

Hilary Haycock, the communications director for SEIU Nevada, told BNA Dec. 7 that a number of Saint Mary's nurses had expressed interest in joining her union because it is the largest union in the state representing hospital workers and represents nurses at three CHW hospitals in Las Vegas.

During the campaign, SEIU Nevada wanted to make sure that the nurses had a choice of which union to join, she said. SEIU also wanted them to understand "what amazing gains we have achieved" in Nevada, she said, adding that the union has negotiated some of the "strongest ratios in the country" at the CHW hospitals in Las Vegas.

Haycock said that SEIU Nevada nurses have respect for what CNA has achieved in California, but added that they hope CNA/NNOC will be "able to reach the standards that SEIU has reached across the state."

While the vote was the first victory for the union in Nevada, CNA/NNOC Executive Director Rose Ann DeMoro said "it will be the harbinger of more victories to come in the state where there is a booming interest in CNA/NNOC achievements."

Furillo added that the union has received calls from nurses at other facilities in Nevada and once "we get a good contract" at Saint Mary's, "we then will be able to organize at other hospitals."

Construction

Many New York City Construction Workers Part of Underground Economy, Study Says

NEW YORK—At least 50,000 construction workers in New York City are employed off the books or misclassified as independent contractors, according to a study by the Fiscal Policy Institute released Dec. 5.

The estimated total means that one in four of the workers in the city's booming construction industry are employed in the "underground economy," said the Albany-based research organization, which is funded by foundations, unions, and other sources.

Census data indicate that the city has more than 200,000 construction workers, yet at least 50,000 of them do not show up on federal and state payroll job statistics, the study found.

"As buildings go up in New York City, more and more construction work has gone underground, signifying violation of several employment and tax laws," the study said. "The industry's otherwise bright prospects are marred by worsening wage and employment standards in a large and growing underground segment of the industry."

Growing Costs to Taxpayers. The report cited a "substantial and growing" cost to taxpayers from the underground employment arrangements, estimating a fiscal cost of \$489 million in 2005 that could go to at least \$557 million in 2008.

In rounded figures, according to the study, the 2005 total was made up of \$272 million in unpaid payroll taxes and workers' compensation, unemployment, and disability insurance premiums; \$148 million in health care costs shifted to taxpayers, other employers, and the workers themselves; and \$70 million in lost personal income taxes.

The underground construction industry is concentrated in residential construction, but also exists in commercial construction, especially in the boroughs outside of Manhattan, and even among some infrastructure projects that are entirely government-funded, FPI said.

"Official figures don't reflect the activity of a growing number of unscrupulous employers skirting the law," observed James Parrott, author of the study and the institute's deputy director and chief economist. "Workers are the first to suffer, but it doesn't stop there. Taxpayers are forced to pick up the tab for Social Security and the other payroll taxes that go unpaid when construction workers are hired off the books. And law-abiding employers are put at a real disadvantage, forced to bear many costs shifted to them from employers breaking the law."

Parrott said the report demonstrates the need for better enforcement of the prevailing wage, with accompanying social benefits.

"As a society, we should be opting for the better overall outcome, not falling for the false bargain of the underground economy," he said. "A prevailing wage economy offers workers a career, economic security, and a path into the middle class. The underground economy sends workers back to 19th century working conditions."

Policy Recommendations. Specifically, the report recommended that New York city and state work together to vigorously enforce employment laws, ensure compliance with tax laws and social insurance contribution requirements, and "use various leverage points to improve pay and working conditions."

It further urged that prevailing wage requirements be applied to all affordable housing contracts or any construction project benefiting from city and state funding, subsidy, zoning, or other land-use action. Enforcement should be targeted at vulnerable workers, the report added, such as recent immigrants and "black and Hispanic workers long shut out of opportunities for good-paying jobs, skill development, and advancement."

Contractors and taxpayers "get better value" under the prevailing wage, Parrott said, adding: "It is an effective anti-poverty program, and an obvious way to address New York's widening income gap between the rich and the poor."

BY JOHN HERZFELD

The report, Building Up New York, Tearing Down Job Quality, can be accessed at http://www.fiscalpolicy.org/publications2007/FPI_BuildingUpNY_TearingDownJobQuality.pdf.

In Brief

New York Manufacturer Faces Fines of \$382,500

A Bronx, N.Y., company that makes fireproof doors faces \$382,500 in proposed penalties for 76 alleged safety and health hazards, including 13 repeat and 14 failure-to-abate notices, the Occupational Safety and Health Administration announced Dec. 5.