

March 7, 1997

DIOCESAN UNION LABOR CONTRACT POLICY
FOR RENOVATIONS AND NEW CONSTRUCTION

Diocese of Youngstown

A. Theological Principles

VALUE: UNION LABOR

In 1891, Leo XIII's Rerum Novarum proclaimed that workers have a right to form and join unions and engage in collective bargaining; reaffirmed in 1986 in The NCCB Pastoral Letter, Economic Justice of All (EJA): "The Church fully supports the right of workers to form unions or other associations to secure their rights to fair wages and working conditions" (EJA, 104).

VALUE: LIVING AND JUST WAGES

Papal and U.S. Bishops' teachings also called for commitment to "living" and "family" wages. "The dignity of workers also requires adequate health care, security for old age or disability, unemployment compensation, healthful recreation and leisure, and reasonable security against arbitrary dismissal" (EJA, 103).

VALUE: WORKER RESPONSIBILITY

Unions and workers have responsibilities as well: "workers must use their collective power to contribute to the well-being of the whole community and should avoid pressing demands whose fulfillment would damage the common good and the rights of more vulnerable members of society" (EJA 106).

VALUE: LAY PARTICIPATION IN THE CHURCH

The Second Vatican Council called upon lay Catholics to become more active in the life of the Church. Pope John Paul II's Christifideles Laici ("On the Vocation of the Lay Faithful in the Church and in the World," 1989) addresses this call for lay participation in the Church, especially their role in the local parish.

The US Bishops further write: "The obligation to sustain the Church's institutions. . . falls on all the members of the community because of their baptism. . ." (EJA: 351).

*VALUE: STEWARDSHIP OF RESOURCES AND CHURCH AS
ECONOMIC ACTOR*

“Although it is a moral and legal fiduciary responsibility of the trustees to ensure an adequate return on investment for the support of the work of the Church, their stewardship embraces broader moral concerns” (EJA: 354).

In the Ethical and Religious Directives for Catholic Health Care Services, (NCCB, 1994), Catholic institutions are directed to “be responsible stewards of the . . . resources available to it” (ERD, Directive 6).

“Although all members of the Church are economic actors every day in their individual lives, they also play an economic role united together as Church. On the parish and diocesan level, through its agencies and institutions, the Church employs many people; it has investments; it has extensive properties for worship and mission” (EJA, 347).

Based on various documents of the Church, especially the Pastoral Letter on Racism (“Brothers and Sisters to Us,” 1979) the Church calls for more participation in the economic life of society of racial minorities. Through the National Catholic Inter-Racial Conference’s “Project Equality” Catholic parishes and institutions have utilized their economic resources to invest in financial institutions which promote Community Reinvestment, and attempt to purchase goods and services from minority owned businesses (racial minorities, and women owned). It is a goal of this policy to attempt to include as many qualified minority owned businesses in the rehabilitation and construction projects sponsored by parishes and institutions.

B. Local Diocesan History and Policy

1. In 1965, the Diocese issued support letters and statements for union contractors and workers to be used.
2. A succession of letters and directives in 1976, 1987 and 1993 established the precedent for the Bishop's policy. A 1993 "Construction and Renovation" procedure was released to all parishes.
3. A list of union-based "Signatory Contractors" was forwarded to parishes and institutions in the mailings which re-affirmed the policy.
4. On various occasions the openness of bidding by non-union contractors, especially by Catholic lay persons who are active parish members and who own their own (sub)contractor firm, has been raised. It has been further raised that there are many Catholic lay persons who also are active members of a parish who are involved in the various labor unions. It is the operative policy of the diocese that since the Church supports union labor, bidding for all Church related renovation and construction projects is limited to union labor contractors only.
5. According to the 1993 "Construction and Renovation: Procedures" document, section 5 dictates that the "Lowest bidder is selected."

C. Other Diocesan Approaches -- Selected Quotations from Policy

1. Diocese of Cleveland:

“a. While parishes are encouraged to seek union contractors for all construction projects, union contractors must be used for repairs and renovations over \$50,000. Union contractors must be used for new construction over \$100,000.

b. The contract levels of \$10,000, \$50,000 and \$100,000 are total estimates of parish projects. These total costs are not to be parceled or portioned into smaller segments that undermine the policies of the diocese regarding permission and/or union contractors.

c. An exception to union contractors can be requested by pastors for non-union contractors when a principal of the construction firm is a member of the involved parish and furnishes (provides) prevailing wages, pension and health/hospitalization benefits to employees.

d. Union contractors, when required, also must be invited to bid when a non-union contractor who is a member of a parish has indicated his interest in his/her parish’s construction project.”

2. Diocese of Buffalo

“a. The Diocese of Buffalo and its parishes will pay the prevailing wage for all new construction, repairs and renovations in excess of \$20,000. The term “prevailing wage” is defined as the prevailing wage and supplemental benefits as published by the New York State Department of Labor. Prevailing wage affords both union and open-shop contractors to bid on work on an equal basis.

b. An appeal process for exemptions from the above policy shall be established. In considering requests for exemption, factors such as the necessity of the project, economic difference of the bids received, the financial condition and limitations of the parish involved, the availability of donated services, or any other extenuating circumstances shall be considered. In the appeal process, the Bishop shall make the final determination, which shall be binding and not subject to further review.

c. A review process to insure compliance with the prevailing wage requirement will be established and monitored by the Department of Buildings and Properties. Verification methods will be incorporated in the diocesan guidelines.”

3. Archdiocese of Cincinnati

“Except for those areas of the Archdiocese in which union labor is determined by the Archbishop to be unavailable or scarce, major (commercial) new construction regardless of cost, and major (commercial) renovation projects costing in excess of \$1,000,000, are to be limited to union contractors. When a parishioner is at least 10% owner or legal partner in a construction company capable of doing the major commercial construction or renovation work in question, that company whether union or non-union, may bid on major or commercial construction or renovation projects at the person’s own parish.”

D. STATEMENT OF POLICY

Based in the tenets of Catholic social teaching, the Church wishes to ensure that all our workers, both union and non-union, receive just wages and proper benefits. This continues the long-standing desire of the Church to protect the basic rights of all working men and women. Since 1965, the Diocese of Youngstown has given priority to union labor contractors in all of its renovation and new construction projects. This preference is still in effect.

The Union Labor Contractors Policy of the Diocese shall be the following:

1. Priority and preference shall be given to union labor contractors. Normally, union contractors shall be used for repairs and renovations over \$100,000. Normally, union contractors shall be used for new construction over \$200,000. The contract levels of \$100,000 and \$200,000 are total estimates of parish projects. These total costs are not to be parceled or portioned into smaller segments that undermine the policies of the diocese regarding permission and/or union contractors. These threshold figures will be re-evaluated every five years.
2. Prevailing wages will be paid on all projects.
3. An exception to union contractors can be requested by pastors for non-union contractors when a principal of the construction firm is a member of the involved parish and furnishes (provides) prevailing wages, pension and health/hospitalization benefits to employees, and demonstrates that his/her firm is capable of such a project.
4. A review process to insure compliance with the prevailing wage requirement will be established and monitored by the Diocese. Verification methods will be incorporated in the diocesan guidelines.
5. An appeal process for exemptions from the above policy shall be established. In considering requests for exemption, factors such as the necessity of the project, economic difference of the bids received, the financial condition and limitations of the parish involved, the availability of donated services, or any other extenuating circumstances shall be considered. In the appeal process, the Bishop shall make the final determination, which shall be binding and not subject to further review.
6. Union contractors, when required, also must be invited to bid when a non-union contractor who is a member of a parish has indicated his interest in his/her parish's construction project.

7. Lowest and best bids, with all things being equal, will be selected.
8. Parishes and institutions are encouraged to contact the diocese for a list of contractors and subcontractors which have been used and who have met these eligibility requirements.

E. DEFINITIONS

Major or commercial construction:

Major or commercial construction is to be understood to mean the construction of churches, schools, multipurpose buildings, gymnasiums, stadiums, etc., or any additions thereto. Minor or residential construction, not covered by this policy, shall be understood to include the construction of convents, rectories, and parish office space within rectories.

Renovations:

Renovation projects shall be understood to mean construction work that takes place within the confines of the existing roof, walls, and basement of the structure to be renovated. Expansion beyond the existing foundation, excavation of dirt to enlarge a basement, or the adding of additional floors through elevation of the roof are all considered new construction rather than renovation.

Union contractors:

Union contractors shall be understood as those contractors who are, throughout the duration of the construction work, signatory to an agreement (recognized by the Building Trades Council) or agreements with the various trade unions representing the types of trades employed, and who exclusively employ members of the union representing their trade on the specific job site.

Parishioner:

For purposes of this policy, a parishioner shall be defined as a registered parishioner who lives within the confines of the boundaries of the parish, or one who lives outside the confines of the parish boundaries, but who has been a registered parishioner at the parish for a period of at least two years. It is presumed that a person may be a registered parishioner at only one parish at a time.

Capable:

Companies must meet minimum financial, quality, and experience standards commensurate with the size and type of work in order to be eligible. AIA Document (A305) is a tool by which the capability can be measured. If the non-union parishioner contractor is a subcontractor on the construction project, the union general contractor will review the standards outlined in AIA (A305), and make recommendation to the Bishop regarding qualifications. If the non-union

parishioner contractor is the general contractor on the construction project, the Bishop alone will make the determination as to qualifications.

Prevailing Wage

The term “prevailing wage” is defined as the prevailing wage and supplemental benefits as published by the Ohio State Department of Labor. Prevailing wage affords both union and open-shop contractors to bid on work on an equal basis.

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Bid Check List:

Is the contractor/subcontractor a union labor signatory?	30 points
If non-union contractor/subcontractor, does the firm's bid include prevailing wage?	20 points
Is the bid the lowest bid?	15 points
Is the contractor/subcontractor a member of the parish?	10 points
Does the contractor/subcontractor provide benefits to its workers?	10 points
Does the contractor/subcontractor have any plans for the use of minority or women owned businesses?	5 points
Does the contractor/subcontractor have experience, within the past 5 years, on similar projects?	5 points
Does the contractor/subcontractor have expertise in this type of project?	5 points

Some Possible Union Labor Consultants

Mr. Martin O'Connel, AFL-CIO of Greater Youngstown; advisor to James Traficant.

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