
ZETLIN & DE CHIARA LLP



“Quality Is What Matters Most When Considering Union and Open Shop Labor.”

On May 31, Zetlin & De Chiara hosted *The Future of Labor in Construction* forum at the Union League Club, where Co-Founding Partner Michael De Chiara guided a discussion between developers, contractors and the trades that considered how market forces are influencing the future of New York’s construction labor force.

Presenters included: **Richard T. Anderson**, New York Building Congress; **Jay Badame**, AECOM Tishman; **Sabrina L. Kanner**, Brookfield Properties; **Gary LaBarbera**, Building and Construction Trades Council of Greater New York; **Steve McInnis**, the New York City District Council of Carpenters; **Joseph G. Mizzi**, Sciame Construction; **Charles F. Murphy**, Turner Construction Company; and **Edward V. Piccinich**, SL Green Realty Corp.

A post-event survey of attendees asked respondents to think about the construction labor situation in New York.

Some interesting response patterns emerged, including:

- When deciding between union or open shop labor, respondents overwhelmingly feel that quality is the most important factor.
- Benefits and fringes are the most expensive contributing factors for union projects, whereas wages are the most expensive factor for open shop projects.

- 70% of respondents feel that there is an alternative to unions for assuring a source of skilled construction trades labor. Alternatives cited include: PLAs, non-union trade school, vocational training at a high school level, open shop recruiting and community college.

Respondents disagreed on how large of a gap, if any, exists between the skilled labor pools of union vs. open shop. Such comments included:

- “My perception is that union projects have a [larger] pool of skilled labor to draw from. Open shop contractors, I believe, may be more resource restrained.”
- “Union trades should be providing a better level of quality, craftsmanship, and manor of working/professionalism. They should realize that they must be a step above and beyond the nonunion trades if they are to convince owners to keep building union.”
- “If managed well by the CM, the project is virtually indiscernible.”
- “Union projects have the largest quantity of skilled professionals.”

Respondents often pointed to specific regulations they feel make New York construction projects unnecessarily complex. This point was clear: Labor Law §240 (the Scaffold Law), 401A, and the litigious nature of construction in New York are factors driving up insurance premiums.

As one participant put it, “the NYC construction market is one of--if not the most--challenging in the country. Proactive steps in identifying and managing risks can help to limit exposure and reduce the burden on insurance.”

Zetlin & De Chiara LLP

801 Second Avenue, New York, NY 10017

212-682-6800 | www.zdlaw.com

Attorney Advertising