



BUILDING TRADES NEWS

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GOV. NEWSOM VETOES FAIR WAGES FOR CONSTRUCTION WORKERS

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At the conclusion of his first legislative session as governor, Gavin Newsom vetoed three bills important to the payment of fair wages for members of the Building Trades and all construction workers.

“We will not accept this; we’re going to fight for our members,” said Ron Miller, Executive Secretary of the Los Angeles/Orange Counties Building and Construction Trades Council, which represents 150,000 hard-working, skilled construction workers. “It’s inconceivable that Newsom would veto these bills aimed at ensuring construction workers are paid fairly. He isn’t the first Democrat that we helped get elected that forgot who he rep-

AB 520:
PREVAILING WAGE FOR PRIVATE PROJECTS USING PUBLIC FUNDS

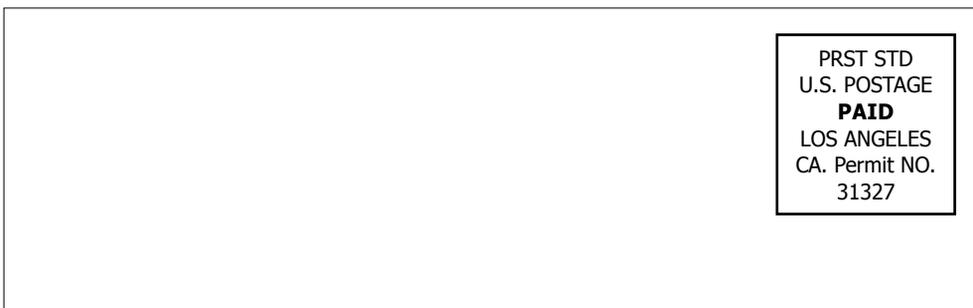
Significant taxpayer subsidies would trigger payment of fair wages.

AB 1613:
PREVAILING WAGE ON CHARTER SCHOOL CONSTRUCTION

Charter schools using taxpayer funds would pay the same prevailing wage as in public school construction.

AB 5:
AFFORDABLE HOUSING AND PREVAILING WAGE

A skilled and trained workforce and prevailing wage for up to \$2 billion annually for affordable housing.



resents, but we will remind him.”

When he ran for Governor, Gavin Newsom claimed he’d fight for construction workers and garnered the support of the Building Trades and other unions.

Actions speak louder than words. On Oct. 13, Newsom vetoed three bills that would create jobs for union members and protect construction workers from un-

scrupulous developers who want to avoid paying fair wages. After vigorous debate and economic analysis, these three bills passed both houses in the Legislature by substantial margins and needed only Newsom’s signature to become law.

Two of the three bills deal with housing. At the heart of this conflict is the

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AB 520: Public Funds for Private Projects Definition for “De-minimis” (Kalra)

Would have ended the practice of developers and contractors receiving significant taxpayer subsidies and not paying fair wages.

AB 1613: Charter School Construction Prevailing Wage (O’Donnell)

Would have required charter schools built with taxpayer funding to pay prevailing wage to construction workers, as required with public school construction.

SB 5: Affordable Housing and Community Development Investment Program (Beall)

Provided up to \$2 billion annually for local governments to assist with the development of affordable housing; projects would be covered by the skilled and trained workforce and prevailing wage requirements.

question of who will build the housing that California desperately needs. Will it be built by a skilled and trained workforce, working for a decent and fair prevailing wage, or by exploited workers being paid low wages in cash under the table—if they’re paid at all?

This legislative session much attention, including the Governor’s, was paid to workers suffering in the “gig economy.” These vetoes ignore the fact that residential construction is the original, and most troubling, “gig economy.” Many of the jobs in residential construction are insecure, low paid and have no benefits or on-the-job protections.

California plans to invest \$17.5 billion into housing every year in the next 10 years: a total of \$175 billion. “With this much at stake, we need to ensure that this taxpayer money will not go to line the pockets of profiteering developers and contractors who employ workers in the underground economy and who, regardless of the high profits they enjoy, still think it’s OK to pay construction workers less than \$50 cash a day,” said Joel Barton, Business Manager of International Brotherhood of Electrical Workers Local 11.

Text Subhead

The biggest tool to prevent the exploitation of construction workers in the underground economy is to require the payment of prevailing wage—the average wage of an area for a construction worker, instead of the lowest minimum that a developer can get away with. The spirit of California’s hard-fought prevailing wage law requires the pay-

ment of prevailing wage when taxpayer money is being used. But this requirement is often circumvented by developers and contractors who seek to exploit workers and increase their profits. The “de minimis” bill that Gov. Newsom vetoed would set a threshold that requires prevailing wage on private projects that receive public funding.

“On a regular basis our Plumber organizers meet workers on construction sites who are being paid in cash well under minimum wage, with no taxes, no benefits and no future,” said Jeremy Diaz, Business Manager of UA Plumbers Local 78 in Los Angeles. “Is this the California that Governor Newsom thinks our members deserve? Construction workers deserve better than this.”

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Since the year 2000, California has lost more blue-collar jobs than any other state in the country. The Building Trades continue to grow in this environment where blue-collar work is generally in decline. This is possible because of tireless efforts to organize workers, to politically engage and train the next generation of workers and activists in apprenticeships around the state. Decisions like Governor Newsom’s to veto these three fair wage bills will certainly confuse many Tradesmen and women who voted for Newsom.

His action will also serve as a political catalyst for union construction workers.

“It is not only troubling

that Governor Newsom vetoed these three bills, it’s made worse when we realized that he vetoed these bills as a favor to the non-union California Building Industry Association, an organization with members that have a long history of abusing construction workers for profit,” said Robbie Hunter, President of the State Building and Construction Trades Council that represents 450,000 construction workers, including 63,000 apprentices, across California.

Of these 63,000 apprentices, approximately one in five has been incarcerated or involved in California’s criminal justice system. Apprentices represent the full spectrum of Californians, including veterans, youth emancipated from foster care, and those who have suffered long-term unemployment.

“The Building Trades are the blue-collar middle class,” Hunter said. “We drive jobs, we drive the economy, we give working people the ability to buy a home and feed their family, and this Governor should be standing with us, not against us.”



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