



# PAMCANI

PLUMBING AND MECHANICAL CONTRACTORS AUTHORITY OF NORTHERN ILLINOIS  
603 Rogers, Suite 2, Downers Grove, IL 60515 630 • 960-3970 Fax 630 960-5487 www.pamcani.org

Bi-WEEKLY PUBLICATION  
**News  
DROPS** \$  
News updates on our industry, our economy, our recovery

February 11, 2009

**Welcome to the first edition of PAMCANI News DROPS!**—This special, bi-weekly bulletin was created in an effort to provide you with a source of important economic- and business-related happenings. Some of the news will be recently published, some will simply be interesting, and some will be vital to surviving in today's struggling economy. The information included in this bulletin will have been collected from various news sources, allowing you to have a greater understanding of the many economic issues facing today's businesses and their workforces. We welcome questions, ideas, comments and contributions from you regarding PAMCANI News DROPS\$ and its material.

**Happening Now: Economic Stimulus Plan Almost a Done Deal**—Democratic and Republican senators reached a tentative agreement Friday, Feb. 6, for a \$780 billion economic stimulus package, also known as the American Recovery and Reinvestment Act of 2009. The bill includes federal tax cuts as well as spending on education, health care, infrastructure, and other programs that would create or save jobs. There was plenty of compromise last week, as senators trimmed about \$100 billion from the original version of the package. Some of the money removed from the plan was for such things as school construction, federal prisons, NASA, and the EPA. Remaining in the plan are tax incentives for small businesses and tax-relief for low- and middle-income families. The Senators continue to debate the new version of the massive economic recovery package, with a vote expected as early as today, Wednesday, Feb. 11.

**Unemployment Continues to Rise**—There is new pressure to get the economic recovery plan passed since it was just reported that employers cut another 598,000 jobs from U.S. payrolls in January, increasing the unemployment rate to 7.6%. Illinois has the 39<sup>th</sup> highest unemployment rate at 7.3%; the state stands to lose over 147,000 jobs in 2009, following the 100,700 that were lost in 2008. (U.S. Bureau of Labor Statistics)

**News That's Fitting: Union Labor Backed by President**—President Barack Obama recently issued a series of executive orders that he said should "level the playing field" for labor unions. The orders encourage federal agencies to have construction contractors and subcontractors enter project labor agreements. These agreements require contractors to negotiate with union officials, recognize union wages and benefits, and generally abide by collective-bargaining agreements.

**Union Membership Grows Despite Economy**—In 2008, union members accounted for 12.4% of employed wage and salary workers, up from 12.1% the year before. That .3% may not seem like much, but it actually equals 428,000 more union workers, bringing the total number of workers belonging to a union to 16.1 million. In Illinois, there are close to 1 million union members. This was the second consecutive year that membership has seen increased numbers; and also the first time in 30 years that union density grew two years in a row. (U.S. Bureau of Labor Statistics, Division of Labor Force Statistics)

**Good to Know: What is the Employee Free Choice Act?** The Employee Free Choice Act (EFCA) is proposed legislation which aims to amend the National Labor Relations Act by establishing an easier system that would allow employees to form or join unions. The EFCA would also establish stronger penalties for unfair labor practices during organizing efforts. Union workers armed with an estimated 1.5 million supportive signatures rallied in Washington the week of Feb. 2, hoping to convince Congress to pass the EFCA legislation. (Note: The PAMCANI lunch meeting on March 12 at Shaw's/Schaumburg will feature an overview by attorney Rick Samson on how EFCA could affect union contractors in Northern Illinois. To RSVP, contact Barb at our office at 630-960-3970.)

And workers want unions now more than ever. According to research from Harvard University, more than 50% of non-union workers want a union to represent them. The study's author theorizes that if workers were provided the union representation they desire, the unionization rate would be about 58%—almost 5 times higher than the actual rate of 12.4%. (Economic Policy Institute)

**Debt is Down**—There is good news in the midst of the recession. *The Wall Street Journal* recently reported that household debt in the U.S. decreased toward the end of 2008. That's the first time it has been reduced in more than 50 years. In addition, savings rates have been going up and could reach 3% to 5% in the near future.