



Illinois Chapter

# MERIT UPDATE

APRIL 13, 2009

## NEW STUDY EXPOSES CONSTRUCTION LABOR UNION SLUSH FUNDS

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ABC APRIL 8 HELD A NATIONAL TELEPHONE NEWS CONFERENCE TO ANNOUNCE THE RESULTS OF A NEW STUDY, CONDUCTED BY GEORGE MASON UNIVERSITY'S JOHN M. OLIN INSTITUTE FOR EMPLOYMENT PRACTICE AND POLICY, THAT SHOWED FROM 2000 TO 2007, CONSTRUCTION LABOR UNIONS SPENT MORE THAN \$1 BILLION IN UNION WAGES TO UNDERBID NONUNION CONTRACTORS IN A PRACTICE CALLED "JOB TARGETING." IN JOB TARGETING PROGRAMS, ALSO KNOWN AS MARKET RECOVERY FUNDS, ORGANIZED LABOR OFFICIALS COLLECT FEES FROM UNION MEMBERS AND THEN FUNNEL THAT MONEY TO UNION CONTRACTORS – AND IN A FEW CASES, NONUNION CONTRACTORS – TO COMPETE FOR PROJECTS ON WHICH THEY OTHERWISE WOULD NOT BE COMPETITIVE.

PARTICIPATING IN TODAY'S NEWS CONFERENCE WERE JIM ELMER, 2009 ABC CHAIRMAN-ELECT AND CHAIRMAN OF THE JOB TARGETING TASK FORCE, AS WELL AS FOUNDER AND PRESIDENT OF JAMES W. ELMER CONSTRUCTION CO., SPOKANE, WASH.; ARMAND THIEBLOT, AUTHOR OF "JOB TARGETING AND MARKET RECOVERY PRACTICES OF CONSTRUCTION UNIONS: THEIR APPARENT AND HIDDEN COSTS," DIRECTOR OF THE OLIN INSTITUTE ADVISORY BOARD AT GEORGE MASON UNIVERSITY AND PRINCIPAL OF A. J. THIEBLOT & SON/NCSDO, BALTIMORE; GREG HOBEROCK, A MEMBER OF ABC'S JOB TARGETING TASK FORCE AND PRESIDENT AND CEO OF HTH COMPANIES, UNION, MO.; AND BOB HIRSCH, ABC'S DIRECTOR OF LEGAL AND REGULATORY AFFAIRS.

"JOB TARGETING HAS GRAVE ECONOMIC IMPLICATIONS FOR U.S. TAXPAYERS, AS WELL AS THE CONSTRUCTION INDUSTRY ITSELF," SAID ELMER. "AT A TIME WHEN OUR COUNTRY IS EXPERIENCING SERIOUS ECONOMIC DIFFICULTIES AND MANY UNION PENSION PROGRAMS ARE SEVERELY UNDERFUNDED, IT IS DIFFICULT TO UNDERSTAND WHY FINANCIAL EXPENDITURES LIKE THIS ARE PERMITTED TO CONTINUE."

"YOU HAVE UNIONS TAKING MONEY FROM THEIR EMPLOYEES' PAYCHECKS, PUTTING IT INTO A FUND, AND THEN SELECTIVELY DECIDING WHO THEY WANT TO FUND IN ORDER TO PUT THE OPEN SHOP SECTOR OUT OF BUSINESS," SAID HOBEROCK. "THEN THE UNION CONTROLS A MONOPOLY OF THE WORK AND IS FREE TO CHARGE WHATEVER IT WANTS BECAUSE THERE IS NO COMPETITION."

"IT'S THE FUNDAMENTAL ASPECT OF JOB TARGETING THAT MAKES IT SO GROSSLY UNFAIR," ADDED THIEBLOT. "THERE EXISTS THIS SEGMENT OF THE CONSTRUCTION MARKET – THE PREVAILING WAGE SEGMENT – THAT IS CONTROLLED NOT BY MARKET FORCES, BUT BY PREVAILING WAGE RATES. THE UNIONS ARE ABLE TO MANIPULATE THEIR OWN WAGE RATES SO THEY ARE EFFECTIVELY LOWER THAN NONUNION CONTRACTORS."

THE OLIN INSTITUTE STUDY, "JOB TARGETING AND MARKET RECOVERY PRACTICES OF CONSTRUCTION UNIONS: THEIR APPARENT AND HIDDEN COSTS," ALSO REVEALED THAT: JOB TARGETING PROGRAMS NEEDLESSLY INCREASE PUBLIC CONSTRUCTION COSTS. JOB TARGETING ARTIFICIALLY INFLATES WAGES BECAUSE IT MASKS THE DIFFERENCE BETWEEN WHAT UNIONS CLAIM AN EMPLOYER IS PAYING WORKERS AND WHAT WORKERS ARE ACTUALLY BEING PAID. THE HIGHER RATE IS USED TO SET THE PREVAILING WAGE STANDARD FOR THE AREA. AS A RESULT, THE PUBLIC UNKNOWINGLY PAYS A MUCH HIGHER COST TO BUILD POLICE STATIONS, HOSPITALS, SCHOOLS, ROADS, LIBRARIES AND NUMEROUS OTHER PUBLICLY FUNDED CONSTRUCTION PROJECTS – OR DOES NOT BUILD THEM AT ALL.

JOB TARGETING PROGRAMS GIVE UNIONS AN UNFAIR ADVANTAGE. THE LAW CURRENTLY ALLOWS A UNION TO PAY MONEY TO A COMPANY FOR THE PURPOSE OF PUTTING ANOTHER COMPANY OUT OF BUSINESS AND TAKING JOBS AWAY FROM THAT OTHER COMPANY'S WORKERS. IF A NONUNION CONSTRUCTION COMPANY ENGAGED IN THE SAME CONDUCT AS A LABOR UNION, IT WOULD BE PROSECUTED FOR VIOLATING ANTITRUST LAWS. JOB TARGETING PROGRAMS ARE UNKNOWINGLY FUNDED BY TAXPAYERS. THE DOLLARS UNION MEMBERS CONTRIBUTE TO FUND JOB TARGETING ARE NOT LEGALLY DEDUCTIBLE ON THEIR INDIVIDUAL TAX RETURNS. HOWEVER, THE STUDY FOUND THE AMOUNT OF MONIES BEING PAID FOR JOB TARGETING PLUS THE DEGREE TO WHICH UNIONS MASKED THEIR PAYMENTS TO CONTRACTORS STRONGLY SUGGEST THAT SOME – IF NOT A SIGNIFICANT PORTION – OF THESE WAGE PAYMENTS ARE IMPROPERLY BEING DEDUCTED AS UNION DUES, THEREBY REDUCING THE AMOUNT OF INCOME TAXES THAT SHOULD HAVE BEEN PAID.

SOURCE: [WWW.ABC.ORG/JOBTARGETING](http://WWW.ABC.ORG/JOBTARGETING).

**ELK GROVE VILLAGE OFFICE**  
 1541 ELMHURST RD,  
 ELK GROVE VILLAGE, IL  
 60007  
 847-709-2960  
 847-709-2970 FAX

**SPRINGFIELD OFFICE**  
 526 E. ALLEN  
 SPRINGFIELD, IL 62703  
 217-523-4692  
 217-523-4752 FAX

**LOBBY DAY**

ABCIL IS HOSTING A LOBBY DAY AT THE CAPITAL ON WEDNESDAY, APRIL 22, 2009. ROB AND ALICIA WILL SCHEDULE APPOINTMENTS FOR GUESTS TO MEET WITH AS MANY LEGISLATORS IN LEADERSHIP POSITIONS AND OTHER KEY LEGISLATORS IN THE GENERAL ASSEMBLY AS POSSIBLE PLEASE PLAN TO MEET AT THE ABCIL (SPRINGFIELD) OFFICE ON THE 22<sup>ND</sup> AT 8:30 AM FOR A LIGHT BREAKFAST, A BRIEFING OF THE DAY'S AGENDA, AND TO REVIEW TALKING POINTS . THE GROUP WILL DEPART FOR THE CAPITAL AROUND 10:00 AM . AT APPROXIMATELY 12:00 WE WILL MEET AT BENNIGAN'S RESTAURANT FOR LUNCH AND DISCUSSION.

PLEASE CONFIRM YOUR ATTENDANCE WITH KARI OR ALICIA AT 217-523-4692 BY APRIL 17<sup>TH</sup> SO WE CAN UTILIZE OUR TIME AT THE CAPITAL AS EFFICIENTLY AS POSSIBLE!

IN THE MEANTIME, IT IS IMPORTANT THAT YOU CONTACT YOUR LEGISLATORS IN THEIR DISTRICT OFFICES TO DISCUSS THE NEGATIVE IMPACT THAT SB 43 (PREVAILING WAGE EXPANSION INTO TIF DISTRICTS AND EZ'S) WILL HAVE ON BUSINESS. TO FIND OUT THE CONTACT INFORMATION FOR YOUR LEGISLATOR VISIT THE GENERAL ASSEMBLY'S WEBSITE AT [WWW.ILGA.GOV](http://WWW.ILGA.GOV) OR CALL THE ABCIL OFFICE.

THANK YOU AGAIN FOR YOUR ACTIVE ROLE IN PROTECTING THE MERIT SHOP PHILOSOPHY. WE LOOK FORWARD TO HEARING FROM YOU SOON AND TO A SUCCESSFUL DAY AT THE CAPITAL ON THE 22<sup>ND</sup>!

**2009-2010  
DIRECTORY**

PROMOTE YOUR BUSINESS IN THE ONLY MERIT SHOP TRADE DIRECTORY IN ILLINOIS!

INCREASE YOUR VISIBILITY TO NEW BUSINESS PROSPECTS.

DON'T LET YOUR CHANCE AT BUILDING MORE BUSINESS PASS YOU BY, ADVERTISE TODAY!

TO ADVERTISE PLEASE RETURN YOUR CONTRACT BY

MAIL:  
1541 ELMHURST RD.  
ELK GROVE VILLAGE,  
IL 60007

EMAIL:  
[LISA@ABCIL.ORG](mailto:LISA@ABCIL.ORG)  
OR  
FAX: (847) 709-2970

**ABCIL FIGHTS THE RESPONSIBLE BIDDER ORDINANCE!**

LAST WEEK MONDAY, APRIL 6<sup>TH</sup>, THE DECATUR CITY COUNCIL BROUGHT THE RESPONSIBLE BIDDER ORDINANCE TO THE TABLE FOR A VOTE. ABCIL AND THE GREATER DECATUR CHAMBER OF COMMERCE WORKED TOGETHER IN AN ATTEMPT TO DEFEAT THE ORDINANCE. THE ORDINANCE WAS PASSED WITH A 4 TO 2 VOTE WITH ONE COUNCIL MEMBER ABSENT. THE FOLLOWING DAY THE CITY ELECTION WAS HELD WHERE TWO OF THE FOUR INCUMBENTS WERE DEFEATED. MIKE McELROY, WHO WAS ONE OF THE NO VOTES, WON THE MAYORAL ELECTION WITH OVER 60 PERCENT OF THE VOTE.

**HARD HATS AND FALL PROTECTION**

DO YOU THINK THAT THE USE OF PERSONAL PROTECTIVE EQUIPMENT IS OVER-RATED? HERE ARE TWO ACTUAL STORIES.

LARGE, HEAVY PLATES OF STEEL WERE BEING WELDED TO FORM A SECTION OF DECK IN A SHIPYARD. AS CAN BE EXPECTED, SOME WARPAGE OCCURRED WHICH REQUIRED CORRECTION. HYDRAULIC JACKS ACCOMPLISHED THIS THROUGH THE APPLICATION OF PRESSURE. OFF TO ONE SIDE AN INDIVIDUAL WAS SIGHTING DOWN THE PLATES TO JUDGE THE CORRECTIONS. SUDDENLY A TEMPORARY WELD BROKE CAUSING THE PLATES TO JUMP APART. ONE OF THESE STRUCK THE MAN ON THE SIDE OF HIS HARD HAT WITH ENOUGH FORCE TO PUNCTURE THE SHELL. IN CASE YOU DO NOT KNOW, THIS IS NOT EASY TO DO AND ATTESTS TO THE FORCE OF THE BLOW. THIS PERSON DID SUFFER INJURY. HOWEVER, SO FAR, HE HAS BEEN ABLE TO CONTINUE WORKING. IMAGINE WHAT WOULD HAVE HAPPENED IF HE HAD NOT BEEN WEARING THE HARD HAT.

THERE IS A GOOD POSSIBILITY HE WOULD HAVE SUFFERED A VERY SERIOUS AND PERMANENT HEAD INJURY. IN OTHER WORDS, HIS LIFE, AND THAT OF HIS FAMILY, COULD HAVE TAKEN A TRAGIC TURN FOR THE WORSE.

YOU MAY NOT KNOW THAT HARD HATS ARE NOT DESIGNED TO PROVIDE THE MAXIMUM LEVEL OF PROTECTION FROM BLOWS TO THE SIDE. WAS THIS AN ISOLATED EPISODE? I DO NOT THINK SO. THERE ARE PLENTY OF PEOPLE AROUND WHO HAVE FALLEN, AND STRUCK THEIR HEAD ON SOMETHING AS THEY HAVE GONE DOWN. BUT THEY WERE WEARING A HARD HAT AND ARE STILL FUNCTIONING TODAY BECAUSE OF THE PROTECTION IT PROVIDED.

NEED ANOTHER STORY TO BELIEVE THAT PERSONAL PROTECTIVE EQUIPMENT WORKS? THIS INCIDENT OCCURRED INSIDE A 60 FOOT DEEP TANK AT A WASTE WATER TREATMENT PLANT. AFTER SOME SCAFFOLD PLANKING SLIPPED, A WORKER FELL ONLY 6 TO 8 FEET BEFORE BEING STOPPED BY HIS SAFETY HARNESS. THIS HARNESS PREVENTED HIM FROM PLUNGING AN ADDITIONAL 40 TO THE BOTTOM OF THE TANK. HE WAS RESCUED BY FIREFIGHTERS AND LIFEGUARDS, EXAMINED AT A HOSPITAL, AND RELEASED. DO YOU THINK HE WOULD HAVE WALKED AWAY IF HE HAD NOT BEEN WEARING THE HARNESS? PERSONAL PROTECTIVE EQUIPMENT WORKS, BUT ONLY IF YOU WEAR IT.

SOURCE: TOOLBOXTOPICS.COM

**ABCIL'S ANNUAL  
CHICAGOLAND  
GOLF OUTING**



**COST:**

- ⇒ INDIVIDUAL GOLF & DINNER \$165
- ⇒ FOURSOME GOLF & DINNER \$600,
- ⇒ DINNER ONLY \$40

**COST INCLUDES:**

- ⇒ GREEN FEES
- ⇒ LUNCH
- ⇒ ALL BEVERAGES AND ITEMS FROM THE BEVERAGE CART/KEG HOLE
- ⇒ DINNER BUFFET
- ⇒ ONE HOUR OPEN BAR AT DINNER
- ⇒ DOOR PRIZES

**AVAILABLE  
SPONSORSHIPS:**

PRESENTING SPONSOR  
\$3,000

GOLF THEMED DINNER  
FAVOR SPONSOR: \$2,000

DINNER SPONSOR \$1,000

BEVERAGE CART  
SPONSOR: \$600 EACH (2  
AVAILABLE)

DOOR PRIZE SPONSOR \$500  
EACH (4 AVAILABLE)

HOLE SPONSOR \$ 250  
(18 AVAILABLE)

KEG HOLE SPONSOR \$200

CONTEST HOLE SPONSOR  
\$100 PLUS GIFT FOR  
CONTEST WINNER

GOODIE BAG  
SPONSOR PRODUCT ONLY

FOR MORE INFORMATION OR  
TO REGISTER/SPONSOR  
PLEASE CONTACT LISA AT  
LISA@ABCIL.ORG

**DON'T MISS THESE EVENTS!**

**APRIL 15, 2009**

**ASSERTIVE SKILLS: COMMUNICATION WITH AUTHORITY AND IMPACT**

THIS DYNAMIC, INTERACTIVE ONE DAY WORKSHOP WILL PROVIDE PROFESSIONALS AT ALL LEVELS WITH EASY-TO-IMPLEMENT TECHNIQUES TO INCREASE COMMUNICATION AND LISTENING SKILLS. PARTICIPANTS WILL LEARN TO COMMUNICATE POSITIVELY, RESPOND PRODUCTIVELY AND IMPROVE WORK RELATIONSHIPS. FOR MORE INFORMATION PLEASE VISIT [WWW.C-KG.COM](http://WWW.C-KG.COM) OR CONTACT DEAN CARROLL AT [DCARROLL@C-KG.COM](mailto:DCARROLL@C-KG.COM)

**APRIL 15-17, 2009**

**CONSTRUCTION EDUCATION CONFERENCE—FLAMINGO HOTEL, LAS VEGAS, NV**

FOR MORE INFORMATION PLEASE VISIT [WWW.ABC.ORG](http://WWW.ABC.ORG) AND CHECK OUT THE CALENDAR OR EVENTS.

**APRIL 16, 2009**

**THE BLUE BOOK GC SHOWCASE**

THURSDAY, APRIL 16, 2009. 3:00-7:00PM AT VENUTI'S RISTORANTE & BANQUETS, ADDISON, IL. NO CHARGE TO EXHIBIT OR ATTEND! **FOR NEARLY 100 YEARS, THE BLUE BOOK HAS BEEN CONNECTING COMPANIES LIKE YOURS WITH THE SUBCONTRACTORS AND SUPPLIERS YOU NEED. THE BLUE BOOK GC SHOWCASE FOR AN OPPORTUNITY TO MEET AND PRE-QUALIFY COMPANIES IN PERSON – AND AT NO CHARGE!**

THE BLUE BOOK WILL PROMOTE THIS EXCLUSIVE NETWORKING EVENT TO EVERY SUBCONTRACTOR AND SUPPLIER WORKING IN THE LOCAL AREA. ALL GENERAL CONTRACTORS RECEIVE AN EXHIBIT SPACE AND TABLE FOR DISPLAY AND DISTRIBUTION OF COMPANY PREQUALIFICATION FORMS, PROJECT INFORMATION, BROCHURES, ETC.

**THE BLUE BOOK GC SHOWCASE IS A GREAT WAY TO:**

- ⇒ MEET SPECIALTY SUBCONTRACTORS AND SUPPLIERS OFFERING HARD-TO-FIND NICHE SERVICES.
- ⇒ EXPAND YOUR CIRCLE OF VENDORS AND INCREASE YOUR CHANCES OF GETTING THE MOST COMPETITIVE BIDS.
- ⇒ SHOWCASE YOUR COMPANY IN FRONT OF HUNDREDS OF VENDORS AND STAY ON TOP OF YOUR COMPETITION.

FOR MORE INFORMATION CONTACT TODD BROWN AT [TBROWN@MAIL.THEBLUEBOOK.COM](mailto:TBROWN@MAIL.THEBLUEBOOK.COM)

**APRIL 17, 2009**

**HOW TO CONDUCT TERMINATIONS LEGALLY, HUMANELY, AND STRATEGICALLY**

THIS INTERACTIVE AND FAST-PACED ONE DAY WORKSHOP WILL PROVIDE YOU WITH PROVEN INSIGHTS AND TECHNIQUES TO MAXIMIZE YOUR ABILITY TO CONDUCT LEGAL, HUMANE, AND STRATEGIC TERMINATIONS. LED BY A FORMER HR EXECUTIVE, THIS WORKSHOP WILL UTILIZE FACILITATOR LED DISCUSSIONS, CASE STUDIES, CLASSROOM EXERCISES AND ROLE-PLAYING TO LEARN AND PRACTICE THE SKILLS NEEDED FOR SUCCESS. **FOR MORE INFORMATION PLEASE VISIT [WWW.C-KG.COM](http://WWW.C-KG.COM) OR CONTACT DEAN CARROLL AT [DCARROLL@C-KG.COM](mailto:DCARROLL@C-KG.COM)**

**APRIL 22, 2009**

**LOBBY DAY— MEET WITH LEGISLATORS TO DISCUSS ABCIL'S POSITION ON UPCOMING BILLS**

ABCIL MEMBERS WILL MEET AT THE ABCIL (SPRINGFIELD) OFFICE (526 E. ALLEN, SPRINGFIELD, IL) AT 8:30 AM FOR BREAKFAST, A BRIEFING ON THE DAYS AGENDA, AND TALKING POINTS. GUESTS WILL DEPART FOR THE CAPITAL AT APPROXIMATELY 10:00 AM TO MEET WITH KEY LEGISLATORS. GUESTS AND ABCIL STAFF WILL MEET FOR LUNCH AT BENNIGAN'S (700 EAST ADAMS STREET ) AT 12:00 TO DISCUSS THE DAYS EVENTS. THE COST IS \$15.00 PER PERSON. **FOR MORE INFORMATION PLEASE CONTACT KARI AT [KARI@ABCIL.ORG](mailto:KARI@ABCIL.ORG) OR ALICIA AT [ALICIA@ABCIL.ORG](mailto:ALICIA@ABCIL.ORG)**

**APRIL 23, 2009**

**ABCIL AFTERHOURS**

WHY DO SOME COMPANIES FAIL IN TOUGH ECONOMIC TIMES WHILE OTHER STRIVE? JOIN US AT 6:00 PM AT THE ABCIL OFFICE, 1541 ELMHURST RD. ELK GROVE VILLAGE, IL TO FIND OUT! COST IS \$25.00 PER PERSON WHICH INCLUDES A BUFFET DINNER WITH YOUR CHOICE OF BEER, WINE, SODA, OR WATER AND A PRESENTATION BY JOHN MAUTNER, COSI INSTITUTE. JOHN WILL SHOW MEMBERS HOW TO:

- ⇒ BRAINSTORM AND DISCOVER HUNDREDS OF THOUSANDS DOLLARS OF SALES AND PROFIT OPPORTUNITIES INSIDE THEIR COMPANIES
- ⇒ MAP OUT THE BUSINESS MODEL TO DRIVE UP EFFICIENCY AND PRODUCTIVITY
- ⇒ LAUNCH / IMPLEMENT SOLUTIONS FOR RAPID PROFITABILITY
- ⇒ LEARN TO INSTILL AND MANAGE THESE IMPROVEMENTS ON AN ONGOING BASIS

**FOR MORE INFORMATION OF TO REGISTER PLEASE CONTACT LISA AT [LISA@ABCIL.ORG](mailto:LISA@ABCIL.ORG)**

**APRIL 24, 2009**

**TIME MANAGEMENT AND PERSONAL EFFECTIVENESS SKILLS**

THIS FULL DAY WORKSHOP WILL IDENTIFY THE ESSENTIAL PERSONAL EFFECTIVENESS SKILLS NEEDED IN TODAY'S FAST PACED ENVIRONMENT, AND FOCUS ON APPLYING THESE KEY SKILLS UTILIZING THE PROCESS YOU CHOOSE (PAPER BASED, E-TOOLS, OR BOTH). **FOR MORE INFORMATION PLEASE VISIT [WWW.C-KG.COM](http://WWW.C-KG.COM) OR CONTACT DEAN CARROLL AT [DCARROLL@C-KG.COM](mailto:DCARROLL@C-KG.COM)**

**JULY 30, 2009**

**ABCIL ANNUAL CHICAGOLAND GOLF OUTING**

THE EVENT WILL BE HELD AT PHEASANT RUN RESORT, 4051 EAST MAIN ST. SAINT. CHARLES, IL 60174.

REGISTRATION WILL BEGIN AT 11:45 AM, LUNCH WILL BE SERVED AT 12:00 PM, FOLLOWED BY A 1:00 PM SHOTGUN START. DINNER WILL BEGIN AT 6:00 PM.

**FOR MORE INFORMATION OF TO REGISTER PLEASE CONTACT LISA AT [LISA@ABCIL.ORG](mailto:LISA@ABCIL.ORG)**