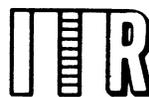


FIVE AFFIRMATIVE ACTION PROGRAMS for EQUAL OPPORTUNITY EMPLOYMENT in the CONSTRUCTION INDUSTRY

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Institute of Industrial Relations
University of California, Berkeley

M. Peevey

B. Heian

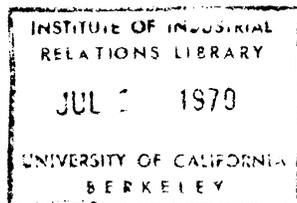


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INTRODUCTION

The past year has witnessed a proliferation of programs aimed at increasing minority employment in the skilled construction trades. The announcement and subsequent implementation of the "Philadelphia Plan" marked the beginning of a national drive by the Office of Federal Contract Compliance (OFCC) of the U.S. Department of Labor.

The Department of Labor announced in February that its 1970 compliance program for the construction industry requires that special efforts be made to develop equal employment opportunity programs in twenty-five cities across the nation. It also announced that while preferring "hometown solutions" to train and place minority group workers in the construction industry, those local communities unable to develop on their own initiative acceptable area-wide agreements face the likelihood that "Philadelphia-type Plans" would be imposed upon them.

This pamphlet, which brings together five different approaches to compliance with the equal employment opportunity requirements of Executive Order 11246, seeks to aid in finding a solution to the problem of equal opportunity employment in the construction industry. The affirmative action programs examined are the "Chicago Plan," the "Pittsburgh Memorandum," the "St. Louis Supplemental Manpower Agreement," the "Philadelphia Plan," all now in operation, and the "Model Area-wide Agreement" drafted by the OFCC. Each has its own unique ingredients.

The purpose, participants, goals, scope, implementation, program elements, and so forth of each program are contrasted with the other programs in a handy format that allows the reader to make comparisons at a glance. The Institute of Industrial Relations believes this pamphlet will perform a useful community service and be a valuable aid to community and union leaders, contractors, local government officials, human rights commissions and others interested in the equal employment opportunity field.

The pamphlet was prepared by Michael Peevey, Coordinator of Community Programs, and Mrs. Betty Heian, Research Assistant, under the general supervision of Professor Lloyd Ulman, Director of the Institute of Industrial Relations.

1.

Office of Federal
Contract Compliance
Model

Chicago Plan

1. Statement
of Purpose

"The purpose of this Agreement is to increase minority employment and consequent union membership in the construction industry in this area. Unions, contractors, Building Trades Councils, General and Specialty Contractors Associations, participating community officials and other parties representing and concerned with the minority community pledge themselves to achieving this objective."

"THIS AGREEMENT is entered into on this 12th day of January, 1970, by and between the undersigned, the CHICAGO AND COOK COUNTY BUILDING TRADES COUNCIL (herein called "the Council"), the BUILDING CONSTRUCTION EMPLOYERS ASSOCIATION OF CHICAGO, INC. (herein called "Employers Association"), and the COALITION FOR UNITED COMMUNITY ACTION¹ (herein called "the Coalition") for recommendation to their respective members and affiliates.

"WHEREAS, the Council, Employers Association and the Coalition recognize the desirability and necessity of securing a greater minority group representation into the skilled trades of the building industry of Chicago; and

"WHEREAS, if general business conditions permit, the said parties hope to achieve, year by year, over a period of not more than five years a level of minority group employees proportionate to their percent in the community at large; and

"WHEREAS, the parties are agreed that no party will benefit by or has an interest in the destruction or dilution of existing standards and programs; and

"WHEREAS, the parties agree that knowledgeable persons acting in good faith are the most effective and efficient means to achieve these goals;

"NOW, THEREFORE, it is agreed that the Council, Employers Association and Coalition shall affirmatively recommend to

Pittsburgh
Memorandum

St. Louis
Supplemental
Manpower Agreement

Revised
Philadelphia Plan

The only statement of purpose in the memorandum is implied by the title and subtitle:

"MEMORANDUM OF UNDERSTANDING

Among

THE PITTSBURGH BUILDING
TRADES UNIONS
and

THE CONTRACTORS
and

THE BLACK CONSTRUCTION COALITION

AFFIRMATIVE ACTION PROGRAM FOR
MINORITY PROGRESS
FOR THE
CONSTRUCTION INDUSTRY"

"THIS AGREEMENT [is] made as of October 15, 1969, between the undersigned Construction Employer Associations and the undersigned St. Louis Local Labor Unions,..."² "The Purpose of this agreement is to provide maximum opportunity for the training and employing of minority groups who have resided in the City of St. Louis or St. Louis County for at least one year or are residents of Model City areas."

²The agreement is signed by Carpenters' District Council of St. Louis, Local Union No. 513 Affiliated with the International Union of Operating Engineers AFL-CIO, and the Associated General Contractors of St. Louis.

The purpose of the Revised Philadelphia Plan "...is to implement the provisions of Executive Order 11246,..." This plan requires a bidder to set specific goals with respect to each trade named in the plan³ but "...participation in a multi-employer program approved by the OFCC shall be acceptable in lieu of a goal for the trade involved in such a training program."

³The trades named in the September 23, 1969 order were Ironworkers, Plumbers and Pipefitters, Steamfitters, Sheetmetal workers, Electrical workers, and Elevator construction workers.

OFCC Model

Chicago Plan

their respective members and affiliates the following plan:..."

¹Representatives of the following groups signed for the Coalition for Community Action: Black Liberation Alliance, Conservative Vice Lords, Black Disciples, Kenwood-Oakland Community Conference, Lawndale Peoples Planning and Action Conference, National Welfare Rights Organization, Black P Stone Nation, Valley Community Organization, West Side Builders, the coordinator, and Allies for a Better Community.

2. Participants

"The participants in this program shall be the Building Trades Council, the General Contractors Association, the Specialty Contractors Association and other parties concerned with increasing minority employment in the construction trades. The other parties may include minority civic organizations, minority training and recruiting organizations, and public officials of state or local governments."

The participants are the Chicago and Cook County Building Trades Council, the Building Construction Employers Association of Chicago, Inc., and the Coalition for United Community Action.⁴

⁴See Footnote 1 for the groups represented by the Coalition for United Community Action.

Pittsburgh
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Philadelphia Plan

The participants are the Pittsburgh Building Trades Unions, the Contractors and the Black Construction Coalition. According to the Bureau of National Affairs, Inc., all six officers of the Building and Construction Trades Council, 15 contractors associations⁵ and 17 members of the Black Construction Coalition signed the memorandum.

The participants are Carpenters' District Council of St. Louis, Local Union No. 513 Affiliated with the International Union of Operating Engineers AFL-CIO, and the Associated General Contractors of St. Louis.

The Revised Philadelphia Plan is contained in a Memorandum of June 27, 1969 and an Order of September 23, 1969, both issued from the U.S. Department of Labor, Office of the Assistant Secretary, Washington, D.C. The Memorandum is from Arthur A. Fletcher, Assistant Secretary for Wage and Labor Standards. The Order is from John L. Wilks, Director Office of Federal Contract Compliance. The Revised Philadelphia Plan applies to bids on "...all Federal and Federally assisted construction contracts for projects the estimated total cost of which exceeds \$500,000, in the Philadelphia area, including Bucks, Chester, Delaware, Montgomery and Philadelphia counties in Pennsylvania."

⁵The 15 contractors associations are the Roofing Contractors, the Mason Contractors, the Specialty Contractors, the Glazing Employers, the Marble Contractors, the SMACNA of Western Pennsylvania, the Iron-

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worker Employers, the Employing
Lathers and Plasterers Association,
the Insulation Contractors, the Ce-
ramic Tile Contractors, the Tri-
State Gypsum Drywall Contractors,
the Master Builders Association,
the Painting and Decorating Contrac-
tors, and the Heavy and Highway
Construction Industry Advancement
Fund.

With respect to subcontractors
the order dated September 23, 1969
states: "Whenever a prime contrac-
tor subcontracts a portion of the
work in the trade on which his
goals of minority manpower utiliza-
tion are predicated, he shall include
his goals in such subcontract and
those goals shall become the goals
of his subcontractor who shall be
bound by them and by this Order to
the full extent as if he were the
prime contractor." The prime con-
tractor is not to be accountable for
the failure of the subcontractor to
meet the goals but he is to report
such failure to the OFCC.

The specific trades named in the
Order dated September 23, 1969 are:
Ironworkers, Plumbers and Pipe-
fitters, Steamfitters, Sheetmetal
workers, Electrical workers, and
Elevator constructors.

"The procedures set forth in
the Order shall not apply to any
contract when the head of the con-
traction or administering agency
determines that such contract is
essential to the national security
and that its award without follow-
ing such procedures is necessary
to the national security."

OFCC Model

Chicago Plan

3. Goals

"The plan should include specific numerical or percentage goals for new minority employment in the construction industry in the area for the coming year, and estimated of increases in future years. Specific increase goals should be established equitably among the trades, taking into account the wishes of minority persons seeking employment and the history and level of minority participation in the particular trades. Numbers to be agreed upon as overall goals shall be based on such factors as anticipated increases in the labor force, comparison with existing levels of apprenticeship programs, anticipated industry needs or other factors considered relevant by the parties."

The general goal of the Chicago plan is "...if general business conditions permit, the parties to the agreement hope to achieve year by year, over a period of not more than five years a level of minority group employees proportionate to their percent in the community at large;..."

More detailed goals are set out under "Guidelines for Operations Committees" as follows: "We will endeavor to obtain employment at once for 1,000 qualified journeymen who possess the necessary skills of their respective trades..."; "With respect to those individuals who have had no prior training and do not possess some of the skills of a particular craft involved, but who are within the age limits of 17 to 23, or the age limits for the particular craft, we propose an information and recruiting program designed to acquaint all applicants with the trades and the requirements of each trade....We anticipate that at least 1,000 applicants could be accepted into this program." "We believe that at least 1,000...on the job trainees could be placed in those industries which lend themselves to such a training program." In addition, "Those persons who possess some of the skills of a particular trade and can furnish proof of employment for two or more years in the particular craft in which they possess some skills will work for a 30-day probationary period, after which...they will be enrolled as an apprentice" at the appropriate level of pay. No specific

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There are no specific numerical goals.

There are no specific numerical goals.

The Order of September 23, 1969 establishes the following ranges "...as the standards for minority manpower utilization for each of the designated trades in the Philadelphia area for the next four years:

| Identification of Trade | Range of Minority Group Employment: |
|----------------------------|--|
|----------------------------|--|

until December 31, 1970

| | |
|----------------------------------|--------|
| Ironworkers | 5%-9%* |
| Plumbers and pipefitters | 5%-8% |
| Steamfitters | 5%-8% |
| Sheetmetal workers | 4%-8% |
| Electrical workers | 4%-8% |
| Elevator construction workers | 4%-8% |

for Calendar year 1971

| | |
|----------------------------------|---------|
| Ironworkers | 11%-15% |
| Plumbers and pipefitters | 10%-14% |
| Steamfitters | 11%-15% |
| Sheetmetal workers | 9%-13% |
| Electrical workers | 9%-13% |
| Elevator construction workers | 9%-13% |

Calendar year 1972

| | |
|----------------------------------|---------|
| Ironworkers | 16%-20% |
| Plumbers and pipefitters | 15%-19% |
| Steamfitters | 15%-19% |
| Sheetmetal workers | 14%-18% |
| Electrical workers | 14%-18% |
| Elevator construction workers | 14%-18% |

9.

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number is mentioned in this connection.

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Calendar year 1973

| | |
|-----------------------------------|---------|
| Ironworkers | 22%-26% |
| Plumbers and pipefitters | 20%-24% |
| Steamfitters | 20%-24% |
| Sheetmetal workers | 19%-23% |
| Electrical workers | 19%-23% |
| Elevator construction workers" | 19%-23% |

*The percentages are rounded.

"The above ranges are expressed in terms of man hours to be worked on the project by minority personnel and must be substantially uniform throughout the entire length of the project for each of the designated trades." The specific ranges are to be reviewed after December 31, 1970.

The June 27, 1969 memorandum states that "...participation in a multi-employer program approved by the OFCC shall be acceptable in lieu of a goal for the trade involved in such training program."

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4. Scope

"This agreement covers all construction work performed by contractors who are members of the participating Associations, and is not limited to Federal or Federally-assisted construction, and all work of any other contractors who may sign this agreement."

The scope of the Chicago plan is broadly the Chicago Building and Construction Industry. It does not specify on which construction projects the additional minority personnel are to be employed nor the specific crafts in which they are to be employed.

5. Implementation

"Development of the program and its policies should be undertaken jointly by labor and management with suitable participation and involvement of other parties to this Agreement. The Agreement should provide for an impartial chairman to resolve disputes in its administration. In the administration of the plan, it is recognized that because recruitment, counseling, classification or applicants' assignment to the trades and follow up on the operation of the program is of special concern to the minority community that community should be extensively involved in these phases of the program. Administration may require a full-time staff person or such other regular arrangement as the parties can work out. Staff persons should be sensitive to the problems of the minority community and knowledgeable in the construction trades."

Implementation of the Chicago plan is set forth in the first and second sections of the agreement as follows:

I

"Administrative Committee"

"A. There shall be established an Administrative Committee composed of seven (7) representatives as follows:

1. Mayor Richard J. Daley or his designated representative;
2. Two (2) representatives to be selected by the Council;
3. Two (2) representatives to be selected by the Employers Association;
4. Two (2) representatives to be selected by the Coalition.

"B. Duties--the Administrative Committee shall have the following duties:

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The Pittsburgh Memorandum appears to be designed to be signed bilaterally by pairs of unions and employers. It would then apply to all contracts between the employer and the union except as might be excluded by special provision.

"The program shall be governed by a committee comprised as follows: The Committee of twelve (12) members shall be comprised of four (4) representatives of the Pittsburgh Building and Construction Trades Council, AFT-CIO, four (4) representatives appointed by the Black Construction Coalition. One (1) representative appointed by the Employer Associations and one (1) representative appointed by the Pittsburgh Building and Construction Council shall be black. It shall be the duty of the Committee to see that the training program is carried out...."

"A chairman without vote shall be appointed to serve as the thirteenth man on the Committee, such person to have the authority to schedule committee meetings at reasonable times and places and to act as general committee chairman.

"The scope of this agreement is for all construction located in the City of St. Louis and St. Louis County...." in so far as the Associated General Contractors of St. Louis and the Carpenters' District Council of St. Louis and the Local Union No. 513 affiliated with the International Union of Operating Engineers AFL-CIO are involved.

The St. Louis Supplemental Manpower Agreement provides for a Joint Administrative Committee "...To provide procedures for recruitment of trainees, preliminary screening of applicants, preliminary training before on site construction, skill training, counseling of trainees, implementing the terms of this agreement, and resolving disputes."

"It is to be composed of nine representatives of the following agencies or organizations:

1. Federal Government - Office of Federal Contract Compliance (representative to serve as chairman)
2. Labor - one from the Carpenters' District Council and one other representative of construction labor selected by the designated members of this committee.

"The requirement of this Order [dated June 27, 1969] shall apply to all Federal and Federally-assisted construction contracts for projects the estimated total of which exceeds \$500,000 in the Philadelphia area, including, Bucks, Chester, Delaware, Montgomery and Philadelphia counties in Pennsylvania.

The means by which the individual successful bidder implements his specific goals is not specified. However "If the contractor has failed to meet his goal, a determination of 'good faith' will be based upon his efforts to broaden his recruitment base through at least the following activities:

"(a) the OFCC Area Coordinator will maintain a list of community organizations which have agreed to assist any contractor in achieving his goal of minority manpower utilization by referring minority workers for employment in the specified trades. A contractor who has not met his goals may exhibit evidence that he has notified such community organizations of opportunities for employment with him on the project for which he submitted such goals as well as evidence of their response."

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1. To implement the program agreed upon by each Operations Committee;..."

II

"Operations Committees"

- "A. There shall be established an Operations Committee for each participating individual affiliate or member composed as follows:
1. Two (2) representatives selected by the affiliate or craft union;
 2. Two (2) representatives selected by the member industry;
 3. Four (4) representatives selected by the Coalition."

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The chairman shall be impartial and his identity shall be established by mutual agreement among the three (3) parties represented on the Administrative Committee."

"The specific duties of the Committee shall be worked out and agreed upon by the Committee with ratification by all three parties. The Committee shall develop training programs by seeking agreement on such programs with each individual craft union and the appropriate employer association. The programs with respect to the individual unions shall be developed by sub-committees of the full committee. The sub-committee shall be composed of not more than four (4) representatives each of the particular union involved; the appropriate employer association and the Black Coalition. The individuals designated to serve on the sub-committees need not be members of the full committee and shall be appointed by the representatives of the respective parties on the full committee."

"The agreements with respect to the duties of the full committee and with respect to the training programs developed in conjunction with the individual unions shall be subject to ratification by all three parties."

3. Management - one from the AGC of St. Louis and one other construction employer association selected by the designated members of this committee.
4. Community - two from Model City Agency (neighborhood representative), one from the St. Louis Council on Human Relations, and one from the St. Louis County Commission on Human Relations."

"(b) Any contractor who has not met his goal may show that he has maintained a file in which he has recorded the name and address of each minority worker referred to him and specifically what action was taken with respect to each such referred worker. If such worker was not sent to the union hiring hall for referral or if such worker was not employed by the contractor, the contractor's file should document this and the reasons therefore."

"(c) A contractor should promptly notify the OFCC Area Coordinator in order for him to take appropriate action whenever the union with whom the contractor has a collective bargaining agreement has not referred the contractor a minority worker sent by the contractor or the contractor has other information that the union referral process has impeded him in his efforts to meet his goal."

"(d) The contractor should be able to demonstrate that he has participated in and availed himself of training programs in the area, especially those funded by this Department (of Labor)...designed to provide trained craftsmen in the specified trades."

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6. Elements of
the Program

"a. Recruitment and counseling. An extensive recruiting and counseling program shall be undertaken in the minority community, publicizing and advising the members of that community of the opportunities available under this program.

"b. Classification of minority applicants. Minority applicants shall be classified on the basis of their experience as follows:

(1) Journeyman. Persons who (1) are licensed by public authority in a trade, (2) have in fact functioned as a journeyman, (3) have performed at a level of skill equivalent to that of a journeyman, (4) have completed the Advanced Trainee Program under this agreement, (5) otherwise qualified. Journeymen shall be advised of their classification in writing. When covered by a labor contract they shall be paid the journeyman rate as established by collective bargaining and admitted to full union membership in accordance with established practice for non-minority employees.

(2). Apprentices. Minority persons who have equivalent experience or meet existing valid qualifications and so desire they shall be eligible for admission to the relevant apprenticeship program on the same basis as others.

(3). Advanced trainee. Persons not qualified as journeymen who have some related training, construction experience or its equivalent but do not meet the requirements

The Administrative Committee is "Where applicable, to seek funds for the purposes of carrying out the directions of the Operations Committee in the following areas: (a) Recruitment; (b) Counseling; (c) Physical facilities; (d) Teacher recruitment; (e) Staffing; (f) Motivation and retention; (g) Certification of journeyman status."

The duty of each individual operations committee is "...to formulate and determine particular programs appropriate to each craft and industry. In formulating and determining such programs, representatives on the Operations Committees shall be guided by the following principles:

- "1. Those crafts and industries that can accept accelerated and/or auxiliary programs should do so;
- "2. No program shall in any way affect the integrity of any collective bargaining agreements and/or commitments.
- "3. Any and all agreements on programs shall be by mutual agreement of all representatives."

Additional elements in the prospective programs are set out under Guide Lines for Operations Committees.

- "1. We will endeavor to obtain employment at once for 1,000 qualified journeymen who possess the neces-

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"3. Training

"Training proposals to be developed shall have components of on-job training in accordance with agreements made between the individual unions and the Committee.

"Where on-job training is not available, institutional training programs giving training in craft skills will be developed and instituted where practical.

"An orientation program will be developed for the purpose of providing prospective employees, under this program, with such preparatory training as may be deemed advisable. This program shall be developed and operated by the Black Coalition and constituent organizations in conjunction with the Manpower Department of the United States Department of Labor ("Manpower Department") and the Committee described in Part 1.

"The Trainees shall be allocated by the Committee among the various crafts on the basis of manpower needs in that craft and availability of recruits.

"All trainees shall serve a probationary period as worked out by the Committee and individual unions. Each recruit shall be assigned to a specific contractor,

"Recruitment, Counseling and Basic education - In areas where there exists a neighborhood corporation funded under HDC or a neighborhood corporation acting as sponsor/developer equipped to provide recruiting, counseling and work related basic education, their services will be used in cooperation with Construction Job Opportunities, Inc.

"Training - Skill training for advanced trainees and trainees will be provided by Construction Job Opportunities, Inc. or an approved alternate.

"IV. Joint Craft Selection Committee:
The Joint Craft Selection Committee with equal representation of construction labor and construction management will review applicants and classify workers as follows: A -- qualified workmen, B -- advanced trainees, C -- trainees.

APPLICANTS WHO MEET EXISTING APPRENTICESHIP STANDARDS SHALL BE DIRECTED TO EITHER THE ST. LOUIS URBAN LEAGUE LEAP APPRENTICESHIP PROJECT OR THE APPRENTICESHIP INFORMATION CENTER, M.S.E.S., FOR REFERRAL TO A SPECIFIC APPRENTICESHIP PROGRAM."

The Revised Philadelphia Plan does not specify the program to be submitted as part of a bid beyond the acceptable ranges of employment of minority persons in the designated trades and the general statement of criteria to be used to judge "good faith" should a contractor fail to fulfill his goals.

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of or seek admission as apprentices shall be eligible for placement in job-related training programs which seek to assist them in becoming journeymen within a reasonable period. They shall be paid at appropriate apprenticeship rate levels and may be advanced to Journeyman more rapidly than established apprenticeship time sequences if they reach higher proficiency levels more rapidly.

(4) Trainees. Persons not qualified as journeymen or advanced trainees or apprentices, or who do not wish to be apprentices shall be eligible for employment and placed in job related training programs which seek to permit them to become advanced trainees within a year. Trainees shall be paid at a rate of proficiency and may be made advanced trainees within a year if they reach that level of proficiency.

"c. Fulfillment of goals. Employment of minority persons as apprentices, advanced trainees and trainees shall be counted toward fulfillment of the goals set forth in paragraph 3.

"d. Training programs. Training programs for trainees and advanced trainees shall be established which shall provide, as nearly as may be practical, the education equivalent in quality and content to training programs afforded apprentices.

"e. Probationary periods. Trainees or advanced trainees who, at the end of the year are not performing adequately for advancement may be allowed an additional six

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sary skills of their respective trades, and look to the Coalition to supply us with such qualified journeymen. Each respective craft union will accept such journeymen into membership within the time period called for in the pertinent collective bargaining agreement, and each craft union will accept its initiation fee or required fees on a partial payment plan to run at least three months.

- "2. Those persons who possess some of the skills of a particular trade and can furnish proof of employment for two or more years in the particular craft in which they possess some skills will work for a 30-day probationary period, after which they will receive the equivalent of the apprentice's rate for the applicable year of the particular craft, as determined by its Joint Apprenticeship Committee, and will be enrolled as an apprentice. Or a special training program will be set up in those industries where practicable, and each worker will receive special training in the particular craft involved. We will look to the Coalition to supply us with persons possessing such skills.
- "3. With respect to those individuals who have had no prior training and do not possess some of the skills of a particular craft involved,

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where the training permits, during his probationary period.

"Unions with chronic unemployment shall not be required to take trainees, provided that, chronic unemployment shall not be found to exist where unemployment is merely seasonal or is caused by the presence, on union rolls, of retired or disabled persons or persons who are voluntarily unemployed, provided further, that unions with seasonal unemployment shall not be required to take new trainees during such period of seasonal unemployment except for institutional training.

"Each trainee shall be jointly sponsored by a contractor association and the appropriate craft union with which it has collective bargaining agreements. The sponsors are responsible to secure adequate work experience, so long as work is available, to the end that trainees may qualify as journeymen. The joint sponsors will each appoint an individual who will be their representative."

"4. Union Membership

"A. The Committee or a duly appointed sub-committee can interview graduates of the training programs and can refer such graduates, with Committee recommendation, to

"V. Classification of Workmen:
Workmen shall be classified as follows:

Group A. Qualified workmen-- persons who are fully qualified as journeymen. They shall be paid the rate set forth in the appropriate collective bargaining agreement or amendment thereto, which has been mutually agreed to by the signatories hereto, and Union membership will be made available.

Group B. Advanced Trainees -- persons who have construction work experience, but who do not presently have full qualifications to be journeymen. ADVANCED TRAINEES SHALL BE GIVEN PREFERENCE OVER TRAINEES IN EMPLOYMENT OPPORTUNITIES.

As determined by the Joint Craft Selection Committee, the Advanced Trainees shall be classified into groups, one through four, and shall receive the following percentage of applicable journeyman wage rate (Group 1 - 60%, Group 2 - 70%, Group 3 - 80%, and Group 4 - 90%) plus fringe benefits. The Advanced Trainee shall receive automatic incremental increases to the next group each six months. Advanced Trainees shall hold this classification for no longer than two years, after which they shall be advanced to Group A--Qualified Workmen. The goals of the Advanced Trainee program

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month period in each category to develop additional skill and experience.

"f. Assignment to trades. The administrator or other official of the program will assign a minority group person to a designated trade after examination of background information and consultation with him in accordance with the basic goals established in this agreement."

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but who are within the age limits of 17 to 23, or the age limits for the particular craft, we propose an information and recruiting program designed to acquaint all applicants with the trades and the requirements of each trade. We will enlarge upon the present facilities of and combine the efforts of the Urban League and the Apprentice Information Center to implement this program. We believe such a training program would run about one month and could be funded through the government to provide a modest wage during this month period. There would be no prior tests for coming into this program. The program would prepare each applicant for entering the existing apprenticeship programs for all crafts, would explain what each craft does and would determine the aptitude of the applicant with respect to the particular trade and increase the probability of success of the applicant as well as his adjustment into the Construction industry. From this program the applicant who meets the qualifications would go into the existing apprenticeship program for the particular craft. The Coalition would be responsible for the recruitment of the applicants into this program. We anticipate that at least 1,000 applicants could be accepted into this program.

"4. We propose an on-the-job training program for persons who do not wish

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the appropriate craft selection committee which shall consider such applicants for union membership on a nondiscriminatory basis.

"B. All persons who have been residents of Allegheny County for a minimum of twelve (12) months, and feel that they have the necessary skills to be a journeyman have the right to declare themselves to the Committee described in Part 1. The applicant with Committee recommendation to the appropriate union shall be considered for union membership on a nondiscriminatory basis."

is to develop fully qualified and competent craft union journeymen. Union membership will be made available no later than completion of the Advanced Trainee training period.

Group C. Trainees--persons without construction experience. The starting rate of pay for trainees will be \$3.00 per hour. All trainees will work across jurisdictional lines as helpers for a six months period and will be employed by the general contractor. After the six months period, a choice will be made by the trainee and the appropriate Craft Selection Committee as to the specific trade in which the trainee will begin training as an advanced trainee.

"VI. Participation Procedure:

Each Joint Craft Selection Committee shall determine the ratio of trainees and advanced trainees to journeymen that are to be utilized in the work. These proportions shall be subject to the approval of the Joint Administrative Committee. On rehabilitation work and new construction of housing up to and including four stories, the ratio shall be a minimum of one such trainee to three skilled journeymen when available. On all other work the ratio shall be a minimum of one such trainee to five skilled journeymen and a maximum of one such

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to take the tests provided for in point 3 above for admission into the respective apprenticeship programs or who fail in such tests. Provided that the necessary funding can be obtained for such a program for on-the-job training, the wage would be geared to the equivalent apprenticeship rate, and provisions would be made for schooling of one day a week or for evening classes as facilities permit. This on-the-job training program would apply in such industries where such trainees could be employed. We believe that at least 1,000 such on-the-job trainees could be placed in those industries which lend themselves to such a training program.

- "5. These recommendations shall be applicable only with respect to persons who have been residents of Chicago for over one year.
- "6. We recognize the desirability and the necessity of securing a greater minority group representation into the skilled trades of the Building Industry in Chicago and will therefore seek to establish further programs in keeping with the demands of the industry, and if general business conditions permit, which will hopefully achieve over a period of not more than five years, a level of minority group employees at least proportionate to their percentage in the community at large."

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trainee to three journeymen
when available.

"The determination of the size of the site workforce, the allocation of work to employees, establishment of quality standards and judgment of workmanship required, the maintenance of discipline and tenure of employment shall be the responsibility of the employing contractor.

"VII. Jurisdiction in Rehabilitation Work:
In rehabilitation work, it is recognized that work operations covered by this agreement may not lend themselves to conventional work jurisdiction assignments as applied in commercial and industrial construction. In rehabilitation work, the work operations within the scope of this agreement as a matter of practicality may require mixed crews for many types of operations. However, the contractor will give due regard as practical to conventional jurisdictional lines. In no event shall there be any work stoppage over the administration of this provision."

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7. Relationship
to Existing
Programs

"Existing outreach, pre-apprenticeship
programs shall continue."

"...the parties are agreed that no
party will benefit by or has an interest
in the destruction of existing standards
and programs;..."

8. Financing

"Costs of administration of the program
shall be worked out among the parties to
the agreement. Federal funds may be
sought for training and other purposes."

"C. Funding--both public and private
funds may be used to accomplish the
goals and purposes according to the
needs and availability of funds."

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There is no mention of existing programs

The only mention of existing programs is "APPLICANTS WHO MEET EXISTING APPRENTICESHIP STANDARDS SHALL BE DIRECTED TO EITHER THE ST. LOUIS URBAN LEAGUE LEAP APPRENTICESHIP PROJECT OR THE APPRENTICESHIP INFORMATION CENTER, M.S.E.S., FOR REFERRAL TO A SPECIFIC APPRENTICESHIP PROGRAM."

Contractors are expected to avail themselves of the services of existing training and recruitment programs.

The Committee "...may enter into contracts with the government and other funding organizations in cooperation with the individual or community organizations for the purpose of recruiting, counseling, training and orienting persons for the construction industry in accordance with the provisions of the program."

There is no mention of funding.

There is no mention of funding.

"This Memorandum of Understanding and the training programs provided herein shall be contingent upon the availability of adequate financing furnished by public and/or private funds to help defray the cost of the program."

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9. Subcontractors

"Subcontractors party to this agreement shall be bound by this agreement."

Not applicable.

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Not applicable.

Not applicable.

"Whenever a prime contractor subcontracts a portion of the work in the trade on which his goals of minority manpower utilization are predicated, he shall include his goals of minority manpower utilization in such subcontract and those goals shall become the goals of the subcontractor who shall be bound by them and by this Order to the full extent as if he were the prime contractor. The prime contractor shall not be accountable for the failure of his subcontractor to meet such goals or to make every good faith effort to meet them. However, the prime contractor shall give notice to the Area Coordinator of the Office of Federal Contract Compliance of the Department of Labor of any refusal or failure of any subcontractor to fulfill his obligations under this Order. Failure of the subcontractor to achieve his goal will be treated in the same manner as such failure by the prime contractor prescribed in Section 8 of the Order from the Office of Federal Contract Compliance to the Heads of All Agencies regarding the Revised Philadelphia Plan, dated June 27, 1969."

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10. Relationship
to Collective
Bargaining
Agreements

"Provisions of collective bargaining agreements or practices under collective bargaining shall be harmonized with this agreement as far as practical."

"No program shall in any way affect the integrity of any collective bargaining agreements and/or commitments."

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There is no mention of other existing collective bargaining agreements.

"This agreement shall amend the existing collective bargaining agreements between the parties for the term of the existing labor agreement."

With respect to collective bargaining agreements the June 27th order states, "b. It is no excuse that the union with which the contractor has a collective bargaining agreement failed to refer minority employees. Discrimination in referral for employment, even if pursuant to provisions of a collective bargaining agreement, is prohibited by the National Labor Relations Act and Title VII of the Civil Rights Act of 1964. It is the longstanding uniform policy of OFCC that contractors and sub-contractors have a responsibility to provide equal employment opportunity if they want to participate in Federally-involved contracts. To the extent they have delegated the responsibility for some of their employment practices to some other organization or agency which prevents them from meeting their obligations pursuant to Executive Order 11246, as amended, such contractors cannot be considered to be in compliance with Executive Order 11246, as amended, or the implementing rules, regulations and orders."

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11. Records and Reports

"Records and reports of the operation of the program shall be kept by the Administrator on forms available from the Department of Labor. These reports and records will be available as a basis for evaluation of the program by private parties and Federal, State and local government agencies."

"Filing--programs developed and formulated by each of said Operations Committees shall be reduced to writing and filed with the Administrative Committee for the purposes of implementation as set forth in paragraph I (B) above."

12. Procedures to Resolve Disputes

"A grievance procedure shall be established to resolve disputes concerning the interpretation or application of this agreement, any question arising thereunder, or any other question concerning the operation of this program. The first step shall be consultation and discussion by affected parties. If the dispute is not resolved, it may be submitted to the Committee for recommendation, or for final and binding decision, if the parties so choose. There shall be no strike, work stoppage, picketing, lockout or other interference with construction activity during the term of this agreement with respect to any matter which is the subject of the procedures established in this section."

"In the event a complaint arises relating to programs already agreed upon by each Operations Committee, such complaints may be referred to the Administrative Committee for purposes of mediating said complaints."

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"After the first year of operation of the program, the Committee shall issue reports evaluating the progress of the program."

There is no mention of records or reports.

The order of September 27, 1969 implies the contractor must keep sufficient records to demonstrate "good faith" in the event he fails the goals in his bid.

"In the event that the full committee shall deadlock concerning any matter involving the administration, interpretation, or implementation of the terms of this understanding, the matter shall be referred to an impartial arbitrator for determination. Provided that, any four (4) members of the Committee may obtain arbitration of a question of racial discrimination which arises out of the administration, interpretation, or implementation of the terms of this understanding. An impartial arbitrator shall be selected in accordance with the following procedure:

The _____ shall be requested to submit to the parties a panel of arbitrators. From this panel of arbitrators, the Black Construction Coalition, the Pittsburgh Building

"Any dispute arising over the administration or interpretation of these joint provisions relating to recruitment, classification of workers, participation procedure, fringe benefits and wage rates schedule, shall be reviewed and every effort made to settle the matter at the work site by the contractor and the officers of the union involved. If no settlement is concluded at that level, the matter will be referred to the Joint Administrative Committee for a decision that will be final and binding. In no event shall there be any work stoppage over disputes."

Procedures to resolve disputes are not applicable to the Revised Philadelphia Plan.

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13. Review,
Modification,
and Duration

"This agreement shall last for one year or such longer period as the parties may agree, and shall be automatically renewed from year to year unless written notice of intention to terminate or modify the agreement is given to all parties not more than

"The obligations imposed by this Agreement on the Council, the Employers Association and the Coalition shall become effective when signed. There shall be a review of all programs instituted as a result of this Agreement and the

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and Construction Trades Council, and the Employer Associations shall each alternately strike one (1) name until but one (1) remains, and that person shall be designated as the impartial arbitrator who shall have the powers and authority set forth below.

"The award of the arbitrator shall be final and binding upon all interested parties and persons. The impartial arbitrator shall have the authority only to interpret and apply the provisions of this understanding, and he shall have no authority to add to, detract from, or alter its terms. Problems which may arise concerning the formulation of various aspects of agreement, such as the determination of the specific duties of the Committee under Part 1B of this program and the development of specific training proposals under Part 3 of this program shall not be arbitrable. The arbitration clause applies only with respect to matters agreed upon in this writing."

"5. REVIEW OF GOALS -- In order to help insure the success of the program, a Committee for Special Study shall be established to review the progress of the program. The Committee shall be composed

"This agreement shall become effective when signed by the contractor performing the work and the local union."

The agreement was made October

The Order dated September 23, 1969 states that "After December 31, 1970 the standard set forth herein shall be reviewed to determine whether the projections on which these ranges are based

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90 nor less than 60 days prior to the annual renewal date hereof. Ninety days prior to the end of the first, and each succeeding year of this agreement, the parties shall review its effectiveness and the adequacy of the goals set forth herein."

effectiveness of the various committees established as a result of this Agreement six (6) months from the execution thereof. The Chicago Plan was signed January 12, 1970.

14. Compliance
with
Executive

"Participation in the program set forth in this agreement and good-faith performance by all parties thereunder, shall during the first year of the program, be evidence of general compliance with E.O. 11246 with respect to employment opportunity. This agreement or participation hereunder shall have no effect on the obligations of E.O. 11246 or any Federal or state statute, ordinance or regulation, with respect to specific acts or incidents which may violate the provisions of the Order or applicable law."

There is no mention of E. O. 11246.

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of five (5) members: one appointed by the Secretary of Labor of the United States; one appointed by the Governor of the Commonwealth of Pennsylvania; one appointed by the Mayor of the City of Pittsburgh; one appointed by the unions and contractors, and one appointed by the Black Construction Coalition.

"After the first year of operation of the program, the Committee shall issue reports evaluating the progress of the program.

"The Agreement will be opened for review and renegotiation one year after an agreement has been reached."

There is no mention of E. O.
11246.

15, 1969 between the signers: Associated General Contractors of St. Louis, Carpenters' District Council of St. Louis and Local Union No. 513 Affiliated with the International Union of Operating Engineers AFL-CIO.

There is no mention of E. O.
11246.

adequately reflect the construction labor market situation at that time. Reductions or other significant fluctuations in federally involved construction shall be specifically reviewed from time-to-time as to their effect upon the practicality of the standards. In no event, however, shall the standards be increased for contracts after bids have been received."

"The provisions of this Order [dated September 23, 1969] will be effective with respect to transactions for which invitations for bids or other solicitations for bids are sent on or after September 29, 1969."

"Post Award Compliance"

"a. Each agency shall review contractors' and subcontractors' employment practices during the performance of the contract. If the goals set forth in the affirmative action program are being met, the contractor or subcontractor will be presumed to be in compliance with the requirements of Executive Order 11246, as amended,

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unless it comes to the agency's attention that such contractor or subcontractor is not providing equal employment opportunity. In the event of failure to meet the goals, the contractor shall be given an opportunity to demonstrate that he made every good faith effort to meet his commitment. In any proceeding in which such good faith performance is in issue, the contractor's entire compliance posture shall be reviewed and evaluated in the process of considering the imposition of sanctions. Where the agency finds that the contractor or subcontractor has failed to comply with the requirements of Executive Order 11246, the implementing regulations and its obligations under its affirmative action program, the agency shall take such action and impose such sanctions as may be appropriate under the Executive Order and the regulations. Such noncompliance by the contractor or subcontractor shall be taken into consideration by Federal agencies in determining whether such contractor or subcontractor can comply with the requirements of Executive Order 11246 and is therefore a "responsible prospective contractor" within the meaning of the Federal procurement regulations.

"b. It is no excuse that the union with which the contractor has a collective bargaining agreement failed to refer minority employees.

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Discrimination in referral for employment, even if pursuant to provisions of a collective bargaining agreement, is prohibited by the National Labor Relations Act and Title VII of the Civil Rights Act of 1964. It is the longstanding uniform policy of OFCC that contractors and subcontractors have a responsibility to provide equal employment opportunity if they want to participate in Federally-involved contracts. To the extent they have delegated the responsibility for some of their employment practices to some other organization or agency which prevents them from meeting their obligations pursuant to Executive Order 11246, as amended, such contractors cannot be considered to be in compliance with Executive Order 11246, as amended, or the implementing rules, regulations and orders."

Appendix

The appendix gives the complete text of the programs compared in the pamphlet except as noted.

Office of Federal Contract Compliance Model Area-wide Agreement

Note: The OFCC states explicitly that The purpose of this "model" is to set forth suggested ingredients for area-wide agreements. The language should not be considered "boilerplate," i.e., a standard or unvariable format. It is recognized that adjustments for local conditions will often need to be made. Nonetheless this model should provide a useful framework for communities endeavoring to work out area-wide agreements designed to provide approvable affirmative action programs for equal employment opportunity.

1. Statement of Purpose

The purpose of this Agreement is to increase minority employment and consequent union membership in the construction industry in this area. Unions, contractors, Building Trades Council, General and Specialty Contractors Associations, participating community officials and other parties representing and concerned with the minority community pledge themselves to achieving this objective.

2. Participants

The participants in this program shall be the Building Trades Council, the General Contractors

Association, the Specialty Contractors Association and other parties concerned with increasing minority employment in the construction trades. The other parties may include minority civic organizations, minority training and recruiting organizations, and public officials of state or local governments.

3. Goals

The plan should include specific numerical or percentage goals for new minority employment in the construction industry in the area for the coming year, and estimates of increases in future years. Specific increase goals should be established equitably among the trades, taking into account the wishes of minority persons seeking employment and the history and level of minority participation in the particular trades. Numbers to be agreed upon as overall goals shall be based on such factors as anticipated increases in the labor force, comparison with existing levels of apprenticeship programs, anticipated industry needs or other factors considered relevant by the parties.

4. Scope

This agreement covers all construction work performed by contractors who are members of the participating

Associations, and is not limited to Federal or Federally-assisted construction, and all work of any other contractors who may sign this Agreement.

5. Implementation

Development of the program and its policies should be undertaken jointly by labor and management with suitable participation and involvement of other parties to this Agreement. The Agreement should provide for an impartial chairman to resolve disputes in its administration. In the administration of the plan, it is recognized that because recruitment, counselling, classification of applicants' assignment to the trades and follow-up on the operation of the program is of special concern to the minority community that community should be extensively involved in these phases of the program. Administration may require a full time staff person or such other regular arrangements as the parties can work out. Staff persons should be sensitive to the problems of the minority community and knowledgeable in the construction trades.

6. Elements in the Program:

a. Recruitment and counselling. An extensive recruiting and counselling program shall be undertaken in the minority community, publicizing and advising the members of that community of the opportunities available under this program.

b. Classification of minority applicants. Minority applicants shall be classified on the basis of their experience as follows:

(1.) Journeyman. Persons who (1) are licensed by public authority in a trade, (2) have in fact functioned as a journeyman, (3) have performed at a

level of skill equivalent to that of a journeyman, (4) have completed the Advanced Trainee Program under this agreement, (5) otherwise qualified. Journeymen shall be advised of their classification in writing. When covered by a labor contract they shall be paid the journeyman rate as established by collective bargaining and admitted to full union membership in accordance with established practice for non-minority employees.

(2.) Apprentices. Minority persons who have equivalent experience or meet existing valid qualifications and so desire they shall be eligible for admission to the relevant apprenticeship program on the same basis as others.

(3.) Advanced trainee. Persons not qualified as journeymen who have some related training, construction experience or its equivalent but do not meet the requirements of or seek admission as apprentices shall be eligible for placement in job-related training programs which seek to assist them in becoming journeymen within a reasonable period. They shall be paid at appropriate apprenticeship rate levels and may be advanced to Journeyman more rapidly than established apprenticeship time sequences if they reach higher proficiency levels more rapidly.

(4.) Trainees. Persons not qualified as journeymen or advanced trainees or apprentices, or who do not wish to be apprentices shall be eligible for employment and placed in job related training programs which seek to permit them to become advanced trainees within a year. Trainees shall be paid at a rate equivalent to that paid apprentices of comparable levels of proficiency and may be made advanced trainees within a year if they reach that level of proficiency.

c. Fulfillment of Goals. Employment of minority persons as apprentices, advanced trainees and trainees shall be counted toward fulfillment of the goals set forth in paragraph 3.

d. Training Programs. Training programs for trainees and advanced trainees shall be established which shall provide, as nearly as may be practical, the education equivalent in quality and content to the training programs afforded apprentices.

e. Probationary Periods. Trainees or advanced trainees who, at the end of the year are not performing adequately for advancement may be allowed an additional six month period in each category to develop additional skill and experience.

f. Assignment to trades. The administrator or other official of the program will assign a minority group person to a designated trade after examination of background information and consultation with him and in accordance with the basic goals established in this agreement.

7. Existing programs

Existing outreach, pre-apprenticeship programs shall continue.

8. Financing

Costs of administration of the program shall be worked out among the parties to the agreement. Federal funds may be sought for training programs and other purposes.

9. Subcontractors

Subcontractors of contractors party to this agreement shall be bound by this agreement.

10. Provisions of collective bargaining agreements

Provisions of collective bargaining agreements or practices under collective bargaining shall be harmonized with this agreement as far as practical.

11. Records and reports

Records and reports of the operation of the program shall be kept by the Administrator on forms available from the Department of Labor. These reports and records will be available as a basis for evaluation of the program by private parties and Federal, state and local government agencies.

12. Grievance procedure

A grievance procedure shall be established to resolve disputes concerning the interpretation or application of this agreement, any question arising thereunder, or any other question concerning the operation of this program. The first step shall be consultation and discussion by affected parties. If the dispute is not resolved, it may be submitted to the Committee for recommendation, or for final and binding decision, as the parties decide, or the matter may be referred to a neutral arbitrator for a binding decision, if the parties so choose. There shall be no strike, work stoppage, picketing, lockout or other interference with construction activity during the term of this agreement with respect to any matter which is the subject of the procedures established in this section.

13. Review, Modification and Duration

This agreement shall last for one year or such longer period as the parties may agree, and shall be automatically renewed from year to year unless written notice of intention to terminate or modify the

agreement is given to all parties not more than 90 days nor less than 60 days prior to the annual renewal date hereof. Ninety days prior to the end of the first, and each succeeding year of this agreement, the parties shall review its effectiveness and the adequacy of the goals set forth herein.

14. Compliance with Executive Order

Participation in the program set forth in this agreement and good-faith performance by all parties thereunder, shall during the first year of the program, be evidence of general compliance with E. O. 11246 with respect to employment opportunity. This agreement or participation hereunder shall have no effect on the obligations of E. O. 11246 or any Federal or state statute, ordinance or regulation, with respect to specific acts or incidents which may violate the provisions of the Order or applicable law.

NOTE: Recognition of the inter-relationship of minority construction industry contractors and matters involved in an area-wide agreement on equal employment opportunity is desirable. As agreed to by the parties the Administrator of the program may make available to the contractors a list of minority contractors, and assist minority contractors in securing technical assistance with respect to the contracting process in the construction industry.

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AGREEMENT

THIS AGREEMENT is entered into on this 12th day of January, 1970, by and between the undersigned, the CHICAGO AND COOK COUNTY BUILDING TRADES COUNCIL (herein called "the Council"), the BUILDING CONSTRUCTION EMPLOYERS ASSOCIATION OF CHICAGO, INC. (herein called "Employers Association"), and the COALITION FOR UNITED COMMUNITY ACTION (herein called "the Coalition") for recommendation to their respective members and affiliates.

WHEREAS, the Council, Employers Association and the Coalition recognize the desirability and necessity of securing a greater minority group representation into the skilled trades of the building industry of Chicago; and

WHEREAS, if general business conditions permit, the said parties hope to achieve, year by year, over a period of not more than five years a level of minority group employees proportionate to their percent in the community at large; and

WHEREAS, the parties are agreed that no party will benefit by or has an interest in the destruction or dilution of existing standards and programs; and

WHEREAS, the parties agree that knowledgeable persons acting in good faith are the most effective and efficient means to achieve these goals;

NOW, THEREFORE, it is agreed that the Council, Employers Association and Coalition shall affirmatively recommend to the respective members and affiliates the following plan:

I

ADMINISTRATIVE COMMITTEE

A. There shall be established an Administrative Committee composed of seven (7) representatives as follows:

1. Mayor Richard J. Daley or his designated representative;
2. Two (2) representatives to be selected by the Council;
3. Two (2) representatives to be selected by the Employers Association;
4. Two (2) representatives to be selected by the Coalition.

B. Duties--the Administrative Committee shall have the following duties:

1. To implement the program agreed upon by each Operations Committee;
2. Where applicable, to seek funds for the purposes of carrying out the directions of the Operations Committees in the following areas:
 - (a) Recruitment;
 - (b) Counseling;
 - (c) Physical facilities;
 - (d) Teacher recruitment;
 - (e) Staffing;
 - (f) Motivation and retention;
 - (g) Certification of journeymen status.

3. Action by the Administrative Committee shall require the vote of at least five (5) members.
4. In the event a complaint arises relating to programs already agreed upon by each Operations Committee, such complaints may be referred to the Administrative Committee for purposes of mediating said complaints.

C. Funding--both public and private funds may be used to accomplish the goals and purposes according to the needs and availability of funds.

II

OPERATIONS COMMITTEES

A. There shall be established an Operations Committee for each participating individual affiliate or member composed as follows:

1. Two (2) representatives selected by the affiliate or craft union;
2. Two (2) representatives selected by the member industry;
3. Four (4) representatives selected by the Coalition.

B. Qualifications--it is expected that representatives selected for the Operations Committees shall be knowledgeable in the particular industry and/or craft.

C. Duties--it shall be the duty and responsibility of each individual Operations Committee to formulate and determine particular programs appropriate to each craft

and industry. In formulating and determining such programs, representatives on the Operations Committees shall be guided by the following principles:

1. Those crafts and industries that can accept accelerated and/or auxiliary programs should do so;
2. No program shall in any way affect the integrity of any collective bargaining agreements and/or commitments;
3. Any and all agreements on programs shall be by mutual agreement of all representatives.

III

GUIDE LINES FOR OPERATIONS COMMITTEES

1. We will endeavor to obtain employment at once for 1,000 qualified journeymen who possess the necessary skills of their respective trades, and look to the Coalition to supply us with such qualified journeymen. Each respective craft union will accept such journeymen into membership within the time period called for in the pertinent collective bargaining agreement, and each craft union will accept its initiation fee or required fees on a partial payment plan to run at least three months.

2. Those persons who possess some of the skills of a particular trade and can furnish proof of employment for two or more years in the particular craft in which they possess some skills will work for a 30-day probationary period, after which they will receive the equivalent of the apprentice's rate for the applicable year of the particular craft, as determined by

its Joint Apprenticeship Committee, and will be enrolled as an apprentice. Or a special training program will be set up in those industries where practicable, and each worker will receive special training in the particular craft involved. We will look to the Coalition to supply us with persons possessing such skills.

3. With respect to those individuals who have had no prior training and do not possess some of the skills of a particular craft involved, but who are within the age limits of 17 to 23, or the age limits for the particular craft, we propose an information and recruiting program designed to acquaint all applicants with the trades and the requirements of each trade. We will enlarge upon the present facilities of and combine the efforts of the Urban League and the Apprentice Information Center to implement this program. We believe such a training program would run about one month and could be funded through the government to provide a modest wage during this month period. There would be no prior tests for coming into this program. The program would prepare each applicant for entering the existing apprenticeship programs for all crafts, would explain what each craft does and would determine the aptitude of the applicant with respect to the particular trade and increase the probability of success of the applicant as well as his adjustment into the Construction Industry. From this program the applicant who meets the qualifications would go into the existing apprenticeship program for the particular craft. The Coalition would be responsible for the recruitment of applicants into this program. We anticipate that at least 1,000 applicants could be accepted into this program.

4. We propose an on-the-job training program for persons who do not wish to take the tests provided for in point 3 above for admission into the respective apprenticeship programs or who fail in such tests.

Provided that the necessary funding can be obtained for such a program for on-the-job training, the wage would be geared to the equivalent apprenticeship rate, and provisions would be made for schooling of one day a week or for evening classes as facilities permit. This on-the-job training program would apply in such industries where such trainees could be employed. We believe that at least 1,000 such on-the-job trainees could be placed in those industries which lend themselves to such a training program.

5. These recommendations shall be applicable only with respect to persons who have been residents of Chicago for over one year.

6. We recognize the desirability and the necessity of securing a greater minority group representation into the skilled trades of the Building Industry in Chicago and will therefore seek to establish further programs in keeping with the demands of the industry, and if general business conditions permit, which will hopefully achieve over a period of not more than five years, a level of minority group employees at least proportionate to their percentage in the community at large.

IV

DURATION

The obligations imposed by this Agreement on the Council, the Employers Association and the Coalition shall become effective when signed. There shall be a review of all programs instituted as a result of this agreement and the effectiveness of the various committees established as a result of this Agreement six (6) months from the execution thereof.

Pittsburgh Memorandum

MEMORANDUM OF UNDERSTANDING

Among

THE PITTSBURGH BUILDING TRADES UNIONS
and
THE CONTRACTORS
and
THE BLACK CONSTRUCTION COALITION

AFFIRMATIVE ACTION PROGRAM FOR
MINORITY PROGRESS
FOR THE
CONSTRUCTION INDUSTRY

1. COMMITTEE

- A. The program shall be governed by a committee comprised as follows:

The Committee of twelve (12) members shall be comprised of four (4) representatives of the Pittsburgh Building and Construction Trades Council, AFL-CIO, four (4) representatives of the Employer Associations, and four (4) representatives appointed by the Black Construction Coalition. One (1) representative appointed by the Employer Associations and one (1) representative appointed by the Pittsburgh Building and Construction Trades Council shall be black. It shall be the duty of the Committee to see that the training program is carried out. It may enter into contracts with the government and other funding organizations in cooperation with

the individuals or community organization for the purpose of recruiting, counseling, training and orienting persons for the construction industry in accordance with the provisions of the program.

A chairman without vote shall be appointed to serve as the thirteenth man on the Committee, such person to have the authority to schedule committee meetings at reasonable times and places and to act as general committee chairman. The chairman shall be impartial and his identity shall be established by mutual agreement among the three (3) parties represented on the Administrative Committee.

Any four (4) members of the Committee may request and obtain the right to inspect the employment records of any employer participating in this program for the purpose of determining whether black trainees and journeymen are being given an equal opportunity to work. Such inspections may be conducted on a bi-annual basis except that for good cause shown the Committee may authorize an interim inspection.

Nine (9) members of the Committee shall constitute a quorum for the purpose of transaction of business.

Each member of the Committee shall have one (1) vote on all matters, provided, however, that if there are an unequal number of representatives of the Unions, or Employer Associations or Black Coalition present at any Committee meeting, then, in that event, any of the groups having a lesser number shall be entitled to cast an equal number of votes as the group that has the largest number present at each meeting.

Any action taken by the Committee, except for action pursuant to Part 1B below, which shall be by mutual agreement of the three parties, shall be by a majority of Committee attending a regularly scheduled meeting.

B. Specific duties.

The specific duties of the Committee shall be worked out and agreed upon by the Committee with ratification by all three parties. The Committee shall develop training programs by seeking agreement on such programs with each individual craft union and the appropriate employer association. The programs with respect to the individual unions shall be developed by sub-committees of the full committee. The sub-committees shall be composed of not more than four (4) representatives each of the particular union involved; the appropriate employer association and the Black Coalition. The individuals designated to serve on the sub-committees need not be members of the full committee and shall be appointed by the representatives of the respective parties on the full committee.

The agreements with respect to the duties of the full committee and with respect to the training programs developed in conjunction with the individual unions shall be subject to ratification by all three parties.

2. ARBITRATION

In the event that the full committee shall deadlock concerning any matter involving the administration, interpretation, or implementation of the terms of this understanding, the matter shall be referred to an impartial arbitrator for determination. Provided that, any four (4) members of the Committee may obtain arbitration of a question of racial discrimination which

arises out of the administration, interpretation, or implementation of the terms of this understanding. An impartial arbitrator shall be selected in accordance with the following procedure: The

shall be requested to submit to the parties a panel or arbitrators. From this panel of arbitrators, the Black Construction Coalition, the Pittsburgh Building and Construction Trades Council, and the Employer Associations shall each alternately strike one (1) name until but one (1) remains, and that person shall be designated as the impartial arbitrator who shall have the powers and authority set forth below.

The award of the arbitrator shall be final and binding upon all interested parties and persons. The impartial arbitrator shall have the authority only to interpret and apply the provisions of this understanding, and he shall have no authority to add to, detract from, or alter its terms. Problems which may arise concerning the formulation of various aspects of agreement, such as the determination of the specific duties of the Committee under Part 1B of this program shall not be arbitrable. The arbitration clause applies only with respect to matters agreed upon in this writing.

3. TRAINING

Training proposals to be developed shall have components of on-job training in accordance with agreements made between the individual unions and the Committee.

Where on-job training is not available, institutional training programs giving training in craft skills will be developed and instituted where practical.

An orientation program will be developed for the purpose of providing prospective employees, under this program, with such preparatory training as may be deemed advisable. This program shall be developed and operated by the Black Coalition and constituent organizations in conjunction with the Manpower Department of the United States Department of Labor ("Manpower Department") and the Committee described in Part 1.

The trainees shall be allocated by the Committee among the various crafts on the basis of manpower needs in that craft and availability of recruits.

All trainees shall serve a probationary period as worked out by the Committee and individual unions. Each recruit shall be assigned to a specific contractor, where the training permits, during his probationary period.

Unions with chronic unemployment shall not be required to take trainees, provided that, chronic unemployment shall not be found to exist where unemployment is merely seasonal or is caused by the presence, on the union rolls, of retired or disabled persons or persons who are voluntarily unemployed, provided further, that unions with seasonal unemployment shall not be required to take new trainees during such period of seasonal unemployment except for institutional training.

Each trainee shall be jointly sponsored by a contractor association and the appropriate craft union with which it has collective bargaining agreements. The sponsors are responsible to secure adequate work experience, so long as work is available, to the end that trainees may qualify as journeymen. The joint sponsors will each appoint an individual who will be

their representative.

This Memorandum of Understanding and the training programs provided herein shall be contingent upon the availability of adequate financing furnished by public and/or private funds to help defray the cost of the program.

4. UNION MEMBERSHIP

A. The Committee or a duly appointed subcommittee can interview graduates of the training programs and can refer such graduates, with Committee recommendation, to the appropriate craft selection committee which shall consider such applicants for union membership on a non-discriminatory basis.

B. All persons who have been residents of Allegheny County for a minimum of twelve (12) months, and who feel that they have the necessary skills to be a journeyman have the right to declare themselves to the Committee described in Part 1. The applicant with Committee recommendation to the appropriate union shall be considered for union membership on a non-discriminatory basis.

5. REVIEW OF GOALS

In order to help insure the success of the program, a Committee for Special Study shall be established to review the progress of the program. The Committee shall be composed of five (5) members: one appointed by the Secretary of Labor of the United States; one appointed by the Governor of the Commonwealth of Pennsylvania; one appointed by the Mayor of the City of Pittsburgh; one appointed by the unions and contractors, and one appointed by the Black Construction Coalition.

After the first year of operation of the program, the Committee shall issue reports evaluating the progress of the program.

The Agreement will be opened for review and renegotiation one year after an agreement has been reached.

St. Louis Supplemental Manpower Agreement

THIS AGREEMENT made as of October 15, 1969, between the undersigned Construction Employer Associations and the undersigned St. Louis Local Labor Unions, WITNESSETH THAT:

The parties hereto, in consideration of their mutual promises, agree as follows that:

I. Scope:

The scope of this agreement is for all construction located in the City of St. Louis and St. Louis County.

II. Purpose:

The purpose of this agreement is to provide maximum opportunity for the training and employing of minority groups who have resided in the City of St. Louis or St. Louis County for a period of at least one year or are residents of Model City areas.

III. Joint Administrative Committee:

A. Purpose - To provide procedures for recruitment of trainees, preliminary screening of applicants, preliminary training before on site construction, skill training, counseling of trainees, implementing the terms of this agreement, and resolving disputes.

B. Membership - The Joint Administrative Committee shall be composed of nine representatives of the following agencies or organizations:

1. Federal Government - Office of Federal Contract Compliance (representative to serve as chairman)

2. Labor - one from the Carpenters' District Council and one other representative of construction labor selected by the designated members of this committee.
3. Management - one from the AGC of St. Louis and one other construction employer association selected by the designated members of this committee.
4. Community - two from Model City Agency (neighborhood representative), one from the St. Louis Council on Human Relations, and one from the St. Louis County Commission on Human Relations.

C. Recruitment, Counseling and Basic Education - In areas where these exists a neighborhood corporation funded under HDC or a neighborhood corporation acting as sponsor/developer equipped to provide recruiting, counseling and work related basic education, their services will be used in cooperation with Construction Job Opportunities, Inc.

D. Training - Skill training for advanced trainees and trainees will be provided by Construction Job Opportunities, Inc. or an approved alternate.

IV. Joint Craft Selection Committee:

The Joint Craft Selection Committee with equal representation of construction labor and construction management will review applicants and classify workers as follows: A -- qualified workmen, B -- advanced trainees, C -- trainees.

APPLICANTS WHO MEET EXISTING APPRENTICESHIP STANDARDS SHALL BE DIRECTED TO EITHER THE ST. LOUIS URBAN LEAGUE LEAP APPRENTICESHIP PROJECT OR THE APPRENTICESHIP INFORMATION CENTER, M.S.E.S., FOR REFERRAL TO A SPECIFIC APPRENTICESHIP PROGRAM.

V. Classification of Workers:

Workmen shall be classified as follows:

Group A. Qualified Workmen -- persons who are fully qualified as journeymen. They shall be paid the rate set forth in the appropriate collective bargaining agreement or amendment thereto, which has been mutually agreed to by the signatories hereto, and Union membership will be made available.

Group B. Advanced Trainees -- persons who have construction work experience, but who do not presently have full qualifications to be journeymen.

ADVANCED TRAINEES SHALL BE GIVEN PREFERENCE OVER TRAINEES IN EMPLOYMENT OPPORTUNITIES.

Advanced Trainees shall hold this classification for no longer than two years, after which they shall be advanced to Group A -- Qualified Workmen. The goal of the advanced trainee program is to develop fully qualified and competent craft union journeymen. Union membership will be made available no later than completion of the Advanced Trainee training period.

Group C. Trainees -- persons without construction experience. The starting rate of pay for trainees will be \$3.00 per hour. All trainees will work across jurisdictional lines as helpers for a six months period and will be employed by the general contractor. After the six months period, a choice will be made by the trainee

and the appropriate Craft Selection Committee as to the specific trade in which the trainee will begin training as an advanced trainee.

VI. Participation Procedure:

Each Joint Craft Selection Committee shall determine the ratio of trainees and advanced trainees to journeymen that are to be utilized in the work. These proportions shall be subject to the approval of the Joint Administrative Committee. On rehabilitation work and new construction of housing up to and including four stories, the ratio shall be a minimum of one such trainee to three skilled journeymen when available. On all other work, the ratio shall be a minimum of one such trainee to five skilled journeymen and a maximum of one such trainee to three journeymen when available.

The determination of the size of the site work force, the allocation of work to employees, establishment of quality standards and judgment of workmanship required, the maintenance of discipline and tenure of employment shall be the responsibility of the employing contractor.

VII. Jurisdiction in Rehabilitation Work:

In rehabilitation work, it is recognized that work operations covered by this agreement may not lend themselves to conventional work jurisdiction assignments as applied in commercial and industrial construction. In rehabilitation work, the work operations within the scope of this agreement as a matter of practicality may require mixed crews for many types of operation. However, the contractor will give due regard as practical to conventional jurisdictional lines. In no event shall there be any work stoppage over the administration of this provision.

VIII. Dispute Settlement Procedure:

Any dispute arising over the administration or interpretation of these joint provisions relating to recruitment, classification of workers, participation procedure, fringe benefits and wage rates schedule, shall be reviewed and every effort made to settle the matter at the work site by the contractor and the officers of the union involved. If no settlement is concluded at that level, the matter will be referred to the Joint Administrative Committee for a decision that will be final and binding. In no event shall there be any work stoppage over disputes.

IX. Operation of the Agreement:

This agreement shall become effective when signed by the contractor performing the work and the local union. This agreement shall amend the existing collective bargaining agreements between the parties for the term of the existing labor agreement.

ASSOCIATIONS

ASSOCIATED GENERAL CONTRACTORS OF ST. LOUIS

/s/ _____

UNIONS

CARPENTERS' DISTRICT COUNCIL OF ST. LOUIS

/s/ _____

LOCAL UNION NO. 513 AFFILIATED WITH THE INTERNATIONAL UNION OF OPERATING ENGINEERS AFL-CIO

/s/ _____

Revised Philadelphia Plan

MEMORANDUM June 27, 1969

TO: HEADS OF ALL AGENCIES

FROM: Arthur A. Fletcher
Assistant Secretary for Wage and Labor
Standards

SUBJECT: Revised Philadelphia Plan for Compliance with
Equal Employment Opportunity Requirements of
Executive Order 11246 for Federally-involved
Construction

1. Purpose

The purpose of this Order is to implement the provisions of Executive Order 11246, and the rules and regulations issued pursuant thereto, requiring a program of equal employment opportunity by Federal contractors and subcontractors and Federally-assisted construction contractors and subcontractors.

2. Applicability

The requirements of this Order shall apply to all Federal and Federally-assisted construction contracts for projects the estimated total cost of which exceeds \$500,000, in the Philadelphia area, including Bucks, Chester, Delaware, Montgomery and Philadelphia counties in Pennsylvania.

3. Policy

In order to promote the full realization of equal employment opportunity on Federally-assisted projects, it is the policy of the Office of Federal Contract Compliance that no contracts or subcontracts shall be

awarded for Federal and Federally-assisted construction in the Philadelphia area on projects whose cost exceeds \$500,000, unless the bidder submits an acceptable affirmative action program which shall include specific goals of minority manpower utilization, meeting the standards included in the invitation or other solicitation for bids, in trades utilizing the following classifications of employees:

Iron workers
Plumbers, pipefitters
Steamfitters
Sheetmetal workers
Electrical workers
Roofers and water proofers
Elevator construction workers

4. Findings

Enforcement of the nondiscrimination and affirmative action requirements of Executive Order 11246 has posed special problems in the construction trades. Contractors and subcontractors must hire a new employee complement for each construction job and out of necessity or convenience they rely on the construction craft unions as their prime or sole source of their labor. Collective bargaining agreements and/or established custom between construction contractors and subcontractors and unions frequently provide for, or result in, exclusive hiring halls; even where the collective bargaining agreement contains no such hiring hall provisions or the custom is not rigid, as a practical matter, most people working in these classifications are referred to the jobs by the unions. Because of these hiring arrangements, referral by a union is a virtual necessity for obtaining employment in union construction projects, which constitute the bulk of commercial construction.

Because of the exclusionary practices of labor organizations, there traditionally has been only a small number of Negroes employed in these seven trades. These exclusionary practices include: (1) failure to admit Negroes into membership and into apprenticeship programs. At the end of 1967, less than one-half of one percent of the membership of the unions representing employees in these seven trades were Negro, although the population in the Philadelphia area during the past several decades included substantial numbers of Negroes. As of April 1965, the Commission on Human Relations in Philadelphia found that unions in five trades (plumbers, steamfitters, electrical workers, sheet metal workers and roofers) were "discriminatory" in their admission practices. In a report by the Philadelphia Local AFL-CIO Human Relations Committee made public in 1964 virtually no Negro apprentices were found in any of the building trades classes;¹ (2) failure of the unions to refer Negroes for employment, which has resulted in large measure from the priorities in referral granted to union members and to persons who had work experience under union contracts.

On November 30, 1967, the Philadelphia Federal Executive Board put into effect the Philadelphia Pre-Award Plan. The Federal Executive Board found that² the problem of compliance with the requirements of Executive Order 11246 was most apparent in Philadelphia in eight construction trades: electrical, sheetmetal, plumbing and pipefitting, steamfitting, roofing and waterproofing, structural iron work, elevator construction and operating engineers; and that

1. Marshall and Briggs, Negro Participation in Apprenticeship Programs (Dec. 1966), pg. 91.

2. These findings were based on a detailed examination of available facts relating to building trades unions, area construction volume and demographic data.

local unions representing employees in these trades in the Philadelphia area had few minority group members and that few minority group persons had been accepted in apprenticeship programs. In order to assure equal employment opportunity on Federal and Federally-assisted construction in the Philadelphia area, the plan required that each apparent low bidder, to qualify for a construction contract or subcontract, must submit a written affirmative action program which would have the results of assuring that there will be minority group representation in these trades.

Since the Philadelphia Plan was put into effect, some progress has been made. Several groups of contractors and Local 543 of the International Union of Operating Engineers have developed an area program of affirmative action which has been approved by OFCC in lieu of other compliance procedures, but subject to periodic evaluation. The original Plan was suspended because of an Opinion by the Comptroller General that it violated the principles of competitive bidding.

Equal employment opportunity in these trades in the Philadelphia area is still far from a reality. The unions in these trades still have only about 1.6 percent minority group membership and they continue to engage in practices, including the granting of referral priorities to union members and to persons who have work experience under union contracts, which result in few Negroes being referred for employment. We find, therefore, that special measures are required to provide equal employment opportunity in these seven trades.

In view of the foregoing, and in order to implement the affirmative action obligations imposed by the equal employment opportunity clause in Executive Order 11246, and in order to assure that the requirements of this Order conform to the principles of

competitive bidding, as construed by the Comptroller General of the United States, the Office of Federal Contract Compliance finds that it is necessary that this Order, requiring bidders to commit themselves to specific goals of minority manpower utilization, be issued.

5. Acceptability of Affirmative Action Programs

A bidder's affirmative action program will be acceptable if the specific goals set by the bidder meet the definite standards determined in accordance with Section 6 below. Such goals shall be applicable to each of the designated trades to be used in the performance of the contract whether or not the work is to be subcontracted. However, participation in a multi-employer program approved by OFCC shall be acceptable in lieu of a goal for the trade involved in such training program. In no case shall there be any negotiation over the provisions of the specific goals submitted by the bidder after the opening of bids and prior to the award of the contract.

6. Specific Goals and Definite Standards

a. General.

The OFCC Area Coordinator, in cooperation with the Federal contracting or administering agencies in the Philadelphia area, will determine the definite standards to be included in the invitation for bids or other solicitation used for every Federally-involved construction contract in the Philadelphia area, when the estimated total cost of the construction project exceeds \$500,000. Such definite standards shall specify the range of minority manpower utilization expected for each of the designated trades to be used during the performance of the construction contract. To be eligible for the award of the contract, the bidder must, in the affirmative

action program submitted with his bid, set specific goals of minority manpower utilization which meet the definite standard included in the invitation or other solicitation for bids unless the bidder participates in an affirmative action program approved by OFCC.

b. Specific Goals.

1) The setting of goals by contractors to provide equal employment opportunity is required by Section 60-1.40 of the Regulations of this Office (41 CFR § 60-1.40). Further, such voluntary organization of businessmen as Plans for Progress have adopted this sound approach to equal opportunity just as they have used goals and targets for guiding their other business decisions. (See the Plans for Progress booklet Affirmative Action Guidelines on page 6.)

2) The purpose of the contractor's commitment to specific goals is to meet the contractor's affirmative action obligations and is not intended and shall not be used to discriminate against any qualified applicant or employee.

c. Factors Used in Determining Definite Standards.

A determination of the definite standard of the range of minority manpower utilization shall be made for each better-paid trade to be used in the performance of the contract. In determining the range of minority manpower utilization that should result from an effective affirmative action program, the factors to be considered will include, among others, the following:

- 1) The current extent of minority group participation in the trade.
- 2) The availability of minority group persons for employment in such trade.
- 3) The need for training programs in the area

and/or the need to assure demand for those in or from existing training programs.

- 4) The impact of the program upon the existing labor force.

7. Invitation for Bids or Other Solicitations for Bids

Each Federal agency shall include, or require the applicant to include, in the invitation for bids, or other solicitation used for a Federally-involved construction contract, when the estimated total cost of the construction project exceeds \$500,000, a notice stating that to be eligible for award, each bidder will be required to submit an acceptable affirmative action program consisting of goals as to minority group participation for the designated trades to be used in the performance of the contract--whether or not the work is subcontracted. Such notice shall include the determination of the range of minority group utilization (described in Section 6 above) that should result from an effective affirmative action program based on an evaluation of the factors listed in Section 6. The form of such notice shall be substantially similar to the one attached as an appendix to this Order. To be acceptable, the affirmative action program must contain goals which are at least within the range described in the above notice. Such goals must be provided for each designated trade to be used in the performance of the contract except that goals are not required with respect to trades covered by an OFCC approved multi-employer program.

8. Post-Award Compliance

a. Each agency shall review contractors' and subcontractors' employment practices during the performance of the contract. If the goals set forth in the affirmative action program are being met, the

contractor or subcontractor will be presumed to be in compliance with the requirements of Executive Order 11246, as amended, unless it comes to the agency's attention that such contractor or subcontractor is not providing equal employment opportunity. In the event of failure to meet the goals, the contractor shall be given an opportunity to demonstrate that he made every good faith effort to meet his commitment. In any proceeding in which such good faith performance is in issue, the contractor's entire compliance posture shall be reviewed and evaluated in the process of considering the imposition of sanctions. Where the agency finds that the contractor or subcontractor has failed to comply with the requirements of Executive Order 11246, the implementing regulations and its obligations under its affirmative action program, the agency shall take such action and impose such sanctions as may be appropriate under the Executive Order and the regulations. Such noncompliance by the contractor or subcontractor shall be taken into consideration by Federal agencies in determining whether such contractor or subcontractor can comply with the requirements of Executive Order 11246 and is therefore a "responsible prospective contractor" within the meaning of the Federal procurement regulations.

b. It is no excuse that the union with which the contractor has a collective bargaining agreement failed to refer minority employees. Discrimination in referral for employment, even if pursuant to provisions of a collective bargaining agreement, is prohibited by the National Labor Relations Act and Title VII of the Civil Rights Act of 1964. It is the long-standing uniform policy of OFCC that contractors and subcontractors have a responsibility to provide equal employment opportunity if they want to participate in Federally-involved contracts. To the extent they have delegated the responsibility for some of their

employment practices to some other organization or agency which prevents them from meeting their obligations pursuant to Executive Order 11246, as amended, such contractors cannot be considered to be in compliance with Executive Order 11246, as amended, or the implementing rules, regulations and orders.

9. Exemptions

a. Requests for exemptions from this Order must be made in writing, with justification, to the Director, Office of Federal Contract Compliance, U.S. Department of Labor, Washington, D.C. 20210, and shall be forwarded through and with the endorsement of the agency head.

b. The procedures set forth in the Order shall not apply to any contract when the head of the contracting or administering agency determines that such contract is essential to the national security and that its award without following such procedures is necessary to the national security. Upon making such a determination, the agency head will notify, in writing, the Director of the Office of Federal Contract Compliance within thirty days.

c. Nothing in this Order shall be interpreted to diminish the present contract compliance review and complaint programs.

10. Authority

This Order is issued pursuant to Executive Order 11246 (30 F.R. 12319, Sept. 28, 1965) Parts II and III; Executive Order 11375 (32 F.R. 14303, Oct. 17, 1967); and 41 CFR Chapter 60.

11. Effective Date

The provisions of this Order will be effective

with respect to transactions for which the invitations for bids or other solicitations for bids are sent on or after July 18, 1969.

ORDER September 23, 1969

TO: HEADS OF ALL AGENCIES

FROM: Arthur A. Fletcher
Assistant Secretary for Wage and Labor Standards

John L. Wilks, Director
Office of Federal Contract Compliance

SUBJECT: Establishment of Ranges for the Implementation of the Revised Philadelphia Plan for Compliance with Equal Employment Opportunity Requirements of Executive Order 11246 for Federally-Involved Construction

1. Purpose

The purpose of this Order is to implement Section 6 of the Order issued on June 27, 1969 by Assistant Secretary of Labor Arthur A. Fletcher to the Heads of Agencies outlining a "Revised Philadelphia Plan for Compliance with Equal Employment Opportunity Requirements of Executive Order 11246 for Federally-Involved Construction." Section 6 of the June 27 Order provides for the determination of definite standards in terms of ranges of minority manpower utilization. This Order also affirms and in certain respects amends the Order of June 27.

2. Background

The June 27 Order requires a bidder on Federal or Federally-assisted construction in the Philadelphia area on projects whose cost exceeds \$500,000 to submit an acceptable affirmative action program which shall include specific goals of minority manpower utilization within the ranges to be established by the Department of Labor, in cooperation with the Federal contracting and administering agencies in the Philadelphia Area, within the following 7 listee classifications:

- Iron workers
- Plumbers, pipefitters
- Steamfitters
- Sheetmetal workers
- Electrical workers
- Roofers and water proofers
- Elevator construction workers

Since that time the Department has determined that minority craftsmen may be adequately represented in the classification and title "roofers and water proofers." For this reason, such classification is hereby temporarily excepted from the provisions of the "Revised Philadelphia Plan," subject to further examination of that trade.

Pursuant to a notice of hearing issued on August 16, 1969, representatives of the Department of Labor conducted a public hearing in Philadelphia on August 26, 27, and 28, 1969 for the purpose of obtaining information and data relevant to the establishment of ranges for the purpose of effectuating the above-referred to June 27, 1969 Order. Section 6 of such Order provides that the following factors, among others, will be used in establishing these ranges:

- (a) The current extent of minority group participation in the trade.

- (b) The availability of minority group persons for employment in such trade.
- (c) The need for training programs in the area and/or the need to assure demand for those in or from existing training programs.
- (d) The impact of the program upon the existing labor force.

Having reviewed the record of that hearing and additional relevant data gathered and compiled by the Department of Labor, the following findings and Order are made as contemplated by the Order of June 27, 1969.

3. Findings

(This section has been omitted because of space limitations. The findings may be obtained from the Director, Office of Federal Contract Compliance, U.S. Department of Labor, Washington, D.C., 20210.)

4. Order

Therefore, after full consideration and in light of the foregoing, be it ORDERED: That the Order of June 27, 1969 entitled "Revised Philadelphia Plan for Compliance with Equal Employment Opportunity Requirements of Executive Order 11246 for Federally-Involved Construction" is hereby implemented, affirmed, and in certain respects amended, this Order to constitute a supplement thereto as required and contemplated by said Order of June 27, 1969.

FURTHER ORDERED: That the following ranges are hereby established as the standards for minority

manpower utilization for each of the designated trades in the Philadelphia area for the next four years:

| <u>Identification of Trade</u> | <u>Range of Minority Group Employment until December 31, 1970</u> |
|--------------------------------|---|
| Ironworkers | 5% - 9%* |
| Plumbers & Pipefitters | 5% - 8% |
| Steamfitters | 5% - 8% |
| Sheetmetal workers | 4% - 8% |
| Electrical workers | 4% - 8% |
| Elevator construction workers | 4% - 8% |

| <u>Identification of Trade</u> | <u>Range of Minority Group Employment for the Calendar Year 1971**</u> |
|--------------------------------|--|
| Ironworkers | 11% - 15% |
| Plumbers & Pipefitters | 10% - 14% |
| Steamfitters | 11% - 15% |
| Sheetmetal workers | 9% - 13% |
| Electrical workers | 9% - 13% |
| Elevator construction workers | 9% - 13% |

*The percentage figures have been rounded.

**After December 31, 1970 the standards set forth herein shall be reviewed to determine whether the projections on which these ranges are based adequately reflect the construction labor market situation at that time. Reductions or other significant fluctuations in federally involved construction shall be specifically reviewed from time-to-time as to their effect upon the practicality of the standards. In no event, however, shall the standards be increased for contracts after bids have been received.

Identification of Trade

| | |
|-------------------------------|-----------|
| Ironworkers | 16% - 20% |
| Plumbers & Pipefitters | 15% - 19% |
| Steamfitters | 15% - 19% |
| Sheetmetal workers | 14% - 18% |
| Electrical workers | 14% - 18% |
| Elevator construction workers | 14% - 18% |

Range of Minority Group Employment for the Calendar Year 1972

Identification of Trade

| | |
|-------------------------------|-----------|
| Ironworkers | 22% - 26% |
| Plumbers & Pipefitters | 20% - 24% |
| Steamfitters | 20% - 24% |
| Sheetmetal workers | 19% - 23% |
| Electrical workers | 19% - 23% |
| Elevator construction workers | 19% - 23% |

Range of Minority Group Employment for the Calendar Year 1973

The above ranges are expressed in terms of man hours to be worked on the project by minority personnel and must be substantially uniform throughout the entire length of the project for each of the designated trades.

FURTHER ORDERED: That the form attached hereto as an Appendix is hereby made a part of this Order and in accordance with the findings specified above, amends the Appendix of the Order of June 27, 1969.

Each Federal agency shall include, or require the applicant to include, this form, or one substantially similar, in the invitation for bids or other solicitations used for a Federally-involved construction contract where the estimated total cost of the

construction project exceeds \$500,000.

5. Criteria for Measuring Good Faith

Section 8 of the June 27 Order provides that a contractor will be given an opportunity to demonstrate that he has made every good faith effort to meet his goal of minority manpower utilization in the event he fails to meet such goal. If the contractor has failed to meet his goal, a determination of "good faith" will be based upon his efforts to broaden his recruitment base through at least the following activities:

(a) The OFCC Area Coordinator will maintain a list of community organizations which have agreed to assist any contractor in achieving his goal of minority manpower utilization by referring minority workers for employment in the specified trades. A contractor who has not met his goals may exhibit evidence that he has notified such community organizations of opportunities for employment with him on the project for which he submitted such goals as well as evidence of their response.

(b) Any contractor who has not met his goal may show that he has maintained a file in which he has recorded the name and address of each minority worker referred to him and specifically what action was taken with respect to each such referred worker. If such worker was not sent to the union hiring hall for referral or if such worker was not employed by the contractor, the contractor's file should document this and the reasons therefor.

(c) A contractor should promptly notify the OFCC Area Coordinator in order for him to take appropriate action whenever the union with whom the contractor has a collective bargaining agreement has

not referred to the contractor a minority worker sent by the contractor or the contractor has other information that the union referral process has impeded him in his efforts to meet his goal.

(d) The contractor should be able to demonstrate that he has participated in and availed himself of training programs in the area, especially those funded by this Department referred to in Section 3(c) of this Order, designed to provide trained craftsmen in the specified trades.

6. Subcontractors

Whenever a prime contractor subcontracts a portion of the work in the trade on which his goals of minority manpower utilization are predicated, he shall include his goals in such subcontract and those goals shall become the goals of his subcontractor who shall be bound by them and by this Order to the full extent as if he were the prime contractor. The prime contractor shall not be accountable for the failure of his subcontractor to meet such goals or to make every good faith effort to meet them. However, the prime contractor shall give notice to the Area Coordinator of the Office of Federal Contract Compliance of the Department of Labor of any refusal or failure of any subcontractor to fulfill his obligations under this Order. Failure of the subcontractor to achieve his goal will be treated in the same manner as such failure by the prime contractor prescribed in Section 8 of the Order from the Office of Federal Contract Compliance to the Heads of All Agencies regarding the Revised Philadelphia Plan, dated June 27, 1969.

7. Exemptions

a. Requests for exemptions from this Order must be made in writing, with justification, to the

Director, Office of Federal Contract Compliance, U.S. Department of Labor, Washington, D.C. 20210, and shall be forwarded through and with the endorsement of the agency head.

b. The procedures set forth in the Order shall not apply to any contract when the head of the contracting or administering agency determines that such contract is essential to the national security and that its award without following such procedures is necessary to the national security. Upon making such a determination, the agency head will notify, in writing, the Director of the Office of Federal Contract Compliance within thirty days.

c. Nothing in this Order shall be interpreted to diminish the present contract compliance review and complaint programs.

8. Effort of this Order

In the case of any inconsistency between this Order and the June 27, 1969 Order prescribing a "Revised Philadelphia Plan for Compliance with Equal Employment Opportunity Requirements of Executive Order 11246 for Federally-Involved Construction," this Order shall prevail.

9. Authority

This Order is issued pursuant to Executive Order 11246 (30 F.R. 12319, September 28, 1965) Parts II and III; Executive Order 11375 (32 F.R. 14303, Oct. 17, 1967); and 41 CFR Chapter 60.

10. Effective Date

The provisions of this Order will be effective

with respect to transactions for which the invitations for bids or other solicitations for bids are sent on or after September 29, 1969.