

MARBA MATTERS

February 28, 2020

Serving the Construction Industry Since 1971

Grievances and Arbitrations¹

Chicago Regional Council of Carpenters Arbitrations

MARBA received one arbitration request this month.

Laborers Joint Grievance Committee

The Laborers Joint Grievance Committee did not meet in February. The next meeting is scheduled for March 31, 2020, at the Laborers Burr Ridge office beginning at 9:00 a.m.

Operating Engineers Joint Grievance Committee

The next meeting of the Operating Engineers Joint Grievance Committee is scheduled for March 18, 2020, at the office of Local 150 in Countryside, IL beginning at 8:30 a.m. There are currently six (6) grievances on the docket.

Teamsters Joint Grievance Committee

The Teamsters Joint Grievance Committee did not meet in February. The next meeting is scheduled for March 26, 2020, at a location to be determined.

Collective Bargaining/Labor Issues

Negotiation Updates to Begin in Early April

Negotiation Update emails will begin going out in early April. MARBA has agreements with the Bricklayers ADC 1 and Technical Engineers Local 130 expiring on May 31, 2019. A list of agreements other than the MARBA agreements that are set to expire in 2020 and 2021 can be found on the MARBA website under the resources tab or by clicking the link: <https://www.marba.org/resources>

Construction Industry Adds 44,000 Jobs In January

The construction industry saw an increase of 44,000 jobs in the month of January buoyed by warm weather. Despite the large gain, the number of jobs gained this January was 8,000 less than January 2019, when 52,000 jobs were gained. The jobless rate in January 2020 rose to 5.4% even with the gain of 44,000 jobs. However, the 5.4% was better than the 6.4% rate in January 2019. The construction industry also saw wage gains year over year, on average of \$0.87 per hour (2.9%), raising the average total to \$31.19.

MID-AMERICA REGIONAL BARGAINING ASSOCIATION

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Industry News

Department of Treasury Approves More Plans for Benefit Suspension/Reductions

The Department of Treasury has recently approved several benefit reduction and/or suspension applications for several multi-employer defined benefit pension plans under the Multiemployer Pension Reform Act of 2014 (MPRA). Out of forty one (41) plan applications received by Treasury since MPRA was enacted in 2016, fifteen (15) have been approved for benefit reduction and/or suspensions.

The most recent approval for a benefit reduction was the Composition Roofers Local 42 Pension Plan based in Cincinnati, OH. The reductions will now be voted on by plan participants. The plan has 483 participants (which includes 73 that would not be affected by the outcome). The alternative to a benefit reduction is plan insolvency. As such it is expected the proposed changes will be elected to go forward.

State of the Economy

Economic Indicators

Unemployment Rate	January 2020 U.S. 3.6%, Illinois 3.7% (37 th)
Labor Participation Rate	January 2020 = 63.4%, December 2019 63.2%
CPI (All Urban Consumers)	January 2020 versus January 2019 = 2.49%
CPI Chicago All Items	January 2020 versus January 2019 = 2.50%
CPI Midwest All Items	January 2020 versus January 2019 = 2.58%
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	January 3.62%, down 0.10% from December 3.72% Annual Average 2019 = 3.94%, 2018 = 4.54%
15 Year Fixed Mortgage	January 3.07%, down 0.11% from December 3.18% Annual Average 2019 = 3.39%, 2018= 4.00%
Brent Crude Oil Price	\$ 49.53 per barrel (as of February 28, 2020) \$ 145.61 per barrel all time high July 2008 \$ 2.23 per barrel all time low May 1970
Privately Owned New Housing Building Permits	9.2% above revised December rate (+/-2.1%) 17.9% above January 2019 rate (+/- 1.3%)

Annual Housing Starts	1,289,8000 in 2019 3.2% above 2018 1,249,900
Privately Owned New Housing Starts	3.6% below revised December rate (+/- 13.3%) 21.4% above January 2019 estimate (+/- 12.2%)*
DJIA	25,003.92 as of February 28, 2020 (2:03 p.m.) 25,967.60 as of February 28, 2019 (1:27 p.m.)

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

NLRB Modifications to Representation Case Procedures to Take Effect April 16, 2020

In December 2019, the NLRB issued a series of modifications to its existing representation rules. The procedural changes were issued as a final rule under the Boards authority to change its own representation procedures. The rule is set to take effect 120 days from December 13, 2019. Thus, the new procedures take effect on representation petitions filed after April 16, 2020.

According to a Fact Sheet issued by the NLRB some of the new procedures include, but are not limited to, pre-election hearings will now be scheduled, generally, 14 business days from notice of hearing. Current rules have pre-hearing elections occurring 8 calendar days from the notice of hearing. Election dates must be scheduled at the earliest date practicable but absent agreement by the parties the Regional Directors will not schedule an election before the 20th business day after the date of the direction of election. All time periods that apply to the election rule will now be calculated under a business day basis instead of calendar day basis. The new rule also defines how business days are calculated.

The press release announcing the changes and more changes listed on the fact sheet can be found by accessing the NLRB website or by clicking the link: <https://www.nlr.gov/about-nlr/what-we-do/national-labor-relations-board-rulemaking/representation-election-rules>

Upcoming Seminars/Events

Construction Safety Expo

Join ASA Chicago and the Construction Safety Council for their annual safety expo.

Date: Monday, March 2, 2020 and Tuesday, March 3, 2020
Time: 7:30 a.m. to 4 p.m.
Location: Drury Lane Theatre and Conference Center
100 Drury Lane
Oakbrook Terrace, IL 60181
Cost: \$30.00 Expo Admission Price (Tuesday)
Contact: marissa@asachicago.org

Calendar

March 2 & 3	9:00 a.m.	Construction Safety Expo (Oakbrook Terrace)
March 3	5:00 p.m.	MCA Eastern Iowa/Western Illinois (Rockford)
March 5	1:00 p.m.	LECET SIP (Chicago)
March 10	12:00 p.m.	MARBA Board Meeting (MARBA Office)
March 18	8:30 a.m.	Operating Engineers JGC (Countryside)
March 18	12:00 p.m.	The John Marshall Law School Speaking Event (Chicago)
March 26	9:00 a.m.	Teamsters JGC (TBD)
March 31	9:00 a.m.	Laborers JGC (Burr Ridge)

Did You Know: 4 million people are Leap Year babies. The proper name for a Leap Year baby is a "leaper" or "leapling". Famous people born on February 29 include the famous composer Rossini, Dinah Shore, and Tony Robbins.

ⁱ 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.

OPENING DAY IS MARCH 26

