Illinois construction workers end three-week strike

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On Monday, two unions consisting of more than 15,000 heavy equipment operators and laborers agreed to return to work after stopping work on over 300 Chicago-area construction projects for three weeks.

Union officials teamed up with contractors and state authorities to push the rotten contract on the workers. It includes the lowest wage increase for workers in more than ten years and does nothing to offset rising health care costs, diminishing work hours and increasing unemployment.

Under immense rank-and-file pressure, the International Union of Operating Engineers (IUOE) and the Chicago Laborers' District Council (LDC) authorized a strike on June 30, demanding a wage increase of 15.9 percent over the next three years.

Workers insisted they needed the increase in order to meet rising health care and pension costs, and reduced work hours and unemployment. The contractors' association, the Mid-American Regional Building Association (MARBA), initially countered with a 3.25 percent increase next year.

The union ultimately agreed to a 9.75 percent increase in wages, spaced out over the next three years. This will likely be well below cost of living increases, largely due to rising health care costs. Current estimates project health care costs to increase by at least 10 percent for union members over the next three years.

Increasing prices are compounded by a steady decrease in total hours for laborers and construction workers, who have seen their average work hours drop from 1600 to 1000 per year over the last few years, roughly a 40 percent decrease.

Construction workers are facing what *Chicago Business* has called "one of the worst downturns ever for the construction industry" in the metropolitan region. On June 28, *Chicago Business* reported that the Illinois construction industry has lost at least 20,000 jobs since the economic recession began, contributing significantly to the state's unemployment rate of 10.8 percent, the worst level in a quarter century.

Estimates given by both the unions and MARBA place unemployment rates within the trades to be as high as 40 percent, depending on the particular profession. IUOE Local 150 representatives say that of their 8,500 members, at least 1,000 members and their families depend on weekly food bank services to get by, and that 1,200 families have lost their health care coverage due to a lack of hours.

The IUOE and LDC each voted to strike on June 30, a month after their most recent three-year contracts expired. Between the two unions over 15,000 workers picketed construction projects across 10 counties surrounding the Chicago metropolitan area, most notably stopping the $95 million resurfacing projects on the Eisenhower Expressway and the I-290 interchange extension. Several other trades—including carpenters, truck drivers, cement masons, and technical engineers—honored the picket lines during the three-week strike.

MARBA had countered throughout the strike that the construction workers were unrealistic in asking for cost-of-living wage increases in an unstable economy. The contractors insisted that construction workers accept drastic cuts like all other workers in the state at present.

Typical were the comments delivered in mid-July by MARBA chairman Tom Nordeen. "As our nation struggles through a recession with no end in sight, thousands have lost insurance altogether as layoffs continue," Nordeen said. "Against this backdrop, it's unbelievable that the locals continue to insist on increased contributions to their health care benefits—benefits far more generous than what the average Illinois family can expect to receive."

Local media outlets such as the *Daily Herald* and the *Chicago Sun-Times* have implicitly blamed the construction workers for not sharing more of the burden of "concessions" that other workers have been forced to endure during the recession via furloughs, wage cuts and mass layoffs. One tactic has been to highlight the average hourly wage of construction workers—reportedly between $35 and $45 per hour—and compare it to that of workers in other professions such as teaching, social work, or health care. The implication is that these workers are greedy, and not "sharing in the suffering."

In a letter to the *Sun-Times* on July 19, one laborer described the common situation facing most workers, in response to the attacks on construction workers' wages:

"The hourly wage is pretty good, but keep in mind we do not get vacation, holiday or sick pay—if we don't work we don't get paid, period," the worker wrote. "Most workers are laid off at some point every year. So when someone takes our hourly wage, multiplies by 8 hours, then by 5 days, then by 52 weeks a year and decides we make over $70,000 a year, it's just not accurate."

He went on to describe his own personal situation: "In 2006—a good year—I made about $60,000 before taxes. In 2009, I couldn't get as many hours and only managed about $40,000 before taxes. Both years kept me eligible for our health-care plan. In 2010, I've only been able to get about 6 weeks of work so far, which has made me ineligible for our health-care benefits"

Behind the scenes, Gov. Quinn and the Illinois Democratic Party machine moved against the strikers. During the strike Department of Transportation Secretary Gary Hannig sent a letter to the contractors' Road and Transportation Builders' Association indicating that the state "may try to invoke no-strike requirements in the future, could possibly rebid contracts and would not extend deadlines for financial incentives."

Hannig aimed to appear even-handed by threatening to reevaluate builders' contracts. But the far more serious and direct threat—a back-to-work "no-strike" order—was leveled against the workers.

Illinois is currently $13 billion in debt and faces a massive budget crisis. Quinn, backed by both of the Democratic-controlled houses of state congress, has already announced this month that he will cut at least $1.4 billion dollars in social spending for the 2011 fiscal year.

The state is expected to continue to borrow heavily in order to pay its outstanding bills— $3.7 billion this year alone. Part of this money is earmarked for projects involving highway resurfacing and school construction.

However, these borrowing schemes are at the mercy of financial markets. With Moody's Investor's Service and Fitch Ratings recently downgrading the state's credit rating, Illinois' ability to fund urgently needed infrastructure improvements has been thrown into doubt—and with it the livelihoods of more construction workers.