



THE ACT REPORT

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MARCH, 1995

'Some Progress' Is Made On ACT W.Va. Jobs Bill

The regular session of the 72nd Legislature of West Virginia ended March 11 with ACT "making some progress" on its proposed West Virginia Jobs Act.

The West Virginia Jobs Act would require 90 percent of the workers hired on publicly-financed or assisted jobs to be local workers.

For projects close to West Virginia borders, residents from neighboring states would be included in the local labor force.

"We don't want to put up walls at our borders," said ACT President Bruce Tarpley.

"We just want local people to have the first shot at much

needed construction jobs, especially jobs created by our own tax dollars."

The bill was introduced by Sen. David Grubb, D-Kanawha,

and Del. Larry Linch, D-Harrison.

Legislative representative B. B.

Smith said "ACT is making some progress on the proposal even though it didn't pass this session."

In the Senate, the Jobs Act unanimously passed the La-

bor Committee, chaired by Sen. Don Macnaughtan, D-Wetzel, "with no problem," according to Smith.

It was then referred to the

Finance Committee, chaired by Sen. Oshel Craigo, D-Putnam. It was on the committee's agenda for three days but no action was taken.

"On the third day Sen. Bill

Sharpe of Lewis County made a motion to table the bill which was approved," Smith said. "That means there could be no discussion and it couldn't pass this year. Sharpe killed it."

In the House of Delegates, the Jobs Act went to the Judiciary Committee, chaired by Del. Richard Staton, D-Wyoming, where it was amended into the West Virginia Vendor Preference bill.

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Continued on page 2

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ACT Legislative Representative B.B. Smith

Montoney Tells Upshur About TJM Concerns

Steve Montoney, ACT's northern representative, regularly attends government meetings in Upshur County acting as a watchdog over construction projects.

Lately he's been going to more and more meetings.

Montoney has attended the last several Upshur County Commission meetings in order to voice ACT's concern over hiring practices and tax giveaways at Trus Joist MacMillan (TJM).

"We don't want to be quiet and just let the whole thing blow over," Montoney said. "We're going to attend those meetings for as long as it

Continued on page 3



TALKING BACK to conservative radio shows is Sen. David Grubb, D-Kanawha. The show is on WQBE.

Labor-Backed Talk Show Is Hit With Listeners, Will Go Weekly

State Sen. David Grubb, D-Kanawha, recently scored a hit with Kanawha Valley talk show listeners.

Grubb has been hosting "Talking Back" on WQBEAM 950 on Saturday mornings since January. Recently, the station decided to upgrade the show to five days per week, airing from five to six p.m. beginning March 20.

The program was started by ACT along with the LEAD program (a labor-management construction safety group), the United Mine Workers of America, the West Virginia State Employees Union and the West Virginia Education Association.

"We thought the time had

come for working men and women to have a forum to air their views," said Steve White, ACT director.

The Kanawha Valley's talk radio shows generally have a conservative leaning and were credited with aiding conservative candidates at the polls last fall.

"Talking Back" is an alternative to the right-wing so-

cial and economic agenda of the many local and national talk shows now airing, White said.

John Gush, WQBE station manager, said the phones start ringing before Grubb gets in and continue to ring after he leaves.

"The only indication we get whether or not a show is doing

Continued on page 3

Inside The ACT Report

Workers Comp	Pg. 2	Grubb Schedule	Pg. 3
Comp Vote	Pg. 2	Pulp Mill	Pg. 4
Davis-Bacon	Pg. 2	Weyerhaeuser	Pg. 4
Write to Congress	Pg. 3		

'Some Progress Is Made' On Jobs Act

Continued from page 1

The Vendor Preference Bill would give West Virginia companies a 7.5 percent preference on state contracts.

"We had a bill that was good for West Virginia busi-

ness and workers but it was killed by the Chamber of Commerce and the Contractors Association of West Virginia (CAWV)," said Steve White, ACT director.

(CAWV should not be con-

fused with the union contractors association, the W.Va. Construction Council.)

"When you look at the Workers Compensation vote and the fate of the West Virginia Jobs Act you can really

see who your friends and enemies are," White said.

"Working men and women are fortunate to have two building trades members in the House. Del. Gary Tillis, D-Putnam, and Del. Linch are very effective in working with other delegates.

"They led the battle against the Workers Comp attack and got the the Jobs Act moving along," he said.

Smith said it was difficult moving labor-oriented legislation this session.

"That's the reason organized labor needs to get more involved in politics," Smith said. "We must register our members and get legislative committees organized now.

"We need to contact legislators and educate them on the positive aspects of the West Virginia Jobs Act."

Workers Comp Bill, Amendments

Opposed Reduced Benefits In House

Robert Beach
O.B. Collins
Mary Pearl Compton
Tracy Dempsey
Richard H. Everson
Barbara Fleischauer
Ron Fragale
Larry Jack Heck
Susan Hubbard

Tal Hutchins
George Kallai
Steven Kominar
Earnest H. Kuhn
Margarette R. Leach
Larry A. Linch
Tom Louisos
Sam Love
Dale Manuel

Warren R. McGraw II
Ernest Moore
Grant Preece
Paul E. Prunty
Gary O. Tillis
Tom Tomblin
Scott G. Varner
David E. Whitman
Emily W. Yeager

Supported Reduced Benefits In House

Kenneth Adkins
Jon Amores
Bill Anderson Jr.
Bob Ashley
Tom Azinger
Homer Ball
J.D. Beane
Jack Bennett
Eric T. Blass
Larry Border
Richard Browning
Marjorie Burke
Ann Calvert
Samuel J. Cann
Robert Chambers
Charles Clements
Vicki Douglas
John Doyle
Danny L. Ellis
Timothy R. Ennis
Allen V. Evans
Karen L. Facemyer
Larry Faircloth
Nick Fantasia

Joe Farris
Eustace Frederick
Brian Gallagher
Kelly Given
Roy Givens
Dan Greear
Mike Hall
Steve Harrison
Donald Haskins
Dick Henderson
Mark A. Hunt
Evans H. Jenkins
Arley R. Johnson
Jerry K. Kelley
Edward B. Kime
Robert Kiss
Otis Leggett
Greg D. Martin
Joe Martin
Jerry Mezzatesta
Harold Michael
Peggy Miller
Jay Nesbitt
Clinton Nichols

Elizabeth Osborne
John Overington
Bruce N. Petersen
Tamara Pettit
John Pino
Roman W. Prezioso
Bill Proudfoot
Robert P. Pulliam
Dale Riggs
James J. Rowe
Arnold W. Ryan
Rudy Seacrist
Jody G. Smirl
Vic Sprouse
Douglas K. Stalnaker
Rick Staton
Joseph B. Talbott
Carl C. Thomas
Ron Thompson
Charles S. Trump IV
Bill Wallace
Ronald Walters
Barbara Warner
Larry A. Williams
James Willison

Opposed Reduced Benefits In Senate

David Grubb

Don Macnaughtan

Rebecca I. White

Supported Reduced Benefits In Senate

Leonard Anderson
Billy Wayne Bailey Jr.
Thais Blatnik
Donna Boley
Edwin J. Bowman
Jack Buckalew
Truman Chafin
Oshel B. Craigo
Frank Deem
Robert Dittmar

Harry E. Dugan
Walter Helmick
Lloyd G. Jackson II
Larry Kimble
Shirley D. Love
Joe Manchin III
David Miller
Sarah M. Minear
Michael A. Oliverio II
Robert H. Plymale

Mike Ross
Randy Schoonover
Thomas F. Scott
Bill Sharpe Jr.
Earl Ray Tomblin
Keith Wagner
Martha Walker
Tony Whitlow
Larry Wiedebusch
William Wooton
John C. Yoder

Workers Comp Bill Staying On Agenda

Even though Workers Compensation legislation was passed to decrease injured workers' benefits, ACT isn't going to let it blow over.

In an effort to inform the public, ACT placed half-page ads in 31 state newspapers reporting how local legislators voted on this issue so vital to workers.

"We want to keep this issue on the front burner," said Raymond "B.B." Smith, ACT legislative representative.

"They want to balance the

Workers Comp fund on the backs of injured workers while millions of dollars owed the fund are going uncollected.

"We supported changes in the law, but not this one-sided approach. We plan to come back with improvements for the next legislative session.

"This includes going after deadbeat companies."

Recent reports in *The Charleston Gazette* noted two coal operators who owe more than \$35 million to the Workers Compensation Fund.

Congressional GOP Attacks Davis-Bacon

U.S. House of Representatives Speaker Newt Gingrich has a "Contract For America" plan to cut the federal budget.

But Tim Millne, ACT's fair contractive representative, argues passing Gingrich's "Contract" will end up costing the federal government more money, not less.

"How are we going to pay for the 'Contract with America'?" asks Millne.

"They want to do away with programs like Davis-Bacon.

"But if they do, construction work will end up costing more for producing less."

The Davis-Bacon Act--also known as the prevailing wage

law -- preserves local area wages and labor standards when awarding contracts for federal construction work.

Enacted in 1931, the law states that contractors for federal projects must pay their workers no less than the wage rates prevailing in the local area for each craft, as determined by the U.S. Department of Labor (DOL).

Some lawmakers argue construction workers aren't worth what they're being paid and those Davis-Bacon wages are too expensive for the federal government to pay.

"That's ludicrous," Millne

Continued on page 3

ACT Rips TJM Land Sale, Tax Breaks

Continued from page 1
takes.”

At the Feb. 16 meeting Montoney questioned the commission's sale of property on Hall Road near Buckhannon to TJM.

Montoney protested the county's sale of the land where TJM is located for \$100 after purchasing the lot for \$400,000.

The Upshur County Development Authority purchased acreage on the Hall Road for \$398,000 and leased about 113 acres to TJM for a one-year period from May 11, 1994 to May 9, 1995.

TJM agreed to pay the county \$70,000 rent for the one-year period, and also agreed to purchase the property on May 9, 1995 for \$100, if construction is completed at the manufacturing plant.

If the plant is not completed by that date, the agreement stated, TJM would pay the county \$440,000 for the land.

“The lease/sale agreement stipulated the plant must be completed by May 9, this year

in order to have the land at \$100,” Montoney said. “But on Oct. 21 last year the county sold the land to TJM for only \$100.”

before they were in production. I don't feel I get any answers when I come here. A lot of people are getting short changed. We're getting very

Thomas, ACT industrial representative, and a dozen local union construction workers attended as well.

ACT officials have repeat-

that union workers can be screened and ultimately eliminated?” Montoney asked.

He said a list of area workers was submitted last July and not one was hired.

Chase Construction, an Arkansas-based company, brought 30 workers with it to the TJM construction site, but fired the only two local workers it had when the company learned they were union workers, according to Montoney.

“They've set up company travel trailers for out-of-state workers to live in at \$125 per week,” Montoney explained.

“I don't blame these men for coming here to work. But I do blame TJM for bringing a 'Mom and Pop' operation from Arkansas to do the jobs our own area workers can do.

“I also blame the authority for not demanding our local work force be used, but instead assisting an out-of-state company to secure workers.

“We don't mind giving tax incentives to businesses when they give us a return for our investment. However, we keep pouring public funds, directly and indirectly, into the project with little or no benefit.”



PROTESTING THE TJM LAND SALE with an informational picket are Upshur County ACT Members.

Montoney asked commissioners at the meeting why the county had given TJM a clear deed to the property months earlier than planned.

“You changed the agreement,” Montoney told the commissioners.

“You gave the land to them

little out of this TJM deal.”

He also asked the commission and the development authority director Frank Moots to explain why they approved \$22.5 million in tax free bonds for TJM and why TJM would not pay taxes on the property for the next 30 years.

Montoney attended the development authority meeting two weeks later in order to keep up the pressure. Bill

edly charged that local construction workers have been shut out of jobs at the TJM site and have asked the development authority to help local construction workers talk with TJM officials about job opportunities.

Montoney said the authority is now asking for resumes of local workers.

“Is the development authority requesting applications so

Labor-Backed Talk Radio

Continued from page 1
well is the number of calls we get,” Gush said. “And Sen. Grubb's show gets a lot.

“I think the show will continue to be very popular. People around here have been looking for a local show to voice their opinions.

“National shows are great, but they don't address local or

state issues, which is what a lot of people are interested in.

“Sen. Grubb does a very good job covering local issues.”

ACT is looking to other parts of the state to start similar shows. “We need to get our message out,” White said.

“The more programs we can get started the better.”

Federal Davis-Bacon Act In Peril

Continued from page 2
said. “All Davis-Bacon does is ensure contractors base their bids on a level of wages and fringe benefits typical to the local area.

“That makes bids for federally funded projects based on a common labor cost, and competition is focused on management, quality, timeliness and productivity.

“Wage rates are based on the typical wages and benefits of the area, regardless of whether they're union or not,” Millne said.

According to the DOL, 71 percent of wage determina-

tions issued in 1994 were based upon nonunion scales of labor.

A union wage only prevails if most construction workers in a community are union members.

The only broad area where this exists anymore is in heavy and highway construction where the majority of workers are covered by collective bargaining agreements.

“As far as expense goes, the union vs. nonunion argument doesn't wash,” Millne said. “Lawmakers have to take productivity into consideration.

“When a job has to be re-

done because of inferior construction work, that drives the cost up a lot more.”

Write To Congress

Rep. Allan B. Mollohan
2427 Rayburn Building
Washington, D.C. 20515

Rep. Nick J. Rahall II
2269 Rayburn Building
Washington, D.C. 20515

Rep. Robert E. Wise, Jr.
2434 Rayburn Building
Washington, D.C. 20515

'Talking Back'
WQBE-AM

Monday through Friday
5 to 6 p.m.
Call 744-2291 or 744-2292
to air your views

FOIA Requests Disclose Secret Proposals

Mill Seeking \$200 Million From State

A recent series of articles in *The Charleston Gazette* on the proposed Apple Grove pulp and paper mill revealed developers want West Virginia taxpayers to invest \$200 million to help fund the project.

The series also revealed owner Parsons & Whittemore wants West Virginia to promise super tax credits, exemptions from property taxes and more than \$60 million in road improvements.

This and other restricted information became available after years of attempts by various organizations, including ACT, to get the West Virginia Development Office to release information through Freedom of Information Act requests.

Stuart Calwell, ACT's lawyer, noted that only half of the documents were released. Those disclosures make him wonder what the documents

not released by the Development Office might show.

"The Development Office is funded with tax dollars," Calwell said. "I think people have a right to know how their tax dollars are being spent."

Roland Phillips, a state economic developer, objected to the idea.

Phillips was quoted in one article as saying "Stuart Calwell is not an economic developer. Stuart Calwell has not spent 10 years in the development office trying to bring jobs to West Virginia.

"I don't work for these people and I can't have them coming in here and going through my files."

"It's comments like that really reveal the arrogance of

some government officials," ACT Director Steve White said.

"Actually, Phillips does work for Stuart and every

"But we're tired of this 'hiding behind closed doors' stuff. Other government agencies have to disclose information especially when so much of

our money is involved.

"Why shouldn't they?"

Bill Thomas, ACT's

industrial representative, said development office documents show the pulp mill developers have been involved for years in local labor relations issues.

Thomas points to the fact that Phillips met with Rudy Shomo of Rhone-Poulenc, Ken Goddard of Parsons & Whittemore, and Thad Epps of Union Carbide just a few months before Rhone-Poulenc announced it would be using Brown & Root for its

construction and maintenance.

"I believe Parsons & Whittemore intends to build its plant using Brown & Root or some other union-busting company," Thomas said.

"If that happens you can expect the same thing as when Brown & Root moved in. Hundreds of workers were imported while local union workers lost their jobs."

Dioxin was also a topic covered in the Gazette series.

Despite Gov. Caperton's continued claims the pulp mill will use "state-of-the-art technology," Phillips admitted it would not be considered state-of-the-art in the worldwide marketplace.

In Canada, the provinces of British Columbia and Ontario -- the two largest paper-producing regions in North America -- have regulations that call for phasing out the use of dioxin producing chemicals in the pulp and paper industry.

In Europe, consumers have pushed the market away from any dioxin producing paper making processes.

Goddard, vice president of Parsons & Whittemore, spoke at a recent Mason County Chamber of Commerce dinner.

In his speech Goddard didn't commit to either hiring locally or building a state-of-the-art, dioxin free, pulp paper mill.

"I think people have a right to know how their tax dollars are being spent."

ACT Attorney Stuart Calwell

other West Virginia taxpayer. If we ask for information from a government agency, we ought to be able to get it."

White said he understood why Phillips and developers didn't want to release their documents to the public.

"The \$200 million loan the mill owners want, but nobody outside of the government knew about, is a pretty good reason for not wanting their files opened to the public," he said.

ACT Disappointed With Out-Of-State Companies

Weyerhaeuser Awards Contracts

Engineering and construction contracts have all been awarded for the \$110 million plant Weyerhaeuser Company plans to build in Braxton County.

The engineering contract for the oriented strand board plant went to Rust Inc. of Birmingham,

Ala.; construction of the building shells went to Carl Nelson Construction of Iowa; and the remainder of the contract went to Casey Industrial of Portland, Ore.

All are non-union. All are out-of-state contractors.

"These companies just don't

like to deal with unions, period," said Bill Thomas, ACT's industrial representative.

Thomas was upset with Weyerhaeuser for its lack of information and communication with local union contractors.

"We've been working hard trying to get union contractors to bid on this project," Thomas said. "It's really disappointing that a job of this size is going to out-of-state, non-union companies."

ACT hasn't been able to find out yet what the contractors plan to do as far as using a local or out-of-state work force.

"We hope they'll use local people, of course," Thomas commented. "But the lack of information the company has made available to local contractors has left us doubting

whether they want to work with us at all."

Thomas recounted Weyerhaeuser's first announcement of the plant when it reported it would hire 70 percent local workers.

"They didn't specify whether they were talking about permanent or construction workers. There's a big difference in numbers between the two," he said.

He estimated peak construction would bring about 250 to 300 jobs to Braxton County, lasting from a year to 18 months.

ACT was concerned when the project was first bid that the contract would go to BE&K Construction Co. of Birmingham, Ala. BE&K is known for its union-busting activities, according to Thomas.

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