



Construction Labor ReportTM

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53 CLR 1391

Pennsylvania

Philadelphia City Council Mandates Diversity Hiring Goals for Philadelphia Building Project

PHILADELPHIA—Philadelphia City Council Dec. 13 moved to ensure job opportunities for women and minorities in the building trades by adopting hiring goals and other requirements that will apply to all 18 unions seeking work on the \$700 million Pennsylvania Convention Center expansion project.

The union workforce diversity measures adopted unanimously by Council were incorporated in an amendment to an agreement among the city, the Convention Center Authority, and the state. The agreement requires City Council approval before work can begin on the convention center expansion, which is already behind schedule.

Pact Includes PLA.

The amendment mandates that the construction project be covered by a project labor agreement, which has to include the goal of a workforce that is 25 percent African-American, 10 percent Hispanic, 10 percent women, and 5 percent Asian.

In addition, before any union can sign the project labor agreement, it has to disclose the demographics of its membership and adopt a diversity plan approved by City Council that provides for long-term inclusion of minorities in the union, Brian Abernathy, legislative aide to Philadelphia City Councilman Frank DiCicco (D), told BNA.

Patrick Gillespie, business manager of the Philadelphia Building and Construction Trades Council, said the requirements do not appear to be problematic.

Gillespie said the unions already have diversity plans and participate in initiatives such as apprenticeship programs run in conjunction with the Philadelphia School District and Philadelphia Housing Authority to bring more minority and female workers into the building trades.

As for disclosing their membership demographics, "What can be shared publicly will be shared," Gillespie told BNA.

Council Deletes Amendment on Nonunion Firms.

In addition to adopting the workforce diversity measures at its Dec. 13 meeting, City Council deleted a highly controversial amendment that members had agreed upon a week earlier.

That amendment would have allowed nonunion contractors to be awarded work on the convention center project and to bring their workers with them, without being subject to a collective bargaining agreement.

Such an arrangement would be unprecedented and unworkable, Anthony Wigglesworth, executive director of the Philadelphia Area Labor-Management Committee (PALM), told BNA.

Wigglesworth said the routine language in project labor agreements provides that nonunion contractors can bid, as long as they agree to sign and comply with the collective bargaining agreement that union contractors abide by, for that job.

Under those circumstances, the nonunion contractor typically has to employ union workers or engage the unions' referral services, Wigglesworth said.

He said inclusion of the open-shop language would have meant the end of any dialogue or collaboration with Philadelphia's building trades unions, which have been working with PALM and the state for the past eight months to draft an agreement governing the project.

The agreement includes hiring goals for minority, female, and disadvantaged businesses, but also addresses the critical issues of safety, quality, cost-effectiveness, and scheduling, Wigglesworth said.

Dispute Over Race, Gender Figures.

DeCicco, the prime sponsor of the bill authorizing the state to move forward with the convention center expansion, proposed the open-shop language after a public hearing during which Gillespie said he was unable to answer council members' questions about the racial and gender makeup of Philadelphia's building trades unions.

Council has repeatedly sought data from the unions and the mayor's office on minority participation in construction, without success, according to Abernathy, DeCicco's aide.

"Our intent is not to be anti-union or anti-organized labor," he said. "We've raised this question for 25 years and for 25 years we've been ignored."

The deletion of the open-shop amendment and adoption of workforce diversity and reporting requirements that are acceptable to the unions came just in time.

With any further delay, DeCicco's bill would have died with the end of the 2007 council session, postponing any final agreement for months to allow for reintroduction of the bill and public hearings in 2008.

By Lorraine McCarthy

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To review the OHCD data:

The overall average of minority workers among all trades - including laborers - was 26 percent. Of the minority members, 68 percent lived within the city. Among white members, 30 percent lived in the city.

A handful of job categories beat or matched the 26 percent average, including cement masons (30 percent) and drywall finishers and tapers (26 percent).

The trades other than laborers that had the highest minority participation were electricians at 25 percent, and operating engineers at 24 percent.

A number of trades fell below the overall average of 26 percent minority participation. The list includes roofers (20 percent), carpenters (19), ironworkers (17), sheetmetal workers (15), bricklayers (14), plumbers (12) and steamfitters (5).

A note here: The data list workers by their trades, not by their unions, some of which have locals for each specialty. Hourly rates for workers vary depending on their craft and experience.

The OHCD data cannot tell us reliably whether pay disparities exist among blacks, Hispanics and whites. But here is one indicator: One of the best-paid jobs is foreman. Of the 113 men listed as foremen on these projects, 102 were white - 90 percent.

As to women in the crafts, fughedaboutit. Of the 10,478 workers listed in this data, 109 were women. A touch over 1 percent.

(I wonder if they have signs posted outside union halls - à la *Spanky and Our Gang* - saying, "No Girls Allowed!")

Gillespie was called before Council because some Council members wanted a showdown over minority hiring at the city's next huge public project: the \$700 million expansion of the Convention Center.

The project will yield about 1,400 construction jobs. The original plan called for 13 percent to go to minorities.

Council members threatened to open the Convention Center project to nonunion workers unless the number was higher. The goal they set was 50 percent.

With the exception of small projects, using nonunion construction workers is taboo in Philadelphia. The unions' allies in the Democratic Party rigidly enforce Philly's status as a union-only town.

It sets up this dilemma for black and Hispanic workers: To get well-paying construction jobs, they must be union members. Yet, traditionally, the door to union membership has been closed. As Nutter said: economic apartheid.

I can also see the dilemma faced by unions' leaders. The membership that elected them is mostly white. The crafts have a strong tradition of "legacy" candidates - the OHCD list has lots of fathers and sons in the same craft. There is only so much work to go around. Do you open the doors wide to minorities, but end up with too many workers for too few jobs?

Because of these factors, the unions have been, um, incremental in their approach to integration.

Because they never share their data, we don't even know exactly how incremental.

Gillespie told me this week that the unions have had "inclusionary programs" for minorities since the 1980s. He pointed to a spate of recent minority recruitment by the Carpenters Union, the Cement Workers and the Electricians.

"There are a number of unions that still have to do things," he said. "And the Building Trades Council continues to encourage them to do it."

(A suggested motto for the council: *Now in our 30th year of encouraging them to do it!*)

To defuse the City Council threats over the Convention Center, he said, the building trades did agree to the 50 percent minority worker figure, as an "aspirational goal."

"I think our efforts are on the right track," Gillespie said.

My question to Gillespie was:

When are they going to reach the station?

Contact Tom Ferrick at tferrick@phillynews.com.

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Posted on Sun, Jan. 13, 2008

Tom Ferrick Jr.: Who exactly benefits from The Deal?

By Tom Ferrick Jr.
For The Inquirer

Let us call it The Deal.

When it comes to construction in Philadelphia, the market is dominated by the building-trades unions.

There are exceptions - mostly small jobs that fly under the radar - but if you want to build anything bigger, you must use union electricians, carpenters, steamfitters, sheet-metal workers, laborers and the other dozen-plus union crafts that specialize in construction.

There is no law that requires this.

In fact, when it comes to construction, Philadelphia is a closed-shop island in an open-shop sea.

Union workers are highly skilled, but they come at a premium: Their wages are anywhere from 10 percent to 30 percent higher than nonunion scale, and they have work rules (who can do what task on a site) that also add to the cost.

But if you were going to build a large, privately financed project - say, something along the lines of the Comcast Center - there is nothing to stop you from using nonunion workers.

Except for The Deal.

In reality, all hell would break loose if you went nonunion. There would be pickets who would shut down your site. And the city - and its political and legal apparatus - would back the unions.

The unions and the ruling Democratic Party have had a symbiotic relationship for decades. Construction unions are the biggest givers to the party. The party chairman is a member of the carpenters' union. Its most recent treasurer is head of the electricians' union. Virtually every city board or agency that regulates construction has union officials as members or chairmen.

So it was significant when City Council last month flirted with ending The Deal. The issue was the \$700 million Convention Center expansion. The flashpoint was minority hires. The construction plan called for 13 percent of the workers to be minorities.

Council wanted it at 50 percent. It threatened to open the project to nonunion workers to get there.

The backstory here is that the building-trades unions - despite nearly three decades of effort to the contrary - remain all-male and overwhelmingly white.

Data I have analyzed recently indicate that only one craft is majority black and Latino: the laborers, who are at the bottom rung of the pay scale.

Take the laborers out of the mix, and 99 percent of the craft members are male, 80 percent are white, and 70 percent live in the suburbs.

There was a lot of politics behind City Council's threat, but the policy question was really about the pie of construction jobs and how it is sliced.

And right now, most of the pie goes to white guys who live outside the city.

Hmmm.

So let's see. The Deal is: We give the unions a monopoly on nearly all construction work in Philadelphia, and the unions give us . . . what?

When I wrote about this issue last week, I got a lot of calls and e-mails from union guys who told me (in so many words) that the main reason there aren't more women and minorities in these jobs is that blacks are lazy and lack a good education and women are too weak.



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As one e-mailer put it: "I am tired of being the blame for the minorities' (mostly African Americans) lack of self-ambition to better their lives."

I don't know whether this point of view is widespread among union members. I hope not.

If it were true - that blacks and women are inherently incapable of doing these jobs - you would think there would be no skilled minority and women craftspeople. But that is not the case.

The truth is, there are a lot - but most are nonunion.

I looked at data, supplied by the Office of Housing and Community Development, on city construction projects in the last five years that went to nonunion workers. (OHCD says nonunion workers are allowed on residential projects with fewer than 12 units.)

Under federal regulations, OHCD must keep information on the home addresses, race and sex of workers who work on any government-subsidized project.

The union projects covered by the OHCD data totaled \$514 million and involved 10,748 workers.

The nonunion projects - understandably - added up to much less. They totaled \$39 million and involved 992 workers.

But the majority of workers in these nonunion projects were minorities: 72 percent, to be exact. And 71 percent lived in the city. Only 2 percent were women.

Council's threat did get the unions to agree to increase to 50 percent the number of unionized minority workers at the Convention Center project. Pat Gillespie, head of the unions' Building Trades Council, calls it an "aspirational goal." Whatever that means.

The big question remains: Who is benefiting from The Deal?

If the answer is "a bunch of white guys from the burbs who, in 25 years of looking, haven't found minorities to join their unions," a second question arises:

Why do we still have The Deal?

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53 CLR 1588

Pennsylvania

Unions Disclose Minority, Female Numbers Of Members in Philadelphia Building Trades

PHILADELPHIA—Two-thirds of Philadelphia's building trades unions disclosed data on membership demographics and agreed to take steps to bring in more women and racial and ethnic minorities, under resolutions approved by Philadelphia City Council Feb. 4.

The council's action removes a hurdle that had prevented the city, state, and Pennsylvania Convention Center Authority from moving forward with a proposal for a \$700-million expansion of the downtown convention center.

Although the expansion will be funded entirely by the state, construction cannot begin until the city signs an agreement conveying the building site to the Convention Center Authority and authorizing certain actions such as demolition of a historic firehouse and rerouting of utilities.

Execution of Agreement Tied to Compliance.

Progress stalled in November when City Council members tied execution of that agreement to compliance with their demand for information about the gender and racial makeup of Philadelphia's construction unions.

Council has sought the data for years so it can monitor the unions' progress in achieving diversity goals, but without success.

Ultimately, Council voted in December 2007 to make disclosure of demographic information and adoption of an approved long-term workforce diversity plan mandatory for any union seeking to sign the project labor agreement governing the convention center construction (52 CLR 1391, 1/2/08).

Ultimately, 11 of the 15 unions adopted a "diversity commitment and plan" under which they agreed to work with a panel appointed by Philadelphia Mayor Michael Nutter (D) to develop a five-year strategic plan for including more minorities and women in the building trades.

Hiring Goals Outlined.

They also agreed to use their best efforts to achieve the hiring and apprenticeship goals in the convention center project labor agreement, which calls for a workforce in which 50 percent of workers are Philadelphia residents, 25 percent are African American, 10 percent Hispanic American, 10 percent women, and 5 percent Asian.

It also calls for creation of 350 apprenticeships.

The data the council received confirmed that the vast majority of Philadelphia's unionized construction workers are male, white, and live in the suburbs.

But the city's population is 55 percent female and 55 percent racial and ethnic minorities, according to the mayor's Feb. 4 executive order (E.O. No. 05-08) establishing the Mayor's Advisory Commission on Construction Industry Diversity.

Report Due Sept. 1.

The 15-member advisory group is required to report to the mayor and City Council by Sept. 1 detailed statistical information on minority and female Philadelphia residents in the building trades, a five-year strategic plan for giving minorities and women job opportunities in construction, and an effective structure for implementing, monitoring, and enforcing its recommendations.

The four unions that did not submit data on their membership or sign on to the diversity goals are Carpenters and Joiners of America Regional Council, International Brotherhood of Electrical Workers Local 98, International Union of Operating Engineers Local 542, and Roofers, Waterproofers and Allied Workers Local 30.

Roofers Local 30 signed the diversity commitment agreement but needs more time to produce the Philadelphia-area demographic information that was requested because it has to be parsed out of regional statistics kept by the international union, Anthony Wigglesworth, who heads the Philadelphia Area Labor Management Committee (PALM), told BNA.

Operating Engineers Wary of Legal Implications.

Wigglesworth said the Operating Engineers' failure to comply is due solely to the fact that the union has been under a federal court order to increase diversity for decades and its apprenticeship program, which is 100 percent African-American, has been overseen by a federal monitor for the past seven years.

"I encouraged them to sign [the diversity agreement] with an asterisk 'subject to federal law,' " Wigglesworth said, but he said the union was wary of the legal implications.

The Electrical Workers has said it will work with the mayor's commission but will not submit data to City Council, while the Carpenters have remained uninvolved in the entire process from the beginning, Wigglesworth said.

Patrick Gillespie, business manager for the Philadelphia Building and Construction Trades Council, told BNA all the unions have said they will abide by the "aspirational goals" established in the agreement for minority and female participation.

The Carpenters' and Electrical Workers' noncompliance "is more defying the heavy-handedness of Council," Gillespie said.

He said the information about membership demographics developed by each of the unions over the past month has great value, especially in light of the work to be done by the mayor's diversity commission.

"We'll be able at long last to figure out a diversity plan and then get help in reaching those goals," Gillespie said.

Consequences of Noncompliance.

The implications of the Carpenters' and Electrical Workers' failure to comply with city officials' demands are unclear.

Although city ordinance bars any union that fails to provide demographic data and sign the diversity agreement from signing a project labor agreement for the convention center expansion, Wigglesworth said there is some question about whether that language would be binding on the state.

The state and Convention Center Authority will be party to the project labor agreement, but the city will not, Wigglesworth noted. Moreover, in practice, state actions generally trump those of local governments, he said. And then there is the matter of funding.

"There's a disconnect when the party with no money is placing conditions on the party with all the money," Wigglesworth said.

Gillespie said the Building and Construction Trades Council will not sign a project labor agreement that excludes any of its unions.

Wigglesworth said his biggest concern is that the delays and uncertainty arising from the sometimes acrimonious debate over diversity goals and plans will ultimately torpedo the project altogether.

"We should all be aware that at the end of the day, somebody in Harrisburg may say 'I'm tired of the noise; I'm not going to do this,' " he said.

By Lorraine McCarthy

Text of the 11 resolutions adopted by Philadelphia City Council, which include each union's demographic data and diversity plan, is available at <http://legislation.phila.gov/mattersearch/> by entering the resolution number in the search box. Resolutions are numbered 080117 through 080127. Text of the mayor's Executive Order No. 5-08 is not available online.

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He said Council had planned to make the same demands on other public projects in the future.

Of course, there's a problem with playing the open-shop card. How often can you do it before everyone realizes it is a bluff and you have no intention of acting on it?

My sense of realpolitik tells me the Democratic apparatus isn't ready to declare war on the unions. And that is what an open-shop declaration would be.

But once you speak a heresy, it enters into the slipstream of public discussion. People begin to ask their own questions, such as:

Why are we so rigid on keeping projects closed-shop when the rest of the region is open-shop? Doesn't it put the city at a competitive disadvantage, given that union wages are 15 percent to 30 percent higher?

Wouldn't it help the city to have some projects - such as private and public housing - be open-shop and, therefore, more affordable and doable?

How can the city's ruling party support and sustain a closed-shop system when it is so exclusionary when it comes to race?

No one has answers to those questions, at least not now. But Goode and Council have raised them. And it is time for the unions to provide answers that are more than lip service.

As Goode put it: "We have come beyond a wink and a smile."

Contact Tom Ferrick at tferrick@phillynews.com.

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54 CLR 1801

Pennsylvania

Unions Sign Convention Center PLA For \$700 Million Philadelphia Project

PHILADELPHIA—The Philadelphia Building and Construction Trades Council March 20 signed the project labor agreement governing work on the proposed \$700 million expansion of the Pennsylvania Convention Center, clearing the way for the project to be put out to bid.

The PLA was executed by the Convention Center Authority board Feb. 20, according to Joseph Resta, project executive for the convention center expansion.

Patrick Gillespie, business manager for the Building and Construction Trades Council, told BNA he had declined to sign the PLA sooner because of uncertainty about the implications of a recent letter from the convention center board to the electricians' union.

The letter suggested that members of International Brotherhood of Electrical Workers Local 98 might be barred from working on the convention center expansion project because the union had ignored Philadelphia City Council's demand for statistics on the membership demographics of Local 98 and a long-term plan to include more women and minorities.

Gillespie said he could not sign the PLA without assurances that it included all 15 building trades unions, which he ultimately received.

"Everyone will participate," Gillespie said.

Unions and contractors that sign the PLA commit to use their best efforts to hire a workforce in which 50 percent of workers are Philadelphia residents, 25 percent are African American, 10 percent Hispanic American, 10 percent women, and 5 percent Asian.

The state-funded convention center expansion has been on hold since November 2007, when City Council said any union seeking to work on the project had to provide data on the gender and racial makeup of its membership and a plan to increase diversity.

Now that the PLA has been executed by all parties, the Convention Center Authority has begun seeking bids for the foundation superstructure package and for the elevators and escalators, Resta said.

He said bids will be received in early June, with awards and mobilization "as soon thereafter as possible."

By Lorraine McCarthy

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Monday, June 23, 2008

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MAYOR'S ADVISORY COMMISSION ON CONSTRUCTION INDUSTRY DIVERSITY TO HOLD FIRST PUBLIC HEARING ON JUNE 25, 2008

Philadelphia, June 23, 2008 – Mayor Michael A. Nutter's Advisory Commission on Construction Industry Diversity will hold its first Public Hearing: **Identifying Challenges and Barriers to Minority and Female Representation in the Philadelphia Building Trades**. The hearing will be held in Room 400, City Hall from 4:00 PM to 8:00 PM, Wednesday June 25, 2008.

Mayor Nutter established this Advisory Commission to formally study minority and female employment in the building trades in Philadelphia and develop best practices to meaningfully increase minority and female membership in the unions with the goal of achieving a workforce that reflects the overall demographics of the City. The Advisory Commission will submit its initial findings and recommendations to the Mayor and City Council by September 1, 2008.

This first Public Hearing on Wednesday will examine and attempt to gain insight into obstacles and challenges which exist for minority persons and women who seek careers in the Philadelphia construction industry. The Commission will invite speakers representing four perspectives on this critical issue: Owner, Contractor, Trades People and Unions. The Commission also welcomes public discourse.

The members of the Mayor's Advisory Commission on Construction Industry Diversity are: Bernard E. Anderson, Emily Bittenbender, David Crawford, Bruce Crawley, Sharon Dietrich, John Macklin, Sharmain Matlock-Turner, Walter Palmer, William Reddish, Councilwoman Donna Reed Miller, Robert Reinstein, Joe Sellers, Narasimha (Nick) Shenoy, Carl Singley (Chairman of the Commission), Sam Staten, Jr., Anthony Wigglesworth, Senator Anthony Williams and Mario Zacharjasz.

Biographies

Bernard E. Anderson is a Practice Professor of Management at the Wharton School of Business.

Room 216 - City Hall
Philadelphia, PA 19107
Phone: 215. 686.6210 or 6211
Fax: 215.686.2170
www.phila.gov

Emily Bittenbender is the President of Bittenbender Construction Co., a woman-owned, union-affiliated general contracting and construction management company.

David Crawford is President of Econsult Corporation and Adjunct Professor at the Wharton School

Bruce Crawley is President and principal owner of Millennium 3 Management, Inc.

Sharon Dietrich is an attorney with the Employment Law Project of Community Legal Services.

John Macklin is President of the Philadelphia Chapter of the Nat'l Association of Minority Contractors

Sharmain Matlock-Turner is the President of the Greater Philadelphia Urban Affairs Coalition.

Walter Palmer 3rd is the President and CEO of General Building Contractors Association.

William Reddish is Board member and past President of the Building Industry Association of Philadelphia

Councilwoman Donna Reed Miller represents Philadelphia's 8th Councilmanic District.

Robert Reinstein is the Dean of the Temple University Beasley School of Law.

Joe Sellers is the President and Business Manager for Sheet Metal Workers Local #19.

Narasimha (Nick) Shenoy is the Executive Director of the Asian American Chamber of Commerce of Greater Philadelphia.

Carl Singley is an attorney at WolfBlock and chairs the Commission.

Sam Staten, Jr. is the President of Laborers' Local 332.

Anthony Wigglesworth is the Executive Director of Philadelphia Area Labor Management Project.

Senator Anthony Williams represents Philadelphia in the Pennsylvania State Senate.

Mario Zacharjasz, AIA, is co-founder and principal of PZ Architects, LLC and President of Puente Construction Enterprises, Inc.

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Construction Labor ReportTM

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54 CLR 1869

Pennsylvania

Philadelphia Mayor Appoints Members of Diversity Panel to Develop Strategic Plan

PHILADELPHIA—Philadelphia Mayor Michael A. Nutter (D) March 31 named the 15 people who will serve on a panel he established in February to develop a five-year strategic plan for including more minorities and women in the Philadelphia building trades.

Nutter said he selected the members of the Mayor's Advisory Commission on Construction Industry Diversity based on recommendations from elected officials, building trades leadership, community organizations and other interested stakeholders.

"The membership of the commission represents an inclusive effort to identify a diverse set of leaders in our community who will commit themselves to setting an effective course for change," Nutter said in a statement.

Panel Includes Cross-Section of Members.

The panel includes Wharton School management professor Bernard E. Anderson, contractor Emily Bittenbender, public relations executive Bruce Crawley, employment attorney Sharon Dietrich, Greater Philadelphia Urban Affairs Coalition President Sharmain Matlock-Turner, and City Councilwoman Donna Reed Miller.

Other members are Walter Palmer III, president of the General Building Contractors Association; Temple University Law Professor Robert Reinstein; Sheet Metal Workers Local No. 19 President Joe Sellers; and Philadelphia Asian American Chamber of Commerce Executive Director Narasimha Shenoy.

Rounding out the panel are attorney Carl Singley; Laborers' International Local 332 President Sam Staten, Jr.; Anthony Wigglesworth, who heads the Philadelphia Area Labor Management Project; state Sen. Anthony H. Williams (D); and architect Mario Zacharjasz.

The mayor created the advisory group by executive order in response to concerns raised by members of Philadelphia City Council about a lack of minority participation in the building trades (53 CLR 1588, 02/13/08). The council held up a proposed \$700 million state-funded expansion of the downtown convention center while it sought to compel the city's building trades unions to adopt long-term workforce diversity plans.

City officials also insisted that the unions divulge data on the race and gender of their membership so their progress on increasing diversity can be monitored.

The advisory group is required to report to the mayor and City Council detailed statistical information on minority and female Philadelphia residents in the building trades and to develop a five-year strategic plan for giving minorities and women job opportunities in construction.

The panel, which will receive staff support from the city law department, also has to recommend an effective structure for implementing, monitoring, and enforcing its recommendations. Initial findings and recommendations are due Sept. 1.

By Lorraine McCarthy

Contact customer relations at: customercare@bna.com or 1-800-372-1033

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Posted on Tue, Jun. 24, 2008

Hearing to address diversity in construction

By Jane M. Von Bergen

INQUIRER STAFF WRITER

A mayoral commission on diversity in the Philadelphia construction industry will hold its first public hearing tomorrow at City Hall.

A standoff in City Council in December nearly ended a city tradition of having public-works projects built exclusively by union members. Mayor Nutter appointed the commission as part of a compromise.

Council had threatened to hold up the expansion of the \$700 million Convention Center unless union building trades would promise to give African American and other minority union members 35 percent of the construction jobs on the project. If the unions did not agree, Council would have opened the project to nonunion contractors.

Some City Council members criticized the unions for being too white in a city where the minorities together constitute the majority.

Union leaders countered that they had been increasing minority participation, particularly through their apprentice programs.

Minority contractors also complained that it was difficult for them to get work on the Convention Center project and that existing guidelines for minority participation were not enforced.

The standoff was resolved when unions agreed to "aspirational" goals for more minority inclusion, and the mayor established the commission to study the issue.

The standoff contributed to two years of delays on the center, which have increased costs at least \$20 million, officials said last week.

Members of the Advisory Commission on Construction Industry, with lawyer Carl Singley as chairman, include a cross-section of people involved in or familiar with construction and minority participation.

Among them are union leaders, union contractors, leaders of minority groups, business and law school professors, and state and city elected officials.

Their report to Nutter is due in September.

Speaking at tomorrow's hearing, titled "Identifying Challenges and Barriers to Minority and Female Representation," will be representatives expressing the points of view of owners, contractors, tradespeople and unions.

The hearing will be held from 4 to 8 p.m. in Room 400, City Hall.

Contact staff writer Jane M. Von Bergen at 215-854-2769 or jvonbergen@phillynews.com.

Find this article at:

http://www.philly.com/philly/business/breaking/20080624_Hearing_to_address_diversity_in_construction.html?adString=ph.business/breaking;!category=breaking;&randomOrd=062508062559

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Posted on Wed, Jul. 16, 2008

Accounts clash on union, minorities

By Jane M. Von Bergen

Inquirer Staff Writer

Edward J. Coryell said he's tired of his carpenters' union being trashed for being unfriendly to women and minorities.

> Coryell heads the Metropolitan Regional Council of the United Brotherhood of Carpenters and Joiners, one of the region's largest and most powerful construction unions with 12,760 members.

> "I've helped so many," Coryell said.

> Union carpenter Shenecqua Butt isn't buying it. She and Tanya Mitchell were two union carpenters who testified last month at the first public hearing of the mayor's Advisory Commission on Construction Industry Diversity. The commission meets again next Wednesday in City Hall.

> The June hearing began with emotional testimony from the pair, surrounded by fellow female carpenters who came in support. The women complained that they were harassed on the job and had gotten only scattered days of work after they advanced from apprentice to journeywoman.

> "You can't go to your union for support because they just don't care," testified Butt, a member of Local 1073 of the council.

> A union-sponsored support group for women carpenters, Sisters in the Brotherhood, hasn't met for more than a year, said its current leader, Maureen Olivant.

> Coryell didn't attend the June 25 public hearing or respond to an Inquirer request for comment, nor did he attend sessions organized by the building trades on the issue. And his union was one of the few that refused to provide minority-participation statistics when asked to do so by City Council.

> A week after the hearing, Coryell did call reporters into a meeting July 1, where he complained about the women who had complained about him and defended his diversity efforts, saying the union unfairly takes the brunt of criticism that should really be directed at contractors.

> Contractors hire and pay the carpenters. "They have to help them more - make sure they get the training. The contractor has to be willing to have diversity and minorities - to bring them along," Coryell said.

- > A reporter later received a letter, dated July 2, from a contractor criticizing the women's work.
- > "Some of our men asked not to be partnered with them because they were 'slower and not pulling their own weight,' " unable to load bundles of insulation into buildings, wrote Edward J.F. Dougherty, an official at Tedco Insulation Co. in West Chester, where the women worked in 2006.
- > Dougherty said that Mark Durkalac, a union official, asked him to write the letter shortly after the June 25 hearing. He said he doesn't normally write those kinds of letters and "wouldn't have written it if I wasn't asked," he said in an interview.
- > Dougherty said the women were good workers who came on time and worked hard. They simply couldn't lift the bundles, so when he cut his crew from 30 to nine, they were laid off.
- > In his letter, he wrote that he would not ask them back.
- > "If a carpenter can't do the work, then it's 'See you later,' " Coryell said.
- > Butt told The Inquirer that she had worked for Tedco for two or three months, was laid off for a week, then was called back for several more months - proof, she said, that her work had been adequate. Dougherty confirmed her account.
- > Butt insists she can handle the work.
- > "I'm very strong. I can probably carry Mr. Coryell up and down the block," she said.
- > Coryell, in his defense, also asked David Gannon, a representative for Carpenters Local 1595 in Montgomery County, to describe what happened when Gannon included the women in a crew to work at Peco Energy Co.'s Limerick reactor. Gannon reported that Butt and Mitchell were among 10 or 11 of 80 or 90 local carpenters who failed to pass a required safety test. Other women also failed the test.
- > The council's territory stretches from Virginia and Maryland up through the city and its surrounding counties into the Lehigh Valley, including some members in New Jersey. The union's pension fund is one of the owners of Philadelphia Media Holdings, owner of The Inquirer.
- > Some locals in the council are organized by geography, others by trade, such as cabinetmaking.
- > Coryell said the tough economy means many residential carpenters, including members of Local 1073, cannot get work.
- > Indeed, Dougherty said he laid off his own son and is not accepting apprentices because of the slowdown in residential construction. "It's the commercial work that's keeping us going," he said.
- > Coryell pulled out his statistics: Union carpenters had 197,720 hours of residential work in 2007, down from 457,825 in 2006. This past January, residential carpenters worked 10,812 hours, a third of what they had worked in January 2006.
- > Butt and Mitchell entered the union through a Philadelphia Housing Authority program to give residents a chance to learn trades while working on Housing Authority projects.
- > The U.S. Department of Housing and Urban Development cut funding to the authority, and as a result

carpenters worked half of the hours on housing projects in 2007 that they had the previous year, Coryell said.

> "These girls got caught up in that," Coryell said.

> Butt isn't buying it.

> "Stop making up lame excuses," she said. Many men have steady employment, but "all the women are temporary employees. Instead of bickering about this, you need to find these women work. Ask Mr. Coryell, can Shenecqua Butt get a job?

> "I know discrimination exists. I'm not expecting things to change overnight. All I want to do is work."

>

Contact staff writer Jane M. Von Bergen at 215-854-2769 or jvonbergen@phillynews.com.

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Find this article at:

http://www.philly.com/philly/business/20080716_Accounts_clash_on_union__minorities.html?adString=ph.business/business;!category=business;&randomOrd=123108113957

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Posted on Wed, Jul. 23, 2008

Hearing today on building-trades diversity

By Jane M. Von Bergen

Inquirer Staff Writer

When Bruce Patterson testifies tonight about diversity in the construction industry, he'll be talking about something that's neither white, nor black, but green.

> Green, as in getting paid.

> "It's a construction industry problem," said Patterson, the African American owner of Patterson Construction Co. in Philadelphia, who says businesses can sink in the time it takes them to get paid. "It's a small business problem."

> The mayor's Advisory Commission on Construction Industry Diversity will hold its second hearing in City Hall today from 4 to 8 p.m.

> Also expected to testify are Sandra Dungee-Glenn, chairwoman of the Philadelphia School Reform Commission, and Glenn Bryan, an official from the University of Pennsylvania's community relations office.

> The school district and the university have programs to bring minorities into the building trades.

> Patterson, who is the first person on tonight's agenda, is now a major contractor on the Progress Plaza project in North Philadelphia.

> He said successful minority contractors may tend to hire more minority workers, so the success of the contractors will lead to success in diversifying the construction workforce.

> On construction jobs, Patterson said, subcontractors like himself are the ones who do the actual work and carry the weekly payroll, including union benefits.

> Subcontractors, which can be small or minority businesses, shoulder these expenses up front and then are paid 90 percent of their contract amount 45 to 90 days later. Developers or contractors often hold the remaining 10 percent - known as "retainage" - for a year or more as a guarantee on the work.

> "That means the contractor has worked the project for \$0 cash flow," he wrote in a printed version of his testimony distributed in advance.

> "This is both a travesty and an injustice," he wrote.

> Mayor Nutter created the commission in February after the standoff between union building trades and City Council over minority participation in the Convention Center expansion, now expected to cost nearly \$800 million.

>

Contact staff writer Jane M. Von Bergen at 215-854-2769 or jvonbergen@phillynews.com.

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http://www.philly.com/philly/business/20080723_Hearing_today_on_building-trades_diversity.html?adString=ph.business/business;!category=business;&randomOrd=123108114614

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Posted on Thu, Jul. 24, 2008

Union effort falling short?

By Jane M. Von Bergen

Inquirer Staff Writer

When the program was announced in 2006, it seemed like a perfect solution:

> Unions, which were short on minority members, would cooperate with the Philadelphia School District to recruit 450 public school graduates into union apprentice programs and then put them to work on \$1.7 billion worth of school-construction projects.

> But, in written testimony presented yesterday to the Mayor's Advisory Commission on Construction Industry Diversity, Philadelphia School Reform Commission chairwoman Sandra Dungee Green said: "Good intentions are not enough to ensure that our students reap the benefits we intended."

> The testimony by Dungee Glenn, one of about 20 witnesses at the second public hearing of the commission in City Hall, described a joint union-district program with a lot of loose ends.

> Only one joint school district-union recruiting fair was held, drawing nearly 2,000 people. The deal called for four a year.

> Unions said they needed graduates with better literacy and math skills, but they did not follow up with a model curriculum, Dungee Glenn said.

> Neither the school nor the unions have provided enough job opportunities, she said.

> And unions have provided insufficient detail about participation in the program.

> Dungee Glenn said that while the unions have said they had moved 392 public school graduates into apprentice programs, the district has been unable to find out their names, graduation dates or union affiliations.

> She did praise one union, District Council 21 of the International Union of Painters and Allied Trades.

> The union provides apprenticeships for high school students and runs a summer program for high school juniors and seniors. Dungee Glenn expressed optimism for the overall initiative's eventual success and promised to increase cooperation with Philadelphia Building Trades Council.

- > In her testimony, Dungee Glenn echoed earlier witnesses who said that a key to minority employment was the success of minority contractors.
- > She said the district had moved many minority and small contractors through its small-contractors program, handling 86 contracts worth \$7.3 million. An additional 47 contracts worth \$3.5 million are in progress.
- > But, she said, a provision of the 2006 deal, which required all school contractors to be union, has hurt some small contractors.
- > Among them was another witness, James Copeland, a non-union African American electrical contractor from Philadelphia who had done work for the school district since the mid-1990s.
- > In 2006, he told the commission, he agreed to become a union contractor.
- > His three employees enrolled in the union, two of them as apprentices.
- > The apprentices could not pass written tests and so did not become journeymen, even though they had five or six years of experience and had done work that passed government inspections. "It was quality work," Copeland testified.
- > Now, he said, he's in a tough spot.
- > Two of the employees were his son and son-in-law, both of whom are no longer in the union. The union says he has to hire union electricians, but he said he would not fire his son and son-in-law.
- > He said the union was willing to send him workers, but not his longtime employees.
- > Now, Copeland said, he no longer gets school district jobs. Frank Keel, spokesman for the International Brotherhood of Electrical Workers Local 98, could not immediately be reached for comment.
- > Also testifying was Glenn Bryan, assistant vice president and director of the Office of Community Relations at the University of Pennsylvania. He said Penn had made an effort to build up its skilled workforce at least in part with people from the neighborhood, many of whom are minorities.
- > In one current project, 30 to 40 percent of the work force is minority, and the contractors know they need to have those kind of numbers if they want the work. "They have to play ball with Penn," Bryan said.
- > Mayor Nutter formed the commission in February after a standoff over minority participation in the Convention Center project.
- >

Contact staff writer Jane M.

> Von Bergen at 215-854-2769 or jvonbergen@phillynews.com.

Find this article at:

http://www.philly.com/philly/business/20080724_Union_effort_falling_short_.html?adString=ph.business/business;



Posted on Sat, Jul. 12, 2008

Convention Center's high costs draw notice

The planned expansion is "getting to the point where the cost will outweigh the benefit," Rendell said.

By Marcia Gelbart

Inquirer Staff Writer

The projected cost of expanding the Convention Center is nearly \$100 million over budget, and Gov. Rendell wondered aloud yesterday whether the massive project, now dangling an \$800 million price tag, was still worth it.

"You're getting to the point where the cost will outweigh the benefit," Rendell said. "You're not there yet, but you're getting to the point."

Last month, The Inquirer reported that the first phase of the project was at least \$20 million over what was expected, because of soaring steel and concrete prices.

Officials now acknowledge that projections show the rapidly surging prices of those commodities, as well as copper and aluminum, may push construction costs considerably higher than the budgeted \$700 million.

Asked how large the gap might be, outgoing Convention Center president Al Mezzaroba said yesterday, "The estimate we have right now is \$90 million."

Rendell, in an interview, said he believed the shortfall might be even bigger, since bids from the myriad subcontractors working on the expansion have yet to be received.

Efforts to build a bigger center - the current building opened in 1993 - began early this year, and demolition work is nearly complete. The project is expected to be finished in 2011, and conventions have been booked for that year.

Last summer, state lawmakers, with some reluctance, approved using \$700 million in revenue from slot-machine parlors to pay for its construction. Yesterday, Rendell said the legislature was unlikely to OK a dime more.

"There's no appetite in Harrisburg to go back and do more than \$700 million. Even I wouldn't ask," he said.

Rendell's comments came moments before he signed legislation that would allow the city to impose a "hospitality promotion tax" of up to 1.5 percent, which would raise hotel-room taxes to 15.5 percent.

Some of that revenue - City Council will decide how much in the fall - would be directed to the Convention Center to make up for the shortfall.

"The expansion is constantly in peril because of increasing costs," Rendell told dozens of regional tourism and hotel executives during a news conference celebrating the bill's passage. "Without those extra [hotel-tax] dollars, I'm not sure we have an expansion of the Convention Center."

But those dollars may not be enough.

Rendell said he had asked the city to chip in as much as \$5 million a year for at least 20 years. "The city is probably going to have to dip into its capital budget," Rendell said. "I talked to the mayor. He hasn't said yes yet."

Of Rendell's request, Mayor Nutter yesterday said: "We're still in an active conversation about what the needs are."

But the mayor tried to quash any doubts about the worthiness of the expansion. "The Convention Center is the centerpiece of completing the revitalization of North Broad Street. It's not just a building," Nutter said.

The expansion will increase the space that can be rented for conventions, trade shows and other events from 624,000 square feet to 1,000,000 square feet by extending the building to Broad Street between Arch and Race Streets. It now covers the areas between 11th, 13th, Arch and Race Streets, with a wing extending over the Reading Terminal Market and connecting to Market Street.

Convention Center Authority chairman Buck Riley said the amount of the shortfall would become clearer in mid-August, the bid deadline for the next phase of construction.

He also said it was possible money would be left over from funds allocated to acquire land where the expansion is being built. Those expenditures may be more certain in the next three to four months, he said.

What is certain, Riley said, is that nothing is left to trim from the new building to save money. "We are down to the point where there is nothing that can be pulled out of the plans without starting to hurt the quality of the Convention Center," Riley said.

Besides creating construction jobs, officials expect the project, when completed, to lure tens of thousands more conventioners who would spend money in Philadelphia hotels, restaurants and shops.

"It would be inappropriate to stop a project of this magnitude with that much benefit to the city over a difference of \$90 million in the scope of a \$790 million project," said City Councilman Jim Kenney.

Noting that the city's only existing financial obligation to the expanded center is a \$15 million annual contribution, Councilman Bill Green said, "For us, it makes great sense. . . . We'll have all these extra additional conventions and tourists here spending money in the city."

Contact staff writer Marcia Gelbart at 215-854-2338 or mgelbart@phillynews.com.

Find this article at:

http://www.philly.com/philly/news/year-in-review/20080712_Convention_Center_s_high_costs_draw_notice.html?adString=ph.news/year-in-review;!category=year-in-review;&randomOrd=123108114722

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Posted on Fri, Aug. 22, 2008

Hope rises for Convention Center expansion

By DAVE DAVIES
Philadelphia Daily News

daviesd@phillynews.com 215-854-2595

Earlier this week, Gov. Rendell warned that if costs kept growing, he might pull the plug on the Pennsylvania Convention Center expansion, leaving two rubble-strewn Center City blocks standing vacant, perhaps for years.

That looks a little less likely today.

A bid of just under \$294.5 million for the major construction package on the center yesterday left officials cautiously optimistic that they can afford the ambitious project.

Convention Center board chairman Thomas "Buck" Riley said yesterday that it "would appear" that the bid will bring the project in under the \$790 million price tag that Rendell set as a threshold beyond which the expansion might not be affordable.

"It's not a done deal yet," Riley cautioned, noting that the bid has to be analyzed carefully to ensure that it meets all the specifications. The authority has 60 days to accept the bid, but Riley said that officials hope to act before then.

Rendell said yesterday that the bid looked good at first glance, but added that "we won't know for sure until we really get a chance to get into those [bids] and examine them."

Two bids opened yesterday were for the largest construction package in the expansion project.

The low bid came from a joint venture of Daniel Keating Co. and Keating Building Construction. Their rival, a joint venture of Walsh Construction of Chicago and Buckley & Co. of Philadelphia, submitted a bid of just under \$323 million.

The project costs were originally pegged at \$700 million, to be funded from state gambling revenues. But delays and rising construction costs have driven up the price tag, and Rendell said that he couldn't justify continuing the project if its cost rose above \$790 million.

It's unclear where the \$294 million bid leaves the project's overall finances, because Convention Center officials have declined to disclose what they've budgeted for design, construction management, insurance or

legal costs, or what they've spent in those categories so far.

The authority budgeted \$225 million for land acquisition and demolition, and a bid for the construction of the steel superstructure and concrete was awarded earlier this year at \$154.89 million.

One source familiar with the project said that if the Keating proposal survives scrutiny and is awarded as bid, the total costs should be "in the \$775 million range."

Officials plan to increase the city's hotel tax from its 14 percent to 15.5 percent to fund the increased costs, but that will require approval of City Council.

Rendell said that the state would limit its contribution to the original \$700 million.

"I can tell you, there's no chance, even with me, a Philadelphian as governor, there's no chance that we'll get any additional money out of the state," Rendell said.

Mayor Nutter has repeatedly pledged that the project will be completed. *

Staff writer Chris Brennan contributed to this story.

Find this article at:

http://www.philly.com/philly/news/year-in-review/20080822_Hope_rises_for_Convention_Center_expansion.html?adString=ph.news/year-in-review;!category=year-in-review;&randomOrd=123108120743

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Posted on Thu, Nov. 20, 2008

Convention Center board OKs loans from Chinese investors

By Marcia Gelbart and Linda Loyd

Inquirer Staff Writers

With coaxing from Gov. Rendell, the Convention Center Authority approved a resolution yesterday that enables the center's expansion to be partly financed with a \$100 million loan that is backed by 200 wealthy investors from China, and elsewhere, who want to move to the United States.

The loan is part of a federally sponsored program in which immigrant investors, under certain rules, can become eligible to receive "green cards" for permanent residency. In exchange, they pledge \$500,000 apiece toward various local development projects, such as the expansion.

While yesterday's unanimous vote by the authority's board would allow the center to use the loan program, the deal is not final. The board must still sign off on the precise terms of the proposed loan, which board members were told would carry an interest rate near 2.5 percent, and a five-year term.

The governor's office estimated that the loan would reduce the cost of the expansion - which is being covered by the state - by \$15 million to \$20 million.

"It's a marvelous program," said Buck Riley, chairman of the 15-member authority, emphasizing that it was also "federally vetted" since it was created by Congress.

The board's embrace of the program represents a turnaround from the summer, when board members expressed discomfort with the program partly because of an unwillingness to involve the center in any deal tied to the nation's immigration policy.

Also at that time, significant questions remained about the financing of the Convention Center expansion project, now estimated to cost \$787 million.

But it was important to Rendell for the Convention Center board to approve the program. He hopes to use it to fund other projects throughout the state. A rejection by the Convention Center board could damage the program in the eyes of the mostly Chinese immigrant investors.

The governor pleaded his case last Friday in phone calls to several authority board members.

Riley said yesterday that the board's previous reluctance stemmed from the short term of the loan and the fact that the board was still uncertain of the project's final cost.

"We didn't know what our costs were going to be then. We were waiting for bids," Riley said, referring to the summer. Pointing to the economic crisis on Wall Street, he said, "Within the last six to eight weeks, the cost of borrowing has significantly increased for the state."

Riley added: "We want to dispel any concept that there was any type of stigma to this program."

The program is administered jointly by the Philadelphia Industrial Development Corp. and CanAm Enterprises, a New York firm.

To date, the program has helped finance about 27 projects in the Philadelphia area, including those built by Comcast Corp., August Aerospace Corp., and Temple University Health System.

Others might soon be on the way.

"We've had serious expressions of interest in the Welcome Fund from more than a dozen private projects," Kevin Feeley, a spokesman for CanAm, said.

Contact staff writer Marcia Gelbart at 215-854-2338 or mgelbart@phillynews.com.

Find this article at:

http://www.philly.com/philly/news/year-in-review/20081120_Convention_Center_board_OKs_loans_from_Chinese_investors.html?adString=ph.news/year-in-review;!category=year-in-review;&randomOrd=123108121344

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Philadelphia Business Journal - November 3, 2008
<http://philadelphia.bizjournals.com/philadelphia/stories/2008/11/03/story6.html>



Friday, October 31, 2008 | Modified: Wednesday, November 5, 2008

Convention Center gets proactive with affirmative hiring

Philadelphia Business Journal - by [Peter Van Allen](#) Staff Write

Defending the **Pennsylvania Convention Center's** minority hiring record was like having her feet held to the fire, the CEO said.

That was what it was like last year when City Council held hearings demanding that the convention center open its doors to minority contractors, said Ahmeenah Young, president and CEO of the Pennsylvania Convention Center Authority, which oversees the convention center.

With City Council's prodding, the convention center crafted an affirmative action plan promising to make a "best effort" to involve women and minorities and to bring "meaningful and substantial" change to the 15-year-old center.

"We want to be a good shepherd of the taxpayer money," said Young.

This year, the convention center embarked on an expansion plan estimated to cost \$780 million and paid for with taxes collected from the state's new gaming halls.

Expansion of the center is necessary, officials say, to stay competitive with larger convention centers in cities like Washington, D.C.; Boston; Chicago; and even Las Vegas. With expansion, the center will go from 440,000-square-feet of exhibit-hall space to 700,000 square feet. Translated, that means the center can run a major gate show like the Philadelphia Flower Show alongside a major medical convention.

The center is expected to offer substantial economic development in the city — helping hotels, restaurants, vendors, exhibitors and a host of other businesses.

With economic development, many felt, should also come opportunity — in this case, for women- and minority-owned firms.

That's where City Council stepped in.

Last year, the council members demanded convention center officials explain what they saw as lax hiring practices, ones that favored the status quo.

Young replaced former CEO Al Mezzaroba in June. In prepping for the affirmative action push, she admits she had to brush up on the letter of the law.

"The landscape has changed. I'm talking about the judicial landscape. Courts will not accept arbitrary numbers. You have talk about how you arrived at that number," said Young.

Along with her staff and hired consultants, Young has had to be proactive to find contractors that elevate the status.

Contractors have to be "willing and able," have the expertise to do the job and they have to be available when the center needs them. The group of minority contractors that are willing and able is about 11 to 12 percent of the total pool of bidding contractors. The convention center wants a figure closer to 25 to 30 percent.

The difficulty is the burden of showing they were previously excluded from the hiring process.

"You have to demonstrate that [the contractors hired] are representative of a real population that is 'able and willing.' You have to show that they have been discriminated against [in the past], or actively shut out of business in the past," Young said.

The convention center found experts to do due diligence, finding potential contractors that are willing and able, have the expertise necessary and that would be available in the time frame needed.



Peter Van Allen

The Pennsylvania Convention Center Authority is seeking companies with diverse ownership to assist with the center's expansion, which is slated to be complete by early 2011.

[View Larger](#)

Contractors in demand include electrical and plumbing firms, but also demolition experts, concrete-and-caisson contractors, drywall specialists and engineers.

In the past, skilled contractors may have never had the opportunity to be considered.

“We’re talking access,” Young said, adding that they’re seeking a specific set of criteria.

“We didn’t set out to change how contractors think about this project,” she said. “We don’t care what you did before, after, who your neighbors are.”

Another element that creates tension is conflicting goals among stakeholders in the convention center. The board that oversees the center is made up of appointees named by the mayor, City Council, the governor, state legislature and the area counties.

“City Council may be concerned about [hiring people] from Philadelphia; Pennsylvania may be concerned about Pennsylvania,” Young said.

In the end, the effort to improve minority hiring requires a “best effort,” according to the center’s minority hiring document.

A lot of people are looking to the center’s efforts as a model for other hiring around the city. The six unions that operate in the building are in “lockstep” with the plan, fostering training and apprentice programs to broaden their base, Young said.

One group that has lobbied aggressively for representation is the Sisterhood in the Brotherhood, a group of female carpenters. They testified before City Council about their concerns, often getting shut out in the male-dominated field. City Council may have received their message — but there’s no question Young definitely did. She offered an upscale venue to discuss issues in more detail.

“We invited them in for lunch in the [convention center] board room,” she said.

Minority outreach on the rise

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EXECUTIVE ORDER NO. 5-95

PUBLIC WORKS PROJECT LABOR AGREEMENTS

WHEREAS, the City of Philadelphia has a compelling interest in awarding public works contracts so as to yield the lowest reasonable costs and the highest standard of quality and efficiency; and

WHEREAS, Project Labor Agreements, when appropriate and feasible, can ensure that a public works project is completed at the lowest reasonable cost; by the highest quality and most professional work force; and in a timely manner without labor disruptions such as strikes, lockouts or slowdowns; and

WHEREAS, the benefits of any proposed Project Labor Agreement must be carefully weighed with the effect the Project Labor Agreement would have on competitive bidding, project costs and the City's policy to advance ssomen- and minority-owned businesses; and

WHEREAS, a Project Labor Agreement may be used on a particular project if such Agreement clearly benefits the interests of the City on the basis of cost, efficiency, quality, safety and/or timeliness;

NOW, THEREFORE, by the powers vested in me by the Philadelphia Home Rule Charter, it is hereby ORDERED:

1. Definitions.

(a) Appropriate Labor Organization. An organization representing, for purposes of collective bargaining, journeymen in one or more crafts or trades as with a Federal or state certified approved apprenticeship training program and which:

(i) has entered into a labor agreement with an employer in the building and construction industry;

(ii) has represented journeymen, mechanics and apprentices employed on projects similar to the project for which a Project Labor Agreement is being considered; and

(iii) possesses the present ability to refer, provide or represent qualified journeymen in the crafts or trades required by the project, in sufficient numbers to perform the contracted Work involved in the project.

(b) City agency. A City office, department, board, commission or other entity which procures goods and services through the City Procurement Department.

(c) Project Labor Agreement. A collective bargaining agreement between an employer and an Appropriate Labor Organization relating to work performed at the site of a particular construction project. Such an agreement sets forth the terms and conditions of employment for workers hired by the employer and sets forth certain work rules, no strike clauses, jurisdictional determinations and other provisions that the employer deems important for the completion of the project. For purposes of this Executive Order, the form and manner of the Project Labor Agreement shall be substantially in the form attached hereto as the "Uniform City of Philadelphia Public Projects Labor Agreement," subject to the review and approval of the City Solicitor.

2. Project Labor Agreement Pilot Program.

There is hereby created a pilot program to test the appropriateness and feasibility of the use of Project Labor Agreements in major City public Works projects. Such Project Labor Agreements may be used only in accordance with the terms of this Executive Order. Every Project Labor Agreement entered into pursuant to this Executive Order will be

monitored and evaluated by the Advisory Committee established pursuant to paragraph 3 hereof. The duration of this pilot program will depend upon the findings and recommendations of the Advisory Committee as it monitors and evaluates each Project Labor Agreement.

3. Project Labor Agreement Advisory Committee.

(a) Composition. There is hereby created a Project Labor Agreement Advisory Committee consisting of the following persons:

- (i) Procurement Commissioner or his/her designee;
- (ii) Commissioner of Public Property or his/her designee;
- (iii) Director, Minority Business Enterprise Council;
- (iv) Director of Aviation or his/her designee;
- (v) Deputy Mayor for Labor;
- (vi) Chair, Law Department's Corporate Group;
- (vii) Managing Director or his/her designee; and
- (viii) such other person or persons designated from time to time by the Mayor.

(b) Duties. The Advisory Committee shall:

- (i) Make recommendations to the Mayor as to whether a City agency's request to use a Project Labor Agreement on a particular public works project should be approved as part of the Project Labor Agreement Pilot Program;
- (ii) Monitor and evaluate every Project Labor Agreement entered into pursuant to this Executive Order;
- (iii) Make periodic reports to the Mayor as to the status of the Project Labor Agreement Pilot Program;
- (iv) Ensure compliance with the terms of this Executive Order;
- (v) Make recommendations to the Mayor as to the continued feasibility of Project Labor Agreements in City public works contracts, including recommendations as to Whether the Project Labor Agreement Pilot Program established under this Executive Order should be modified, ended, continued or made permanent; and
- (vi) Perform such other duties as the Mayor may from time to time assign.

4. Scope.

This Executive Order shall apply to major public works projects governed by Section 17-107 of The Philadelphia Code (relating to prevailing wages) and Which are for an amount in excess of \$250,000 or such greater or lesser amount as may from time to time be recommended by the Advisory Committee and approved by the Mayor.

5. When City Agencies May Use Project Labor Agreements.

(a) A City agency may use a Project Labor Agreement in a particular public works project if and only if the City agency makes a prior written determination that such an Agreement is appropriate and feasible with respect to the particular project, under the standards set forth in paragraph 5(b) hereof. The written determination must be sent to the Advisory Committee which shall review it and make a recommendation to the Mayor as to whether a Project Labor Agreement should be used for the specified public works project.

(b) A City agency's determination of the appropriateness and feasibility of using a Project Labor Agreement for a particular project shall set forth in detail the investigation, analysis and justification supporting the determination that the agreement will benefit and enhance the interests of the City on the basis of cost, efficiency, quality, safety and/or timeliness, and shall specifically address the following factors:

- (i) The need for safe, timely and efficient completion of the project;
- (ii) The need for predictable costs and enforcement of prevailing wage requirements;
- (iii) The need for effective mechanisms for resolution of disputes;
- (iv) The need for a ready and adequate supply of highly skilled and highly trained craft ss orkers and the need to guarantee performance of the project in a workmanlike and professional manner; and
- (v) The opportunity to provide significant employment opportunities for qualified City residents and for small, women and minority-owned businesses, taking into consideration the market or pool of available moment and minority-owned businesses, and the effect a Project Labor Agreement would have on the City's policy to advance women- and minority-owned businesses.

(c) The written determination shall also make a finding as to the Appropriate Labor Organization, and shall specifically address whether there are labor organizations other than the Philadelphia, Pennsylvania Building and Trades Council that have the capacity to enter into a Project Labor Agreement within the project area.

(d) This Executive Order does not require the use of a Project Labor Agreement with respect to any particular project, nor does this Executive Order require the selection of any particular union, trade council or labor organization.

6. Required Provisions In Project Labor Agreements.

Any Project Labor Agreement entered into pursuant to this Executive Order shall:

- (a) Contain guarantees against strikes, lockouts, slowdowns and similar actions; and
- (b) Set forth effective, immediate and mutually binding procedures for resolving jurisdictional disputes arising before the completion of the work.

7. Bid Specifications and Procedures When Project Labor Agreements Are Used.

If a Project Labor Agreement is used pursuant to this Executive Order in any public works contracts, the following procedures shall be followed: (a) The form and manner of the Project Labor Agreement shall be substantially in the form attached hereto as the "Uniform City of Philadelphia Public Projects Labor Agreement," subject to the review and approval of the City Solicitor. Such form and manner of Uniform City of Philadelphia Public Projects Labor Agreement shall be subject to modification or revision from time to time on the recommendation of the City Solicitor or the

Advisory Committee.

(b) The Project Labor Agreement shall be negotiated and executed by the general contractor or project manager, subject to the review and approval of the City;

(c) The Instructions to Bidders shall provide that the City, the project manager and any contractor shall have the absolute right to select any qualified bidder for the award of project contracts without reference to whether the bidder was unionized, provided, however, that only a bidder willing to execute and comply with the Project Labor Agreement would be designated the successful bidder;

(d) The Instructions to Bidders shall provide that the Project Labor Agreement shall be made binding on all contractors and subcontractors on the project through inclusion of appropriate bid specifications in all relevant bid documents; and

(e) The public works project shall comply with all other provisions of law including, but not limited to, the provisions of Executive Order 1-93 ("Antidiscrimination Policy").

8. Effective Date.

This Executive Order shall take effect immediately and shall apply only to public works project contracts executed after that date.

Date: 8 November 1995

Signed: Edward G. Rendell, Mayor

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Economic Apartheid, Construction Unions and the City of Philadelphia



Economic Apartheid, Construction Unions and the City of Philadelphia

The city leadership of Philadelphia, PA achieved a very precious milestone last year. After decades of blatant discrimination by 18 construction unions, the city council and the office of Mayor Michael A. Nutter (D) decided to deal with them and begin to make them change their ways. The battle began over the proposed \$700 million Convention Center Project which the citizens of Philadelphia will have to pay for via taxation. The city council demanded to know the racial and gender demographics of the unions as they sought a Project Labor Agreement (PLA) for the project. This means that only union contractors or contractors agreeing to work this project under the current union bargaining agreement and paying union scale wages to its workers can bid. PLA's greatly reduce the number of minorities, women and minority businesses working on a project.

Pat Gillespie, president of the Philadelphia Building Trades Council, irritated the city council who demanded the racial and gender data by claiming, "I don't know who has the data or whether it exists". This was an apparent bold face lie. All major cities track such data for major construction projects via compliance with Executive Order 11246 (John F. Kennedy, 1962). You can start looking for it through the US Department of Labor, Office of Federal Contract Compliance Programs (OFCCP). In this case it was the Philadelphia Office of Housing and Community Development who kept the records. Investigative reporter Tom Ferrick Jr., writing for the Philadelphia Tribune, went and gathered the numbers and published them. It was shocking! Outside of general laborers, 80 percent of the workers were white males and 70 percent lived outside of the city (not even taxpayers who will pay for the projects). Non union projects had 72 percent minority employment and 71 percent lived in the city.

Seeing the data Mayor Nutter summarized it as "Economic Apartheid". His statement is correct and justifiable. This city has a minority population of 55 percent (46 percent is Black alone). Here is the breakdown of Philadelphia construction unions. Remember, "laborer" is the lowest paying level and it is here where they stuff the few minorities they have. The next token level is cement masons and as the pay level raises the minority representation decreases. The Philadelphia story: Laborers-54%, Cement Masons and Finishers-30%, Drywall Finishers and Tapers-26%, Electricians-25%, Painters and Paperhangers-25%, Operators and Operating Engineers-24%, Roofers-20%, Carpenters and Carpet Installers-19%, Floor Layers and Installers-17%, Crane Operators and Oilers-17%, Ironworkers-17%, Sheet Metal Workers-Bricklayers and Caulkers-14%, Plumbers and Plumbing Mechanics-12%, Plasterers-11%, Glaziers-11%, Sprinkler Workers-10%, Mechanics-7%, Seamfitters-5%, Elevator Workers-2%, Insulators-0, Tile Setters and Finishers-0.

My friends the above data is despicable. It has been 47 years since Executive Order 11246 and 45 years since the Civil Rights Act. Plus that, there are 89,120 construction workers in metropolitan Philadelphia but only 10,478 are officially in the unions. Between 1997 and 2002, Black owned businesses grew by 43% which is the highest of any group in the nation. However, in Philadelphia they experienced a decrease of 10% for all Black owned businesses and a drastic decrease of 60% for Black owned construction firms with hired employees (US Census Bureau). It is Economic Apartheid indeed!

Mayor Nutter is taking action. He formed a commission, the Mayor's Advisory Commission on Construction Industry Diversity. It is made up of 15 reputable persons and will be firm. Its mission is to establish a five-year strategic plan for including minorities and women in the Philadelphia building trades. Meanwhile, the city council raised the minority hiring goals from 13% to 35%. The construction unions protested and some, like the electrical workers, claimed they would ignore the goals. That attitude didn't help. The City Council then rescinded the PLA. The unions came back contrite. In order to get the PLA back they have agreed to 50% of the workers to be Philadelphia residents, 25 percent are African American, 10 percent Hispanic American, 10 women, and 5 percent Asian. Sounds like a plan!

Any failure attaining the above numbers will result in the PLA being rescinded. The unions, in order to achieve these goals, will have to open their doors and begin hiring minorities at a history making rate. If they cheat on the numbers, people on the Mayor's Commission, like John Maclin, will definitely figure it out and sound the alarm. In Philadelphia, it has become "Unions, you will integrate or get gone – no PLA's if you don't".

The convention center has been on hold for over a year because of this issue. The strength and leadership of Mayor Nutter and the Philadelphia City Council is hereby noted and greatly appreciated. How is your city doing on diversity? Probably not as good as Philadelphia and I suggest you and other leaders get busy as you now have a model.

Mr. Alford is the co-founder, President/CEO, of the National Black Chamber of Commerce. Website: www.nationalbcc.org.



Posted on Wed, Mar. 18, 2009

Goal: More minority union labor

By DAN GERINGER
Philadelphia Daily News

geringd@phillynews.com 215-854-5961

Before his advisory commission reported on construction-workplace diversity, Mayor Nutter addressed yesterday's *Daily News* story about Darrell Choates, an African-American masonry contractor who was given a runaround instead of a job on the \$800 million Pennsylvania Convention Center expansion.

Speaking to a roomful of construction people at the Convention Center, Nutter's attitude toward minority small contractors differed sharply from that of the CEO of his Office of Economic Opportunity, Michael Bell.

Bell had suggested that Choates should bid on small weatherization jobs instead of trying to get work on a big construction project, telling the *Daily News*, "When we met with Mr. Choates, his largest job was \$60,000. He doesn't have the capacity to do the work."

Nutter said that when he decided to run for mayor, people told him, " 'You have no base, you have no money and you have no capacity to do this.' "

But Nutter resigned from City Council after 14 years - "and you know the last thing this city needs," he said, "is another unemployed brother" - and won the mayor's race.

"Our responsibility is to make sure you have the capacity to do whatever you want to do," Nutter told the minority small contractors in his audience.

To the big general contractors, Nutter said, "You can't always do business with your friends. Get some new friends."

His commission found that although union construction work is "one of few promising sources of good wages and benefits that allow workers without college educations to support their families," minority contractors receive a tiny percentage of the contracts.

The commission set an unprecedented goal of 32 percent minority inclusion.

"According to my very unscientific, uncensuslike survey, the racial makeup of some Philadelphia Building Trades Council unions - laborers, cement masons, operating engineers - is 42 percent African-American," Pat Gillespie, the council's business manager, told the *Daily News* after the meeting.

"Other crafts are maybe 10, 15, 20 percent African-American," he said. "That has to change. The laborers union has to get lighter and all the other unions have to get darker."

Gillespie cast a jaundiced eye toward weatherization programs as the key to minority inclusion.

"The last time we tried that, years ago, we were paying the [trainees] a pittance while a lot of hustlers were getting rich running the training programs," Gillespie said.

"Training is minimal - caulking, fixing drafts, that kind of thing. When the funding stopped, so did the [trainees'] employment, and they had nowhere to go," he said.

Instead, Gillespie said, unions should establish apprenticeship programs that take trainees from weatherization to high-paying trades such as carpentry, electrical and plumbing. "That," he said, "makes sense."

The commission's report on construction-industry diversity is at: <http://www.phila.gov/>.

Find this article at:

http://www.philly.com/dailynews/local/20090318_Goal__More_minority_union_labor.html

☐ Check the box to include the list of links referenced in the article.

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Posted on Sat, Mar. 14, 2009

Mayoral study: Boost construction diversity

By Jane M. Von Bergen
Inquirer Staff Writer

Nearly a third of all construction workers on large city projects should be male minority members, a new [Mayoral](#) report concludes. That would be up from about a fifth.

To make that happen, project owners, contractors, and unions in Philadelphia must work together to promote worker diversity and the city must take a more aggressive stance in oversight, the report said.

The long-awaited report on diversity in the construction trades will be released Tuesday. It comes as the construction sector has taken a beating during the ongoing recession.

In Philadelphia alone, 1,100 construction jobs were lost from January 2008 to January 2009, according to the most recent [U.S. Labor Department](#) figures. Adding in the Pennsylvania suburbs, a total of 9,100 jobs are gone.

"The economy has changed dramatically since we began our commission in March 2008," said attorney Carl Singley, chairman of the Mayor's Advisory Commission on Construction Industry Diversity, which produced the report.

"We have made an effort to take that into consideration in our recommendations," said Singley, a vice chairman of the Pennsylvania Convention Center Authority board. "It is clear that some of our recommendations can't be implemented immediately because of the economy."

The report also comes as communities await federal stimulus money directed to infrastructure construction.

"Surely the stimulus money is going to help us a great deal," said commission member Samuel Staten Jr., president of [Laborers' International Union](#) Local 332, which has a majority of African American members.

"The biggest barrier is economics," he said. "You can put 2,000 people in the union, but at the end of the day, if you don't have work for them, it's a waste."

As a long-term target, the report suggests that male minorities should rise to 32 percent of the workforce on large-scale construction projects in Philadelphia.



TOM GRALISH / Staff Photographer

African American construction workers, including Rashime Sibert-Bey (left) and George Sibert, conduct an informational picket near the Convention Center construction site. A city report says a third of construction workers on big city projects should be male minority members, up from a fifth.

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Marcal Paper Mills, the 76-year-old recycler and manufacturer of toilet tissue, paper towels and napkins, is gambling that increasingly environment-conscious consumers will buy more products if they know the goods are made of 100

Between 2005 and 2007, minority males were 20 percent of the workforce on large city projects, according to a study by the Greater Philadelphia Urban Affairs Coalition.

"When considering long-run employment goals, focus should be on . . . benchmarks for a world with no discrimination, where there would be plenty of role models and no chilling effects," the report said. "There is no data for such a world because it does not exist."

The report said women should be 6.9 percent of construction workers.

It also describes difficulties faced by minority contractors and suggests that the city help by breaking down big projects into smaller chunks that can be handled by smaller businesses while helping them market themselves.

"A key understanding from this process is that the responsibility for diversity does not begin and end with unions," said Sharon Dietrich, a commission member and [Community Legal Services](#) lawyer who represents workers.

"The other partners who share responsibility are the contractors and the project owners," she said. "The project owners in particular have the responsibility to demand diversity because they are the customer, after all."

That was not the thinking a year ago.

When the controversy over minorities in the construction trades erupted in City Council late in 2007 and early in 2008, it turned into a faceoff - unions vs. minorities.

Accusing unions of racism for not including more minorities in their memberships, City Council vowed to hold up construction on the \$800 million expansion of the Convention Center and [end union exclusivity on public projects](#) unless unions increased minority participation.

Although tempers grew hot, the boiling was reduced to a simmer by the promise of a study and new oversight, in this case through the newly formed city [Office of Economic Opportunity](#).

In the meantime, City Council established "aspirational" goals for minority participation on the Convention Center project, even though City Council has no direct authority over the state-funded project.

Early this week, African American workers protested at the job site, saying they were not getting enough work.

"Our project is diverse," responded Convention Center Authority project manager Joseph Resta. He said that while there were no precise numeric minority participation goals, the authority makes an effort to "seek out any and all opportunities for minorities."

For its report, the commission drew on diversity statistics submitted by a dozen building trade unions.

Missing from the report are diversity statistics from the region's two largest building trade unions, Local 98 of the [International Brotherhood of Electrical Workers](#) and the [Metropolitan Regional Council of the United Brotherhood of Carpenters and Joiners](#).

The report includes a detailed object lesson based on the court-ordered diversity efforts of the [International Union of Operating Engineers](#) Local 542.

Despite court supervision and increased membership in the Philadelphia union, minority members never experienced the same levels of employment as their white counterparts, partly because of discrimination, partly because of lackluster effort, and partly because downturns in the economy derailed positive momentum, the report said.

The 100-plus page report includes a history of the African American labor force in Philadelphia and another section offering business tips such as the importance of developing a short marketing speech.

Building Trouble

As the recession took hold in the last year, the number of construction jobs

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City of Philadelphia:

1,100 construction jobs lost, or 9.4 percent, from January 2008 to January 2009

City and suburbs*:

9,100 jobs lost, 11.8 percent

South Jersey:**

1,200 jobs lost, 5.1 percent

*Bucks, Chester, Delaware and Montgomery Counties

**Burlington, Camden and Gloucester Counties

SOURCE: [U.S. Bureau of Labor Statistics](#)

Contact staff writer Jane M. Von Bergen at 215-854-2769 or jvonbergen@phillynews.com.

Staff writer Jeff Shields contributed to this report.

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Posted by **Valley Twin** 06:18 AM, 03/14/2009

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Construction work should be awarded to the qualified contractor who can do the work at the lowest price, regardless of race. Minority or female-owned contractors should not get work simply because they are minority or female-owned. If they want work, let them bid competitively.

Posted by **sillybilly** 07:36 AM, 03/14/2009

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Imagine saying, 2/3 of jobs must go to Whites! Doesn't quite sound as good.

Posted by **Hulk** 11:03 AM, 03/14/2009

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Economic Apartheid, Construction Unions and the City of Philadelphia



Economic Apartheid, Construction Unions and the City of Philadelphia

The city leadership of Philadelphia, PA achieved a very precious milestone last year. After decades of blatant discrimination by 18 construction unions, the city council and the office of Mayor Michael A. Nutter (D) decided to deal with them and begin to make them change their ways. The battle began over the proposed \$700 million Convention Center Project which the citizens of Philadelphia will have to pay for via taxation. The city council demanded to know the racial and gender demographics of the unions as they sought a Project Labor Agreement (PLA) for the project. This means that only union contractors or contractors agreeing to work this project under the current union bargaining agreement and paying union scale wages to its workers can bid. PLA's greatly reduce the number of minorities, women and minority businesses working on a project.

Pat Gillespie, president of the Philadelphia Building Trades Council, irritated the city council who demanded the racial and gender data by claiming, "I don't know who has the data or whether it exists". This was an apparent bold face lie. All major cities track such data for major construction projects via compliance with Executive Order 11246 (John F. Kennedy, 1962). You can start looking for it through the US Department of Labor, Office of Federal Contract Compliance Programs (OFCCP). In this case it was the Philadelphia Office of Housing and Community Development who kept the records. Investigative reporter Tom Ferrick Jr., writing for the Philadelphia Tribune, went and gathered the numbers and published them. It was shocking! Outside of general laborers, 80 percent of the workers were white males and 70 percent lived outside of the city (not even taxpayers who will pay for the projects). Non union projects had 72 percent minority employment and 71 percent lived in the city.

Seeing the data Mayor Nutter summarized it as "Economic Apartheid". His statement is correct and justifiable. This city has a minority population of 55 percent (46 percent is Black alone). Here is the breakdown of Philadelphia construction unions. Remember, "laborer" is the lowest paying level and it is here where they stuff the few minorities they have. The next token level is cement masons and as the pay level raises the minority representation decreases. The Philadelphia story: Laborers-54%, Cement Masons and Finishers-30%, Drywall Finishers and Tapers-26%, Electricians-25%, Painters and Paperhangers-25%, Operators and Operating Engineers-24%, Roofers-20%, Carpenters and Carpet Installers-19%, Floor Layers and Installers-17%, Crane Operators and Oilers-17%, Ironworkers-17%, Sheet Metal Workers-Bricklayers and Caulkers-14%, Plumbers and Plumbing Mechanics-12%, Plasterers-11%, Glaziers-11%, Sprinkler Workers-10%, Mechanics-7%, Seamfitters-5%, Elevator Workers-2%, Insulators-0, Tile Setters and Finishers-0.

My friends the above data is despicable. It has been 47 years since Executive Order 11246 and 45 years since the Civil Rights Act. Plus that, there are 89,120 construction workers in metropolitan Philadelphia but only 10,478 are officially in the unions. Between 1997 and 2002, Black owned businesses grew by 43% which is the highest of any group in the nation. However, in Philadelphia they experienced a decrease of 10% for all Black owned businesses and a drastic decrease of 60% for Black owned construction firms with hired employees (US Census Bureau). It is Economic Apartheid indeed!

Mayor Nutter is taking action. He formed a commission, the Mayor's Advisory Commission on Construction Industry Diversity. It is made up of 15 reputable persons and will be firm. Its mission is to establish a five-year strategic plan for including minorities and women in the Philadelphia building trades. Meanwhile, the city council raised the minority hiring goals from 13% to 35%. The construction unions protested and some, like the electrical workers, claimed they would ignore the goals. That attitude didn't help. The City Council then rescinded the PLA. The unions came back contrite. In order to get the PLA back they have agreed to 50% of the workers to be Philadelphia residents, 25 percent are African American, 10 percent Hispanic American, 10 women, and 5 percent Asian. Sounds like a plan!

Any failure attaining the above numbers will result in the PLA being rescinded. The unions, in order to achieve these goals, will have to open their doors and begin hiring minorities at a history making rate. If they cheat on the numbers, people on the Mayor's Commission, like John Maclin, will definitely figure it out and sound the alarm. In Philadelphia, it has become "Unions, you will integrate or get gone – no PLA's if you don't".

The convention center has been on hold for over a year because of this issue. The strength and leadership of Mayor Nutter and the Philadelphia City Council is hereby noted and greatly appreciated. How is your city doing on diversity? Probably not as good as Philadelphia and I suggest you and other leaders get busy as you now have a model.

Mr. Alford is the co-founder, President/CEO, of the National Black Chamber of Commerce. Website: www.nationalbcc.org.

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A great opportunity to integrate the construction unions

by *Harry C. Alford, NNPA columnist*



Harry Alford

One of the most curious situations going on in the political arena is the strong support construction unions get from Black elected officials and traditional civil rights organizations.

This blind and unconditional love affair going on even though construction unions are the most racist organizations in the nation defies all common sense. It is more than 44 years since the Civil Rights Act, and the construction trades are no better today than they were during the struggles of Dr. Martin Luther King Jr.

Unions, per se, have been great and progressive, but the construction trades have hid behind the “skirt” of that legacy to prolong their exclusive and discriminatory ways.

The same unions that put out a “contract” on the life of Dr. Arthur A. Fletcher when he went around the nation implementing Executive Order 11246 [issued Sept. 24, 1965, the first “affirmative action” mandate, requiring equal opportunity employment by contractors on federally funded projects] and the Civil Rights Act are still resisting diversity.

That made it easy for us to convince President George W. Bush to prohibit Project Labor Agreements involving federal money. PLAs are agreements that prohibit any business other than a union shop from working on a specific project.

Show me a PLA and I will show you Jim Crow employment plus a locking out of most Black-owned firms that happen to be nonunion most of the time. A Project Labor Agreement is a license to discriminate against Black workers.

We showed President Bush that on the Wilson Bridge Project in the D.C. area, if we were to have a Project Labor Agreement like Maryland as opposed to Virginia, it would reduce Black labor by 70 percent. When the president banned any PLA on the bridge, he actually said, “I want to support small business and stop discrimination in the workplace.” That was a great moment for Black employment and business development.

With the new elections, the love affair between unions and the Democratic Party is about to emerge again. That is fine with me except with the bigoted construction unions.

I feel that instead of screaming and complaining, perhaps this is a great time to make a long overdue change. Let’s make the construction unions integrate.

President-elect Obama has promised groups like the International Brotherhood of Electrical Workers that he will end the ban on PLAs. As he makes good on this promise, we must be vigilant and qualify each and every PLA. We must look at the demographic goals for each geographic area which are set by the U.S. Department of Labor and match that with the current capacity of the applicable construction unions.

In essence, if a major project is going up in Chicago or Detroit, we must see what the availability is for Black employment - laborer, journeyman, foreman, management etc. - in that market. If the construction unions do not have those numbers in their ranks, then we should file a complaint and stop the "set up" for discrimination. We have no other option.

Let's remember how the City of Detroit had less than a 10 percent Black workforce on their new baseball and football stadiums - the city is 83 percent Black! - because of a stupid PLA.

Sooner or later the discriminating union halls are going to get the message and start recruiting Blacks into their ranks once and for all.

This is a great time to make a long overdue change. Construction unions are the most racist organizations in the nation. Let's make them integrate.

When the Indiana Pacers needed their new stadium built, the construction unions demanded a PLA. The Indianapolis Republican Mayor Steve Goldsmith saw that he needed to do this to get funding from the Democratically controlled state legislature.

Black State Representative and Chair of the Budget Committee William Crawford displayed the wisdom of Solomon. Here was his deal: The state will put up the money but the PLA will provide that the Department of Labor standards [requiring the workforce to racially reflect the population] are met. Harry Alford would verify those numbers and report them.

The unions got their way, the mayor got his money and Black employment and contracting wouldn't suffer. However, it was indeed creative how the unions met those numbers. They didn't have enough local members to make them, so they recruited or brought in workers from as far away as Milwaukee, St. Louis, Cincinnati etc. to work on the project.

That was the only way they could do it. Also, there wasn't a Black in town working anywhere else but on the stadium. It was quite an experience that I cannot forget.

The pre-apprentice scams, the hush money to civil rights groups and political contributions will no longer work for the construction unions. They have got to integrate here and now. We are going to audit them and rank them market by market.

Anywhere a PLA pops up, the National Black Chamber of Commerce will be there to scrutinize, challenge and call out any discrimination. Eventually our leaders and the unions will realize that it is 2009 and doing the right thing is the only thing they can do.

Never again will we close our eyes, turn our backs or simply ignore institutional racism. We will fight and kill it. Yes we can!

Harry Alford is the co-founder, president and CEO of the [National Black Chamber of Commerce](#).

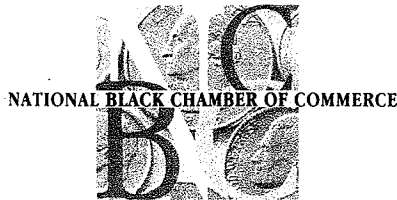


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PROJECT LABOR AGREEMENTS

POLICY STATEMENT --

It is the policy of the National Black Chamber of Commerce, Inc. to oppose Project Labor Agreements. This opposition is based on the fact that African American workers are significantly underrepresented in all crafts of construction union shops. This problem has been persistent during the past decades and there appears to be no type of improvement coming within the next ten years.

There have been rouses of diversity pre-apprenticeship programs during the past twenty years but no increase in diversity at the apprenticeship to journeymen levels. The higher incidence of union labor in the construction industry, the lower African American employment will be realized. This is constant throughout the nation.

Also, and equally important, the higher use of union shops brings a correlated decrease in the amount of Black owned businesses being involved on a worksite.

Signed,



HARRY C. ALFORD
President/CEO

January 26, 2001

HOW UNION-ONLY LABOR AGREEMENTS ARE HARMING WOMEN- AND MINORITY-OWNED BUSINESSES

HEARING BEFORE THE COMMITTEE ON SMALL BUSINESS HOUSE OF REPRESENTATIVES ONE HUNDRED FIFTH CONGRESS SECOND SESSION

Washington, DC, August 6, 1998

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POSITION PAPER

UNION – ONLY PROJECT LABOR AGREEMENTS

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The National Black Chamber of Commerce, Inc. is firmly **against** union – only Project Labor Agreements. Such agreements result in anti-small business activity which is predatory to Black owned businesses and curtail the potential for employment opportunities within urban areas. No company or individual should be forced to sign a union agreement before given the opportunity to participate in our capitalistic system. PLAs are anti-free market, non-competitive and, most of all, discriminatory.

We base our position on the following:

- Labor unions, particularly the construction trades, have been under-representative of the African American population. Discrimination indeed exists in virtually every union hall across this nation. There are cases, such as Gary, IN, and Buffalo, NY where the unions have segregated chapters, i.e. Black carpenters union/white carpenters union.
- Unions have actively opposed programs that provide an inclusionary process for African Americans such as the Revised Philadelphia Plan and affirmative action programs at the government levels. Union money and influence played a major role in convincing the NAACP to either oppose and/or remain neutral on an affirmative action policy from the years 1969 –1990.
- 4 out of 5 American construction workers choose not to join a union. Union-only agreements would, therefore, oppose or usurp the public mandate.
- Union-only contracts increase the cost of construction through higher labor costs and limited competition. Many times they are found to violate competitive bidding laws and cost taxpayers unnecessary inflated prices.
- PLAs would render minimum wage standards invalid. Davis-Bacon standards would intercede and become the “actual minimum wage”.
- PLAs would cause a closed shop hiring practice with no guarantees of equal opportunity.
- Union-only contracts would “jack up” wage standards without proper negotiation and run up the cost of construction to prohibitive levels.

SIGNED:


HARRY C. ALFORD
President & CEO