Trades Action Nets $837,000 for Comp

A fter local building trades members protested the non-union contractor demolishing a downtown Charleston Hotel state Workers Compensation officials investigated.

The result is a bill for $837,234 to The Tenth Diamond, the sister company to Astech Corporation who is the demolition company of record according to a city building permit.

While Astech was properly registered with workers compensation as a demolition and abatement company they never reported any payroll. Instead they leased their workers from The Tenth Diamond. ACT research showed both Astech and The Tenth Diamond are owned by the same people.

When asked by a Charleston Gazette reporter to explain the two companies, owner Denver Davis claimed he knew nothing about the arrangement and pointed to his accountant.

“IT’S HARD TO IMAGINE A COMPANY OWNER NOT NOTICING THEIR PAYROLL COSTS CHANGING 40 PERCENT.”

Henry Neal, Organizer, Laborers Local 1353

“It’s hard to imagine a company owner not noticing their payroll costs changing 40 percent,” said Henry Neal, Organizer for Laborers Local 1353.

That’s the difference between Astech’s base rate for demolition at $48 per hundred and The Tenth Diamond’s rate of $8 per hundred for general building construction under two stories.

“An honest company can not compete when Workers Comp gives cheaters a 40 percent wage advantage,” said Neal.

Workers Compensation went back to 1997 to review the books.

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Three new Electrician local unions and four new Sheet Metal Worker Districts have joined the ranks of the ACT Foundation and the State Building Trades.

IBEW Locals 141 Wheeling, 317 Huntington and 466 Charleston all have come on board.

“We decided it was time to join,” said John Clarke, Business Manager for Wheeling Local 141. “We need a strong voice in the legislature and the media.”

The three locals join Clarksburg Local 596 and Parkersburg Local 968 which means that all IBEW locals within West Virginia are now members.

Sheet Metal Workers Local 33 is based in Cleveland, Ohio and includes four districts in West Virginia, Wheeling, Clarksburg, Parkersburg and Charleston.

As a group, the districts working with their local leadership, have also decided to rejoin ACT and the State Building Trades.

“With increased attacks on working families it’s important we all work together,” said Dave Minor, Business Agent for the Clarksburg District.

Like the IBEW, the addition of these districts means all West Virginia based Sheet Metal groups are on board.

There still remains a number of locals in surrounding states for a variety of crafts that have yet to join, but work is underway to encourage full participation.

With the addition of these new members, ACT and the State Building Trades are at an all time high in membership numbers. More locals are taking another look and asking for information.

“Our goal is to have every union construction worker in West Virginia on board,” said Roy Smith, Secretary Treasurer of the WV State Building Trades.

“If there is a positive side to all the attacks working folks are feeling these days, it is the desire for everyone to pull together for the common good.”

“Now is the time for unity because like the saying goes - in unity there is strength,” said Clarke.

“With increased attacks on working families it’s important we all work together.”

DAVE MINOR, BUSINESS AGENT, CLARKSBURG DISTRICT

Earlier this year the Operative Plasterers and Cement Masons of West Virginia and Ohio held their annual conference in Wheeling, West Virginia. In addition to the usual delegates from both states this year top leadership from the international attended including (from left) Gerald Ryan, Director of Training, Health and Safety; Bill Schell, Vice President; Pat Finley, Secretary-Treasurer; and General President John Dougherty. At the podium is Mark Smithson, Business Manager of Local 887 and to his right taking minutes Tom Blevins.
Legislators Tour Apprenticeship Center

State Legislators took the opportunity to learn about union apprenticeship programs last month.

While in Parkersburg at interim meetings the combined House and Senate Government Organization Committees visited the Plumbers and Pipefitters apprenticeship and training site.

About 50 guests were welcomed by representatives of the trades and given a tour of the facility. Each craft set up an area to give out information on their apprenticeship and training programs.

“I was very impressed with the facilities and the presentations and I know the committee members were too,” said Sen. Ed Bowman, D-Brooke, who is Chairman of the Senate Government Organization Committee. “Visiting the training site gave us a real appreciation for your programs we just don’t get sitting in Charleston.”

“We were happy to show case our facility,” said Gary Yarnell, Director of Training for Plumbers and Pipefitters Local 565. “It’s frustrating to our members that the public doesn’t know how hard we work at being the best skilled mechanics.”

“Training is the difference between our members and the guy off the street. There is no need to keep this a secret.”

Legislators learned that apprenticeship programs are cooperative efforts with local contractors, tax money is seldom used if at all, there is no cost to apprentices who earn while they learn and programs are regulated by the federal government.

“We were able to break down some misunderstanding about union training programs,” said Ken Downey, Business Agent for Roofers Local 242.

“Legislators now know this state has some fantastic programs to be proud of.”

Prevailing Wage

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is false,” said Sam Davis of the Parkersburg-Marietta Building Trades.

At an August 7th meeting of the Ritchie County EDA Davis and more than 35 union members from Ritchie County attended and delivered on Davis’s promise.

“We just put the facts on the table,” said Joe Elliott, Organizer for the Mid-Atlantic Council of Carpenters and a life-long resident of Ritchie County.

“The EDA folks just didn’t understand prevailing wage law and how it protects local workers and businesses.”

Elliott and Davis gave the EDA members plenty of documentation which showed the ‘get rich quick’ scheme of the ABC was untrue. Studies from other states show where prevailing wage has been taken away no savings result. Instead wages go down, accidents go up and training programs suffer.

“The ABC makes promises they can’t keep,” said Elliott.

The EDA was also shown letters from business groups refuting ABC’s claim they were part of any coalition. “The bottom line is you just can’t trust a thing the ABC tells you,” said Davis.

The issue was not voted on but will be brought up again at the EDA’s meeting in September.

Action Nets $837,000 for Comp

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Recent changes to the states workers compensation law were aimed almost exclusively at benefit cuts. “Injured workers have been the scapegoat for a failed system of enforcement,” said Steve White, ACT director.

“Just one company netted almost a million dollars in unpaid premiums. We wouldn’t have this crisis in Workers Comp if they would just collect the money owed.”

Yet this story is about more than just workers compensation, it’s also about illegal dumping.

Neal was one of the organizers that found the illegal dump site used by Astech in late June. After following trucks to a residential area Neal, and Bert McDermitt, organizer for IBEW 466 Charleston, took samples to a local laboratory for testing. The samples showed dangerous levels of asbestos and lead.

The dump was shut down because it had no permit and was larger than a half acre.

A month later another illegal site was discovered, this time on the banks of the Poca River near Camp Virgil Tate in Kanawha County.

This dump was also shut down because it was closer than 300 feet to a river.

State regulators claim the lead or asbestos do not create a problem if it is not friable or airborne.

“If you scrape lead paint or bust up asbestos tile you must contain and control it, it’s a known killer,” said Neal. “But if you tear down a building, no one cares.”

In early August the site was shut down after workers hit a gas line on site. The entire area was evacuated while emergency crews repaired the leak.

“Someone started this project thinking they could save money by building nonunion,” said McDermitt. “Boy were they wrong.”
MEMBERS OF IRON WORKERS 549 PROTEST

Steel Erector Paying Wrong Comp Rate

Members of Iron Workers Local 549 protested in front of a nonunion steel erection project in Morgantown last month to bring public attention to rampant workers compensation cheating in the construction industry.

About a dozen workers stood in front of a new office per hundred dollars of payroll, steel erection costs $13.15, almost twice as much.

“Contractors who pay the right rate can’t compete against companies like J.T. Industries,” said Bill Dean, Business Manager for Local 549.

Dean points out that J.T. Industries has been in business for years in the Morgantown area and has built many steel structures.

According to state workers’ compensation records J.T. Industries is listed as a steel fabricator. But, standing in front of three stories of steel, it is clear they perform the work of steel erection.

A fabricator starts at a workers comp rate of $6.80

The problem is not limited to Morgantown. In the Charleston area, Ironworkers Local 301 faces similar unfair competition.

“I can point to a dozen recent steel erection projects done by companies who don’t pay the right workers’ comp rate,” said Bubby Casto, business manager of local 301.

“We’ve turned in 2 companies in the last few months who are not paying the right rate. We haven’t heard a thing from workers comp yet.”

Larry Lilley, Business Agent and Richard Sigley both of Local 549 stand in front of a three story office building being erected by J.T. Industries in Morgantown. J.T. Industries is only paying half the workers compensation they should be on this type of project.

Morgantown area and has built many steel structures.

Requests for an investigation at the workers compensation division had gone unanswered before the action. Recently the division has started to look into the matter.

“The way comp is set up now it punishes businesses who pay the right rate and but they always pay less for workers comp.”

The problem is not limited to Morgantown. In the Charleston area, Ironworkers Local 301 faces similar unfair competition.

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