

DIOCESAN CONSTRUCTION POLICIES: PRACTICING WHAT WE TEACH

INTRODUCTION

A significant number of Catholic dioceses and institutions have adopted policies which require the use of union labor in major construction projects under their auspices. This paper seeks to:

1. briefly summarize the Church's traditional teaching on the rights of workers and the contributions of unions;
2. examine the teaching's relevance to diocesan policies on construction;
3. explore some of the arguments surrounding a preference for unions in diocesan construction policies;
4. offer a rationale for diocesan policies requiring the use of union labor on major construction policy as an example of the Church's teaching in action.

I. CATHOLIC TEACHING ON UNIONS

One hundred years ago, Pope Leo XIII in his landmark encyclical Rerum Novarum put the Church firmly on the side of workers and in support of their rights to organize and join unions. Over the last century, the Church has explored with increasing specificity and intensity the moral dimensions of work and the rights of workers. No topic in the Church's social teaching has drawn more frequent attention and more consistent focus than the right to organize. Every Pope since Leo XIII has affirmed the rights of workers and supported the cause of unions. The Second Vatican Council brought these teachings together in a strong defense of workers and their unions. Since then, the teaching has been affirmed and advanced by Paul VI and even more emphatically by John Paul II.

In its briefest summary, Catholic Social Teaching insists that workers have a basic human right to form and join unions. In our tradition, trade unions are an "indispensable element of social life." Unions are significant not only for their critical economic roles in securing just wages and adequate working conditions, but also for the participation and expression they offer workers in the broader life of the economy and society. A strong labor movement is still needed to protect the dignity and rights of workers and to contribute to the overall freedom and justice of society.

These general points are drawn from papal and conciliar teaching as well as statements of the U.S. bishops' Conference. The brief and relatively few citations which follow illustrate the major themes and directions of Catholic teaching; many more documents and passages could be cited.

Papal and Conciliar Teaching

"Although we have spoken of (associations of workers) more than once, it seems well to show in this place that they are highly opportune and are formed by their own right, and, likewise to show how they should be organized and what they should do." (69) *Rerum Novarum*, Leo XIII

"Among the basic rights of the human person is to be numbered the right of freely founding unions from working people. These should be able truly to represent them and to contribute to organizing of economic life in the right way. Included is the right of really taking part in the activity of these unions without risk of reprisal."

(68) *Gaudium et Spes* Vatican II

"All these rights, together with the need for the workers themselves to secure them, give rise to yet another right: the right of association, that is, to form associations for the purpose of defending the vital interests of those employed in the various professions. These associations are called labor or trade unions.... The experience of history teaches that organizations of this type are an indispensable element of social life, especially in modern industrialized societies. Obviously this does not mean that only industrial workers can set up associations of this type. Representatives of every profession can use them to ensure their own rights." (20)

Laborem Exercens, John Paul II

"The role of trade unions in negotiating minimum salaries and working conditions is decisive... not only in negotiating contracts, but also as 'places' where workers can express themselves. They serve the development of an authentic culture of work and help workers to share in a fully human way in the life of their place of employment." (15) *Centesimus Annus*, John Paul II

"Here we find a wide range of opportunities for commitment and effort in the name of justice on the part of trade unions and other workers' organizations. These defend workers' rights and protect their interests as persons, while fulfilling a vital cultural role, so as to enable workers to participate more fully and honorably in the life of their nation and to assist them along the path of development." (35)

Centesimus Annus, John Paul II

"There is still need for a broad associated workers' movement directed toward the liberation and promotion of the whole person." (43)

Centesimus Annus, John Paul II

The U.S. Bishops

In their roles as pastors and teachers in this country, the U.S. bishops have echoed these principles and sought to apply them within our national economic and social context:

"Authentic and effective labor unions run by workers, are the surest way to achieve the social objectives of full employment and fair wages."

Pastoral Letter, 1919

"The right of labor to organize and to deal with employers through representatives has been asserted.... It is to be hoped that this right will never again be called in question by any considerable number of employers."

Program of Social Reconstruction, 1919

"The worker's right to form labor unions and to bargain collectively is as much his right to participate through delegated representatives in the making of laws which regulate his civic conduct. Both are inherent rights."

*Rights of Workers to Organize,
Administrative Committee*

of National Catholic Welfare Conference, 1933

"The Church fully supports the right of workers to form unions or other associations to secure their rights to fair wages and working conditions. This is a specific application of the more general right to associate. In the words of Pope John Paul II, 'The experience of history teaches that organizations of this type are an indispensable element of social life, especially in modern societies.' (*Laborem Exercens* 20) Unions may also legitimately resort to strikes where this is the only available means to the justice owed to workers. No one may deny the right to organize without attacking human dignity itself. Therefore, we firmly oppose organized efforts, such as those regrettably now seen in this country, to break existing unions and prevent workers from organizing." (104)

Economic Justice for All, 1985

Both the Universal Church and the Bishops of the United States have consistently linked the dignity of work and the rights of workers to active and healthy trade unions. The Church supports unions not simply because they enable workers to have more, but because they help workers to be more.

II. APPLICATION OF CHURCH TEACHING

The Church's social teaching is not simply an appeal to others, but a challenge for the Church itself. This clear teaching on the rights of workers and the indispensability of Unions places responsibilities on all economic structures including dioceses. As John Paul II suggested, the test of our social teaching is not what the Church says, but how the

Church acts:

"The social message of the Gospel must not be considered a theory, but above all else a basis and motivation for action.... Today more than ever, the Church is aware that her social message will gain credibility more immediately from the witness of actions than as a result of its internal logic and consistency." (57) *Centesimus Annus*, John Paul II

In the words of the 1976 Statement from the Synod of Bishops:

"While the Church is bound to give witness to justice, she recognizes that anyone who ventures to speak to people must first be just in their eyes. Hence, we must undertake an examination of the modes of acting and the possessions and life style found within the Church itself."
Justice in the World

As part of examining these "modes of acting," the Church and related institutions must take care to protect the rights of workers and to develop policies which reflect the values and spirit of Catholic social teaching. In their pastoral letter on economic justice, the U.S. bishops call on Church institutions to be "exemplary" in their economic conduct:

"All the moral principles that govern the just operation of any economic endeavor apply to the Church and its agencies and institutions; indeed the Church should be exemplary." (347) *Economic Justice for All*

"All Church institutions must also fully recognize the rights of employees to organize and bargain collectively with the institution through whatever association or organization they freely choose." (353)
Economic Justice for All

In the area of construction, the Church is an "indirect employer" of workers. *Laborem Exercens* points out that an indirect employer establishes the conditions under which the direct employer determines the actual work contract. "The responsibility of the indirect employer differs from that of the direct employer -- the term itself indicates that the responsibility is less direct -- but remains a true responsibility: The indirect employer substantially determines one or another facet of the labor relationship..." (17) The Church as an indirect employer, is still required to safeguard and respect the rights of the workers, primarily the worker's right to organize, to just wages, decent benefits and working conditions.

A 1987 report by the Canon Law Society of America on the canonical issues related to collective bargaining, while not focused on this specific issue, outlined several canonical issues including three major standards which have relevance to this question:

"The Church's teaching and law on employer-employee relationships applies to direct and indirect employers, including subcontractors."

"The local ordinary, and in particular the diocesan bishop, has a vigilance role over all Church related activity in the diocese, including the observance of Church law on employer-employee relationships."

"The dignity of the human person within the common good is the yardstick by which all considerations regarding the relationships between employers and employees are to be judged."

(Canonical Standards in Labor-Management Relations, p. 30)

These three principles point to the diocesan bishop's responsibility to insure that the Church's traditional teaching on unions is reflected in diocesan policies, even when the Church is the indirect employer. The diocese's traditional practice of using union labor in major construction projects is strongly supported by Catholic teaching. The ecclesial call for the Church to be "exemplary" and offer the "witness of actions" point to a strong case for diocesan policies that favor union labor in major construction projects.

In the area of contracting and construction, Church policies should not simply tolerate, but actively support workers in the exercise of their rights. Policies regarding construction contracts must take into account the reality that workers represented by unions have frequently gained higher wages, superior benefits, and better working conditions than their non-union counterparts. This is not something to deplore, but a reality to be recognized as a frequent outcome of collective bargaining.

Specifically, union workers receive continuing hospital and pension coverage despite changing employers or temporary joblessness which characterizes construction work. In addition, non-union contractors frequently do not participate in the training of apprentices through joint union-management programs.

Without a priority for union construction, the Church could find itself using lower-cost non-union workers and, as a result, denying jobs to workers who have chosen to exercise the right to organize which the Church is committed to defend. An open bidding process which ignores this reality will result in practical preference for companies which have no unions and pay their workers less. On the other hand, a policy of using union labor for Church construction demonstrates that the Church practices itself what it preaches to others and that the Church is serious in supporting the rights of workers in the decisions about their jobs through their unions.

III. SOME OBJECTIONS

Some would dispute that such policies serve the Church's needs or are justified by

current experience in the labor market. Some of these critics simply do not support the principles or share the values of traditional Catholic social teaching. Others suggest the economic consequences of such policies are too burdensome to justify their continuation. Whatever their basis, their objections raise questions which are worth addressing.

For example, some critics contend that current policies result in higher capital costs. Workers, they argue, can be hired at wages lower than those "imposed" by unions and the Church can save scarce resources. Advocates of union labor counter that these arguments ignore the economic advantages which well-trained and highly skilled construction union workers can bring to a job. Workers recruited to work below the prevailing wage, they contend, often have little formal construction training and less skill and experience. They argue that it is a mistake to assume union wages necessarily result in higher labor cost, or that low wages assure cost savings. Efficiency and productivity on the job are as important in determining overall construction costs as the wage rates paid to the workers. Inadequately trained, inefficient workers drive labor cost up even though they are paid lower wages. Skilled crafts people, on the other hand, can often perform the same work at overall lower labor costs even though the hourly rate of pay is higher. Indeed, studies indicate that unionized construction workers are more productive (Dr. Steven G. Allen, North Carolina State University, November 1979) and that no correlation exists between high prevailing wage rates and high cost per housing unit (U.S. Department of Housing and Urban Development, Region IX, June 1979). Available evidence indicates that union or "prevailing" wages do not necessarily lead to higher costs on construction projects. On the contrary, skilled and experienced workers paid at union wages can promote efficient and top-quality work.

A related concern is that unions will sometimes give economic "concessions" to be more competitive in today's marketplace, but have no need to offer such measures to the Church if they do not compete with other non-union workers through an open bidding process.

Clearly unions ought to give their friends who use union labor out of principle the same benefits they offer those who do not support trade unionism. Since Church resources are both limited and come from the contributions of Catholics, diocesan officials need to get fair value for limited funds. In some dioceses, a clear and principled commitment to use union labor has led to creative cooperation with trade unions to hold down construction costs and maximize the use of Church funds.

Other critics point to historic problems of discrimination in the building trades against minorities and women. They cite the U.S. Bishops' pastoral letter on the economy which recognized that "racial and sexual discrimination, however, have blotted the record of some unions." These critics charge that a policy of union preference in construction contracts would make the Church an accomplice in this discriminatory history.

Supporters of union labor acknowledge both unions and the construction industry in general have had a lamentable history of discrimination. This is also true, they point out, for non-union construction firms. Unfortunately, this is a history reflecting the attitudes of the entire U.S. society. With the advent of the civil rights movement in the late 1960's, unions have changed and reached out to minority and women workers. In 1978, for example, 21 percent of all apprentices in union programs were minority workers, as compared to only 11.7 percent minority participation in non-union programs. According to government statistics, union-sponsored programs account for more than 90 percent of all minority graduates from registered apprenticeship programs.

The Catholic position is not that unions do the right thing in every case or that every union is an instrument of the common good, but that society as a whole benefits from free trade unions. We also believe we can help workers realize their greatest human and social potential as supporters of the labor movement, rather than as detached observers.

While these issues are obviously matters of debate and controversy, it seems clear that the use of union labor does not necessarily impose economic burdens or other costs that would overwhelm the Church's presumption in support of workers and their unions. The principles which shape the Church's social teaching and the current practice which has served the Church for decades should not be set aside without compelling arguments that clearly undermine the rationale for a pro-union policy.

CONCLUSION

Moral theology offers at least three traditional arguments supporting the Church's use of union contractors. First, the Church's use of union contractors gives public evidence of its commitment to the rights of working people to organize to defend and protect their rights in the marketplace. Secondly, inconsistency between the Church's teaching and practice presents a potential for scandal and may provide an excuse for many others to ignore the rights of labor. Thirdly, use of non-union contractors could make the Church itself an accomplice in some violations of labor rights.

1. Leading by Example. The Church's credibility as a moral teacher rests on her ability to live out in her institutional life what she proclaims in her teaching. When she puts her own resources behind justice for labor in labor schools, in unionization campaigns in agriculture and the textile industry, in disinvesting in South Africa -- her credibility has been high. Where there has been disparity between Church teaching and practice -- in hospital labor practices and in university union-busting, for example -- people are all too ready to dismiss Church teaching as irrelevant to the marketplace. By Employing unionized contractors, Church institutions show a thorough, ongoing commitment to the rights of laboring people.

2. Potential for Scandal. Perceived inconsistency between the Church's teaching and practice can be a significant source of scandal, not only to accepting the Church's social teaching but even to accepting the Church itself. People simply regard inconsistency and injustice by Church leaders to be more offensive -- and rightly so -- than comparable deeds by other actors. When ecclesiastical bodies neglect their own teaching on social questions, their public statements naturally invite the response from many quarters that they are hypocritical. Accordingly, a Church which preaches support for unions but does not support them in her own business practice can bring disrepute on her whole teaching mission and foster lasting indifference to the Church and her message, especially among organized labor.

3. Possible Material Cooperation. Finally, when Church bodies carry on business with non-union contractors, they can become an accomplice in unjust labor practices of some non-union employers. Contracting with the Church can give a veil of legitimacy to a business with illegitimate labor practices. Accordingly, by engaging contractors which resist the efforts of workers to organize Church institutions, in the standard terms of moral theology, could be cooperating materially in the perpetuation of the evils suffered by their unorganized workers. The Church is not in a position to assess the labor practices of all the firms that might bid on a project. Therefore, the wiser course is to use firms where the wages and working conditions are set by collective bargaining between labor and management.

In its contractual relationships, the Church needs to insist that contractors have the economic, human, and technical resources to do the job well; that they offer fair value in the work done for the price paid; and that their policies and practices do not deny the dignity and rights of their workers. Short of a comprehensive, time consuming, intrusive investigation into every potential contractor, many dioceses have wisely limited their bidding process to union firms where the wages, fringe benefits, and working conditions are the result of a process of collective bargaining between workers and management.

To abandon the practice of using union labor in major Church construction could suggest that the Church's teaching on labor is getting weaker when, in fact, it is growing stronger. It could also give rise to confusion and controversy as well as invite unfortunate and visible conflict with organized labor over the change in policy.

For the Church to strongly affirm the rights of workers to join a union, to insist that unions are an "indispensable element in modern society" and then not to take into account the economic consequences of unionization in its bidding process is to run the serious risk of undermining the Church's social credibility and penalizing workers who act in accord with this teaching.

The Church cannot teach one set of ethics in its encyclicals and practice another in the marketplace. By virtue of the Church's mission and constant teaching, Catholic institutions are well advised to adopt a pro-union policy for major construction projects.

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