

ANNUAL GOLF OUTING!

News from Chicago PDCA/FCA/IAF

June 3, 2005, at Indian Lakes Resort in Bloomingdale

MAY-JUNE, 2005

monitor

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PUBLISHED BY CHICAGO PAINTING & DECORATING CONTRACTORS ASSOCIATION AND THE PAINTING & DECORATING CONTRACTORS INDUSTRY ADVANCEMENT & PROMOTIONAL FUND — AFFILIATED WITH THE FINISHING CONTRACTORS ASSOCIATION

WELFARE FUND REPORT

Trustee Marty Tew reports for the Health and Welfare Fund for the month of March, 2005, that Ordinary Income of \$2,813,578.88 plus Investment Income of (\$276,987.28) minus Total Expenses of \$2,741,660.75 have yielded a Total Net Income of (\$205,069.15).

For the fiscal year-to-date, Ordinary Income of \$33,012,207.46 plus Total Investment Income of \$1,734,640.76 minus Expenses of \$28,354,260.71 have yielded a Net Income of \$6,392,587.51.

As of 3/31/05, the Welfare Fund Value was \$61,202,832.18.

PENSION FUND REPORT

Trustee Rick Ascher reports for the Pension Fund for the month of March, 2005, that Ordinary Income of \$2,218,583.40.12 plus Total Investment Income of (2,532,742.26) minus Expenses of \$1,868,628.13 have yielded a Net Income of (2,182,786.99).

For the fiscal year-to-date, Ordinary Income of \$27,737,390.12 plus Total Investment Income of

\$14,525,525.60,544.24 minus Total Expenses of \$21,685,042.07 have yielded a Net Income of \$19,702,264.30.

As of 3/31/05, the Pension Fund Value was \$393,813.675.08.



PDCA/FCA/IAF

CALENDAR

Of 2005 Meetings & Events

- PDCA Golf Outing June 3, 2005
Indian Lakes Resort, Bloomingdale
- Joint Membership Meeting September 14, 2005
Maggianno's Little Italy, Oak Brook
- FCA Industry Week November 7-10, 2005
Bally's, Las Vegas
- Associates Christmas Lunch December 2, 2005
Edelweiss, Norridge
- PDCA Christmas Luncheon December 14, 2005
Maggianno's Little Italy, Oak Brook



A Few Words From **MARTY TEW** President, Chicago PDCA/FCA

Rules, rules, rules. Are Rules made to be broken?

Welcome back to another edition of the *Monitor*. The grass is green, the birds are singing, and I can hear the

fireworks from 35th street. How about those White Sox!

I recently stopped by the Painters District Council 14 office and witnessed some of the skills our apprentices possess. Under the direction of Mike Krawiec, I saw first hand some of the finest decorating work completed. There was more work in progress, with fabulous results to be revealed shortly. My visit confirmed my opinion that our apprentices do graduate out of the program better trained and more knowledgeable about the industry than in years past. Personal kudos to all the staff at our Berkeley facility that provides the training for our future work force.

I once had a new employee who, after a few weeks on the job, caused me to notice a few apprentice-type mistakes being made. I asked the man how he became a painter and when had he graduated from Washburn? He responded that he used to drive a truck for a living, but always enjoyed painting on the side for friends and relatives. He said that "painting was easy, anyone can do it, and you make big money."

So, he bought his card and officially became part of the work force as a union member. Not quite the response I was looking for, but it was the answer I was given. The brush and roller work was adequate, but his lack of official training was soon apparent. Simple apprentice mistakes were really no big deal, but the skills

one expects from a journeyman weren't there. Paint material was over-ordered on jobs because the proper spread rates weren't calculated, color and stain mixing/matching couldn't be done with any accuracy, wallcovering installation...fawgetaboutit!

When asked, "Can you operate a pressure washer?" The man's answer was affirmative. Later, I found out the surfaces were washed without the benefit of soap because he didn't know how to connect the siphon tube that mixes the soap with water. Just keep repeating to yourselves, "painting is easy, anyone can do it, you make big money."

When I asked my 17-year-old son recently what he wanted to do for a living when he grows up, he responded that he wants an easy job where you make lots of money. I chuckled to myself and recommended that he become a painter. We can start with a faux finishing seminar offered by Home Depot on Saturday morning.

Now I'd like to turn attention the job-reporting requirement in our contract with Painters District Council 14. Article XII, section 4, states that the employer will report to the union, in writing, all jobs before beginning work on them. Employers failing to report their work can be assessed liquidated damages in an amount determined by the Joint Trade Board. Currently, the going rate is \$2,000.00 per unreported job. In addition to fines, any employer failing to comply with the reporting requirements can be required to furnish a \$30,000.00 bond for the life of the contract. It's so simple to comply, I don't understand why would anyone risk the fine or the increased bonding requirement.

Enclosed for your use are a few simple forms for job reporting and subcontractor use. Feel free to use your own format. Also enclosed is a job complaint form. This can be used to report jobs

that are not yours but where you feel that something might be "rotten in Denmark."

Here is a quick example. Say you bid on a simple occupied tenant repaint job scheduled for a weekend and two bids come in at \$8,995.00 and \$9,000.00. The third bid comes in at \$6,000.00. You can only assume at this point that the low man is using the "Floating 40-hour week" work rule or the "Cash for weekends" work rule. The use of such "rules" must be reported to the District Council when employed. It is possible that a double-breasted shop could be the low bidder. With a price advantage, that non-union crew can go in on the weekend and capture the work.

Have you ever heard this: "Days, nights, weekends, it doesn't matter, and it's the same low price." This is commonly the sales pitch of a double-breasted company. Whichever bogus work rule is being used, the District Council will surely have a keen interest.

I personally had a man call seeking employment that was so desperate for work that he offered to work for less than union scale. This would be the offer to me from the man to utilize the "Work 40 hours but get paid for less" work rule. There is also another variation of this "rule" out there being utilized which results in the same net effect. It's the "Only report on a fraction of the employees" work rule. This is where you report on say 10, or 20, or 30 men but really employ more like 40, or 50, or 80.

I've had men in the past offer to work using the "Cash for weekends" rule. The men who wanted to take advantage of that work rule were really sold on the benefit. You might not need

the hours reported because you worked enough in the quarter or have enough hours in the bank for health insurance. You're well on your way to a pension credit for the year; there are no taxes for Uncle Sam taken out, no dues check off, no political action deduction, etc. If you couple an unscrupulous contractor with a willing employee, the rules of the game can bend, change, and even new ones can be created.

You can also have an employee in a compromised position that is taken advantage of. The compromised position comes into play usually when the English language is not well spoken or understood by the employee or when the employee is new to this country. It's unfortunate, but over the years I've personally seen employees get taken advantage of because they had recently emigrated from Russia or spoke only Polish, or had a Hispanic background. Usually the man's job is held over his head and he is bamboozled into working for less than scale under the threat that he will lose his job "if he causes trouble." Until that man can come forward and tell his story, these abuses will continue.

In short, the existence of rules makes it likely that people will break them. Truly legitimate contractors abide by real rules.

Enough preaching...let Summer begin!

Marty



ANY FOURSOME CAN PLAY

IN THE 2005

CHICAGO

PDCA/FCA

GOLF

OUTING!

JUNE 3, 2005, AT INDIAN LAKES RESORT

250 West Schick Road □ Bloomingdale, IL 60143 □ 630/529-0200

**PLEASE...UNION PAINTING CONTRACTORS
ONLY...MAXIMUM OF 144 GOLFERS!**

SHOTGUN START □ SCRAMBLE □ \$125 FOR BREAKFAST, GOLF & LUNCH

□ HOLE-IN-ONE PRIZE

□ LONGEST DRIVE CONTEST

□ CLOSEST-TO-THE-PIN CONTEST

□ LONGEST PUTT CONTEST

□ LOW TEAM SCORE PRIZE

CHECK-IN/COFFEE & ROLLS 7:00 TO 7:30 AM

TEE-TIME 8:00 AM

COCKTAILS 1:30 PM

LUNCH & AWARDS PROGRAM 2:00 PM

BUY SPONSORSHIPS (\$200 EACH) FOR TEES, GREENS & CONTESTS!

WORKER VOLUNTEERS ARE NEEDED...

CALL RICH TODAY AT 630/393-1313!