

Labor Relations In The Construction Industry

By JOHN A. HULL, *Executive Manager*

Building Trades Employers' Association of Cleveland

The construction industry has always been pretty much regarded as a local business, both by the public and, for that matter, in the eyes of the courts. However, in the past 25 or 30 years, since the passage of the Wagner Act, the Fair Labor Standards Act, the Taft-Hartley Act and the Landrum Griffin Act, the definition of what constitutes interstate commerce has been broadened considerably so that strictly from a legal basis, this is no longer true.

Collective bargaining has continued, however, to function on a local basis. It must be remembered that craft unionism was our earliest form of organization in England and Europe. It dates back to Colonial Days in this country and pre-dates industrial unionism by many years. For example, the Building Trades Department was founded February 10, 1908, and the AFL was itself founded in 1881. All organization in both construction and industry was on a craft basis for many years until 1935, when "His Satanic Majesty," John L. Lewis, to quote Bill Green, then AFL President, led a group of rebels out of the AFL, at its Atlantic City Convention, to form the Committee for Industrial Organization, which then became known as the Congress of Industrial Organizations, or the CIO. At that time, the United Mine Workers, of which Lewis was President, was the only pure industrial type union in the AFL. After a 20-year breach, marked by many differences between the two groups and which saw much membership raiding, the merger, resulting in the present AFL-CIO, was worked out and became effective in December, 1955. Because the CIO type of organization was aimed at unskilled workers, its membership at one time slightly exceeded that of the AFL, but times change and automation came into the picture, leading to a decline in the membership of CIO unions because fewer workers were employed. In an attempt to secure jobs for displaced members, the CIO unions have increasingly demanded more and more of the maintenance work and even construction work in industrial plants formerly done by building tradesmen, to the detriment of contractors and building tradesmen alike, and many disputes have taken place throughout the country. It was even thought this might lead to a breakup of the AFL-CIO, but at the convention in Miami Beach, in December, 1961, a plan for settling these disputes was adopted, which it is hoped will prove successful. It is too early to tell what the results will be.

The building trades local union's jurisdiction usually covers a city, county or metropolitan area as compared with national, industry-wide or regional basis for CIO unions. The locals of the various internationals are usually members of a building trades council, such as the Cleveland Building and Construction Trades Council, of which Mr. Thomas E. McDonald is Business Manager. There are also state building and construction trades councils, all affiliated with the building trades departments of the AFL.

The writer is reminded of an old patchwork quilt his grandmother once made, when contemplating collective bargaining in the building and construction industry on a national basis. Contractors are organized into various types and sizes of voluntary associations for this purpose, it being obvious that they can accomplish more on a collective basis than on an individual basis. Too, by such organization, they will have a better chance of matching the tremendous strength of the building trades unions. But, associations have advantages to unions, also, as compared with individual bargaining. Statistics show that because of the greater organizational strength of the parties, they both try harder to settle; greater deliberation takes place and there are, unquestionably, fewer strikes as a result, in this type of bargaining.



Unions have a great advantage in a highly organized area, such as Cleveland, because all tradesmen must, under union shop provisions in the contracts, belong to the unions. There is no similar requirement as to contractors and many do not belong to, or support contractor organizations, accepting the conditions and wages negotiated by the unions and the various associations.

Northeastern Ohio could almost be said to be the birthplace of organization in the industry. The Building Trades Employers' Association was formed July 1, 1916, and there were negotiations prior to that time, its predecessor being known as the Executive Board, Building Trade Employers, a delegate body organized by the Builders Exchange. According to Mr. Edward Roberts, Executive Secretary of the newly formed Association in 1916, its purpose was, "to provide a means for dealing directly with labor matters and the making of trade agreements." This is reflected in the constitution adopted which states as some of the purposes:

"To assist in the making of agreements between employers and employees"; "to promote a just and equitable relationship between employers and employees"; "to prevent strikes and lockouts"; "to promote the settlement of trade disputes by peaceful means."

Labor, I believe, will agree these objects could not be better stated today; they are equally important to management and labor.

Members of the first Executive Committee were: George F. Thesmacher, Sam W. Emerson, Harry Gillett, Ira S. Gifford, C. W. Lundoff, H. C. Masters and A. E. Koblitz; Sam W. Emerson was recently honored by the Association as the only remaining member of that group; he is still active and interested in the affairs of the Association.

Total assets of the Association, July 1, 1916, were \$400.00. Wage rates in 1916 were, as follows:

Bricklayers70c per hour
Carpenters60c per hour
Ironworkers80c per hour
Painters55c per hour
Laborers35c per hour
Plumbers75c per hour
Sheet Metal Workers	...50c per hour

There have been some changes!

Thirteen companies have been members in good standing since 1916.

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BTEA is really an association of associations. The governing body is the Board of Directors, which is made up of delegates from the various associations affiliated with BTEA. They are, as follows: Asbestos and Insulation Contractors, Acoustical Contractors, Mason Contractors, Carpenter Contractors, Cement Finishing Contractors, Glazing Contractors, Heating and Ventilating Contractors, Lathing and Plastering, Painting Contractors, Plumbing Contractors, Roofing Contractors, Sheet Metal Contractors, Steel and Iron Contractors. A representative of the Engineer's Arbitration Committee also sits on the Board.

Mr. H. E. Wetzell, of The Smith & Oby Company, is President of the Association. M. A. Thesmacher, of The Riester & Thesmaher Company, is Chairman of the Board.

The activities and management of the BTEA are administered at its offices, 744 Union Commerce Building, by the writer, as Executive Manager, and Robert F. Dalton, Assistant Executive Manager.

For a number of years a Joint Policy Committee composed of representatives of the various trades and representatives of the various affiliated trade associations have met at contract expiration time and negotiated a wage increase for all of the trades. Cleveland was one of the first cities to negotiate a three-year contract - the first one which expired May 1, 1961, now being followed by another, which expires May 1, 1964.

After money matters are settled, the arbitration boards work out the other contract conditions and also meet, as needed, to settle grievances and disputes. There are the following Boards: Asbestos, Bricklayers, Carpenters, Cement Finishers, Engineers (made up of the union representatives and representatives from sub-associations whose members employ Operating Engineers), Glaziers, Heating and Ventilating, Laborers (union representatives and employer representatives from several sub-associations), Lathers, Marble Setters, Painters, Plasterers, Plumbers, Roofers, Sheet Metal, Steel and Iron, Terrazzo and Tile Setters.

Several contractor organizations in the Cleveland area, although not affiliated with BTEA, play an important part in labor relations. The Associated General Contractors, Cleveland Chapter, negotiates no wage but cooperates with BTEA in this respect; most general contractors belong to both organizations. The Excavating Contractors' Association and the General Sewer and Water Contractors' Association negotiate the excavating and highway and sewer contracts with the Operating Engineers, whereas, BTEA nego-

tiates the building contract. The Excavating Contractors also negotiate two other contracts of interest—one with Laborers Local No. 860 covering heavy and highway work, and one with Local No. 436 of the Teamsters, covering truck drivers in all types of construction work.

The Teamsters' Union was expelled from the AFL-CIO in 1957, and at that time was the largest union in that organization. While much has been said and written about the Teamsters, the writer feels in the greater Cleveland area, the Teamsters have contributed to stable labor relations in the construction industry and have done their part in "keeping things on an even keel."

Contractors, the public and the workers of Cleveland are, indeed, fortunate in having had skillful and experienced men on both sides of the bargaining table; they have truly made collective bargaining work in the best American tradition.

Differences there will, of course, always be but they will be settled in the future, as in the past, with a minimum of inconvenience to all parties because of these "old pros."

In addition to wage negotiations, BTEA helps administer apprentice programs to insure a continuous supply of skilled workers. It helps set up and administer welfare and pension programs and safety programs and performs many, many other functions.

There are many contractor organizations throughout the country similar to BTEA. The U. S. Department of Labor estimates that from 60 to 79 per cent of all construction workers are under union-association agreements, exceeded only by clothing, coal mining, longshoring and maritime workers.

Associated General Contractors is a national association of generals only, as the name implies. Some 28 large national contracting concerns belong to the National Constructors' Association, which negotiates national agreements direct with the various international building trades unions rather than on a local basis. In some areas, the separate trade associations negotiate direct with the trade involved. But the writer is convinced that Cleveland has evolved over the years the best method possible for solving its labor problems - the "proof is in the pudding." Stable labor relations are a fact and will continue, no doubt, long after the readers of this article have been forgotten. The present leaders of the Building Trades Council and of BTEA have added their contribution to a history of good labor relations in Cleveland.

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