:00 A.M.</b>	<b>LERA EVENT (CHICAGO)</b>
<b>APRIL 24</b>	<b>10:30 A.M.</b>	<b>CEMENT MASONS LMCC (BELLWOOD)</b>
<b>APRIL 25</b>	<b>8:00 A.M.</b>	<b>HOT TOPICS IN CONTEMPORARY LABOR LAW (CHICAGO)</b>
<b>APRIL 25</b>	<b>9:00 A.M.</b>	<b>TEAMSTERS JGC (MARBA)</b>
<b>APRIL 25</b>	<b>5:00 P.M.</b>	<b>CARPENTERS MEET AND GREET (CHICAGO)</b>
<b>APRIL 26</b>	<b>11:00 A.M.</b>	<b>CISCO ANNUAL LUNCHEON (LOMBARD)</b>
<b>APRIL 30</b>	<b>9:00 A.M.</b>	<b>LABORERS JGC (BURR RIDGE)</b>

<sup>1</sup> 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.

*Did You Know?*

On April 8, 1952, President Truman ordered the seizure of America's steel mills to avoid a shutdown due to a strike. Later that month the seizure was ruled unconstitutional, and the mills were reopened. A 53-day strike followed which was settled when strikers received a \$0.16 wage increase along with other benefits.