HOUSING REHABILITATION AND JOB TRAINING

by

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ABSTRACT

Housing Rehabilitation and Job Training
Mark Gottesman
Submitted to the Department of Urban Studies and Planning in partial fulfillment of the requirement for the degree of Master of City Planning

Housing rehabilitation has assumed considerable importance as a potential means of improving the housing stock of many of our central cities. At the same time, it has been viewed as a likely source of jobs for many of the unskilled and marginally skilled residents of the inner city, especially for minority group members. While offering real promise, this linkage is very much dependent upon the kind of job training that can be provided on such projects.

Thus, this study has sought to determine if construction companies undertaking housing rehabilitation could independently carry out effective on-the-job training in the building trades. Primarily from the literature, five basic criteria or key factors for a job training program were established including: the acquisition of a broad level of skills, job continuity, attitude toward trainability, wage flexibility and effective managerial control.

Four firms doing rehabilitation primarily in the black community and using federal programs for financing were then studied in considerable detail. The purpose was to determine if these firms individually could satisfy the primary criteria for effective on-the-job training and if, based on structural characteristics and the nature of their operations, any firm had significantly greater potential for training than the others.

The study also included an analysis of the two traditional approaches to training and entry in the construction industry--the apprenticeship system and an informal process based on journeyman referral. The effectiveness of these methods and the role of the companies was also considered.

The results indicated that taken as individual vehicles for on-the-job training, none of the companies could satisfy all of the criteria. Their respective shortcomings outweighed the individual differences observed between them. The study pointed up the need for a training framework that encompassed all the companies and that, hopefully, might overcome their individual deficiencies as far as training was concerned. Some of the key characteristics of the apprenticeship system were offered as a model of what was needed and a tentative suggestion of one kind of alternative was made.
Above all, however, this thesis has indicated the difficulty of carrying out an effective on-the-job training program in the context of housing rehabilitation. While the linkage between housing and employment opportunity may be one of promise, it is also fraught with substantial and complex problems as far as on-the-job training is concerned.

Thesis Supervisor: Bernard J. Frieden
Title: Professor of City and Regional Planning
Special thanks go to the principals and staff of each of the companies studied. Without their cooperation and patience the case study approach followed here would not have been possible. To Dave Bird of King-Bison, in particular, I owe my basic interest in rehabilitation.

I am also grateful to Bernard Frieden and Langley Keyes for their advice and encouragement, both of which were, at times, sorely needed.

To my wife, I am most appreciative for the support she has given me and for the patience she has shown.
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CHAPTER I
INTRODUCTION

A. The Context: Housing Rehabilitation and Employment Opportunity

Though its scope is much more limited, this study grows out of the convergence of several broad and critical issues in our urban environment. One of these has been the recognized, though slowly to be acted upon, critical need for housing of low- and moderate-income families. The extent of the shortage has been most prominently documented in the Report of the President's Committee on Urban Housing.\(^1\) Rehabilitation of substandard housing has been identified as an important part of the total program. In recognition of this and as a means to encourage rehabilitation by private investors, changes have been introduced in the Tax Reform Act of 1969 whereby capital expenditures for the rehabilitation of old properties for persons of low and moderate incomes can be depreciated over a period of only five years.\(^2\)

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2 See the Report of the House Committee on Ways and Means on the Tax Reform Bill of 1969 (H.R. 13270) which gives the rationale for these changes.
The massive Boston Urban Rehabilitation Program (BURP) is another indication of the growing impact this method of production is expected to have.

A second clearly identified area of action has been that of employment, especially for the disproportionately large numbers of unemployed and underemployed members of minority groups located in the central cities. One dimension of this has been the rapidly expanding array of federal programs offered by the Department of Labor's Manpower Administration. The much publicized JOBS '70 Program (Job Opportunities in the Business Sector) under the auspices of the National Alliance of Businessmen is only one component of this effort. In the construction industry and building trades, equal employment opportunity and demands for access and membership by black workers have become especially heated and controversial issues. All too frequently the headlines have told of violent clashes between union members of the building trades and blacks protesting against exclusionary practices in cities such as Pittsburgh and Chicago. And in Boston, confrontations at Harvard and Tufts Universities have occurred to demand the end of discrimination in hiring. Similarly, the Philadelphia Plan has been one outgrowth among many in response to the problem of minority group entry to the building trades.¹

These two strands come together under a mood of growing activism on the part of many ghetto communities. Whether called citizen participation or militancy, the demands for housing and employment, among other needs, have increased in sharpness and intensity. And the linkage between these two needs has been made a particularly strong one, at the local level as well as at the national one. The Model Cities program itself is one reflection of this linkage. The Report of the President's Commission on Urban Housing also refers to the central city as a source of manpower to undertake the projected large scale program of rebuilding.

There obviously is a plentiful supply of potential workmen for homebuilding exactly in the central cities where many of the needed housing units must be built. Reaching these potential workmen, however, requires both vigorous programs to provide equal employment opportunity for members of minority groups and new kinds of training.¹

The language of those concerned at the local level can be quite different. What is to be avoided is the tragic and absurd picture of whites coming into Roxbury, building, rehabbing, and taking money out of the area, while black men stand idly by on the streets watching this spectacle.²

But the point is that rehabilitation is viewed as a major component in the rebuilding program, as a prime source of jobs, and a vehicle for

¹The President's Committee on Urban Housing, p. 169.
training and entry into the construction industry for minority group members. Some have noted, in fact, that a large scale rehab program is an especially desirable strategy, because "its employment potential per unit for inexperienced and underskilled workers is probably higher" than present housing approaches.

B. The Scope of this Thesis

Given such a broad framework or setting, the focus of this thesis is on a far more narrow scale. I have assumed that rehab is, in fact, a feasible method for producing low income housing and will be pursued on a far larger scale in the immediate future. Furthermore, I have chosen to examine only one aspect of the employment side of the issue, namely that of on-the-job training. The question of minority participation has many dimensions ranging from the development of contracting firms to the entrance of minority group members into the union structure on a more massive scale. Similarly, job training itself takes many forms. Aside from the additional apprenticeship system, there are pre-apprenticeship and outreach programs, efforts by individual producers and by community groups, and programs funded through special subsidies as under JOBS '70. On-the-job training utilizing specific contractors

is almost always the exclusive or principal component of these training efforts.

The purpose of this thesis, then, is to evaluate the feasibility of on-the-job training in a single sector of the construction industry, that of residential rehab. While the linkage between such training and this method of production of housing would appear to offer opportunity and mutual support, my own personal experiences on a rehab project in Newark, New Jersey, suggested that such goals could be conflicting rather than complementary. On that particular project, a newly established general contractor in conjunction with a non-profit sponsor had undertaken to rehab approximately one hundred units on the periphery of the black ghetto under the auspices of the New Jersey Housing Finance Agency and utilizing Section 236 funding. Both contractor and sponsor were committed to producing high quality housing at the lowest possible cost and to do so using unskilled and semi-skilled workers from the community who were to be trained and upgraded on the job. The results have been extremely high costs for the rehab and extremely poor training.

It is difficult to say what was responsible for such disappointing results. But many questions were raised about the compatibility of these dual objectives. Is job training possible on such rehab jobs? Can a single company undertaking rehab carry out an effective on-the-job
training effort? Is the key variable the structure of the company and the nature of the operation, the rehab process itself, or the fact that the training is carried out by only a single, independent contractor? It is in response to these questions that this study was undertaken.

The research has been at two different levels. I have examined the general literature on the structure of the construction industry, its system of industrial relations, and the traditional routes of entry and training in the building trades. Similarly, from the literature, reports, and studies, I have looked in more detail at the rehab industry and at specific job training programs and approaches. Many personal interviews were conducted with members of the construction industry and the building trades and with those involved in training in this field. From these efforts, a set of simple criteria or key elements for a successful on-the-job training program were established. They will be discussed more fully in the body of this thesis. Most generally, they include:

1. The appropriate level of skills training.
2. Attitude toward trainability.
3. Job control and production output.
4. Job placement, continuity, and opportunity during and after training.
5. Wage flexibility.

The second aspect of the study involved the close examination of four different rehab operations. These were selected, in part, because
they are several of the most prominent on the Boston scene. But, equally important, they had significantly different characteristics. For example, two are union; two are highly sophisticated and well managed; one pays neither union nor prevailing wages; one is a black enterprise, and so on. These companies were evaluated considering a broad range of factors; and the purpose here was to develop a clear conception of how they operated and what were their goals and expectations. An extensive series of personal interviews were conducted with the principals, members of the staff and crews, subcontractors, and other participants such as architects and inspectors where possible.

With this detailed information, an effort has been made to evaluate the potential for training of each of these companies taken as independent entities. Could any of them meet the established criteria based on the way they are operated and structured? Were some firms better than others, and if so, why? Or were these differences relatively insignificant in the face of more important factors, in particular the nature of rehab work itself or the fact that these companies were acting as individual agents for training?

In addition, since two of these companies are union, what is their role in the apprenticeship system—the traditional formal method of training and entry in the building trades? How does this system fulfill its role generally? Why are other training efforts needed in addition to it?
Finally, these companies all play a part in an informal training process. What is their role there, and how adequately does it carry out its objectives?

Given the above findings, what recommendations might then be made to better utilize the existing capacities of such companies and to overcome whatever deficiencies might exist? The latter would be directed not at how a company goes about its production process, but rather in structuring a training effort to compensate for the shortcomings in the individual training components, if that is possible. Some consideration would also be given to the apprenticeship system and informal process, since their limitations and positive features are closely related to the independent capabilities of these companies.

In Chapter II, then, the four firms will be described as a basis for future discussions. They will be referred to frequently throughout the study, and it is important to have as clear a conception as possible of the nature of the operation of each. Chapters III through VI will consider in depth the basic criteria for training and the likelihood that each firm can satisfy them under present circumstances. Chapter V and VI are presented in the context of the union's role in the industry, in part because two of the companies are organized and even more so because the union generally plays such an important part in assuring job continuity and placement and in wage control.
Chapters VII, VIII, and IX are concerned with seemingly separate issues: the apprenticeship system, the informal route of training and entry, and the employer's reluctance to train in general. The first two are considered because some or all of the companies participate in these training efforts. But more important, they are useful in that, to the extent these firms are involved, they are no longer functioning as independent entities. The last of these chapters deals with a problem endemic to the industry and a stumbling block for all training programs. And, indeed, understanding the reluctance to train that is so prevalent is essential before turning to Chapter X where conclusions have been drawn and some recommendations made.
CHAPTER II

THE FOUR REHABILITATION OPERATIONS

A. The Sydney Construction Company

If the companies surveyed were placed on a scale ranging from least high-powered, production oriented to the most sophisticated and efficient housing producer, the Sydney Construction Company would rank at the top without question. The company has been in operation approximately five years with most of its work in new construction, residential and commercial. Its dollar volume runs between three and four million per year. It is run by an MIT graduate in both civil engineering and building construction, who had ten years' experience with a very large general contractor extensively involved in commercial development in downtown Boston. The skills of management and scheduling learned there and in new construction have been brought to bear with considerable effectiveness to rehab.

The company participated as a general contractor on 209 units in BURP (Boston Urban Rehabilitation Program), and since that time in 1968,

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1 See Table 1 on page 40, for a summary of the key characteristics of these companies.

The following descriptions are based on personal interviews, visits to the job sites, and attendance at job meetings.
has completed two additional projects of 23 and 41 units for non-profit sponsors. It is currently undertaking a 65-unit package located at four different sites in Roxbury, three of which are in the Model Cities area. The company is acting as general contractor with its principal, Mr. Sydney, also one of three partners participating as owners and managers of the buildings.

From these activities in rehab, Sydney has developed a thorough understanding of the rehab process in all its phases and has strong opinions regarding its pros and cons and overall feasibility. Without an equity position, rehab does not pay. The margin, especially under federal programs such as 221(d)3 through which these units have been financed, is too small given the complexity of the work involved and the headaches that invariably result. Even being both developer and general contractor makes rehab a problematical venture to say the least. According to Sydney, his chief interest and motivation has been the challenge of developing an efficient "system" for doing rehab and the challenge of establishing a reputation as "the best rehabber in Boston."

A careful examination of his present operation indicates that he has indeed developed such a "system." His style of operation is indicative of his overall approach. He has regularly scheduled job meetings once each week, rotating at one of the four different job sites. He comes with a simplified critical path chart, and with all subs,
architect, FHA inspector, project manager and job supervisor on hand, quickly but carefully reviews the status of each job, exerting pressure on subs where necessary and resolving whatever conflicts or construction questions may be present. He will review directly that particular site, dealing with various questions about layout and specifications which have been brought to his attention by his own staff or by other actors in the process. Ad hoc decision making is at a minimum with most difficulties having been taken care of by his staff, by contacts with him back in the office, and by the generally high level of competence carefully developed in their previous rehab ventures.

The project itself will take approximately five months and has involved careful staging of operations, particularly in the two sites which are fully occupied. There, sets of apartments have been done with tenants temporarily relocated in already completed units or in other units at the company's expense and with the assistance of a social worker employed by Sydney.

The buildings themselves are brick, multi-family structures, which are structurally sound but will be totally rehabilitated. New roof skin, plumbing, electrical, heating, new bathroom and kitchen, new doors and window sash, sheetrocking of all walls, new ceilings dropped where possible—all are standard procedures. Interior bearing walls are left untouched unless change is essential, though apartment
layouts are often significantly altered, especially where more bedrooms are needed. Of the interior elements, only the floors are kept wherever possible, and many of the radiators are reused. It is gut rehabilitation with the finished product one of high quality.

As suggested earlier, the quality of job control and management is high. A project manager is responsible for overall coordination of activities: he orders materials and schedules major deliveries, estimates and lets contracts, schedules work activities, handles paper work and requisitions from FHA. But he is in close contact with Sydney who follows carefully the progress of the project and reviews all major--and many relatively minor--decisions. Both the project manager and job supervisor have a long experience in construction and a thorough knowledge of rehab in particular. The latter is responsible for day-to-day operations on all four sites and exerts an extremely firm control over the work crews involved.

Carpentry work (including demolition, framing and finish), sheetrocking, masonry work when needed, and jobs requiring laborers are the only functions performed by the general contractor himself. This crew during peak production consists roughly of eleven carpenters, three sheetrockers, and only two laborers. When masonry skills are required beyond the ability of the "all-purpose" laborers, men are taken from the company's new construction work, but otherwise the operations are remarkably distinct. The level of competence of the individual
craftsmen is extremely high, almost without exception. Most of them have had considerable experience in rehab. Over two-thirds of the crew is black, including the key foreman, a co-worker and personal friend of the job supervisor. The latter and the rest of the management personnel are white.

Though almost all of the men have union cards and are dues-paying members, none were hired through the union hall. With the exception of two or three, the carpenters were brought to the job by the supervisor and the foreman. Many had worked together as a crew in BURP, though not for Sydney. Initially, the crew contained seven or eight laborers, who had been "picked up off the street." These were quickly weeded out--only the two "pros" remained. Screening of workmen is equitable but extremely rigorous. Only in the case of several sheetrockers--to be discussed later--would anyone be "carried" to any degree whatsoever. Absenteeism, lateness, poor workmanship, lack of dependability quickly result in dismissal.

As quickly as the crew was drawn together, so would it be dissolved. There were no other rehab projects scheduled to start up as this one phased out. Sydney hoped to be able to keep only two men, the job supervisor and the foreman. Where feasible, in terms of scheduling, a few others might move into work in the ongoing projects in new construction. The importance of such continuity varied considerably. Were the booming summer construction period approaching, the general
contractor might be more concerned about keeping more craftsmen for his projects in new construction. Similarly, one small rehab project prior to this was deliberately undertaken to provide work for his key men in new construction during the winter months so as to have them available for start-up in the spring. In the present case, however, there was no nucleus of men in rehab which he was especially concerned about retaining. Indeed, even though his prior rehab work had been reasonably continuous, the present crew was completely different from that on his first rehab job.

The standards and expectations held for the subcontractors are also high. Those involved are, once again, experienced in rehab. Judging from the weekly job meetings, all performed their work within the time constraints established by the general contractor. The quality of their work was such that backcharging was rare, and withholding payments for unsatisfactory work appeared to be unnecessary. The moving of the different trades in and out as required proceeded remarkably smoothly. The orchestration of the varying activities was especially effective. Again, the general contractor was firm in exerting pressure but was willing to "help out" or to bear some extra costs when one of the subs was hard pressed for working capital or another was in a squeeze from union pressure.

Operating under 221(d)3 the general contractor and his subs were required to pay prevailing wages. But since all were paying union scale
anyhow, this posed no particular problems. In rehab, at least, the general contractor was what might be called "nominally" union. He did not hire through the union; he employed several non-union craftsmen as did some of his subs; and he ignored some basic jurisdictional lines.

The relationships of the general contractor with the FHA are also worth some comment—they are extremely secure. Final inspection is almost a formality. Only minor checklist items have been noted, and, because tenants are promptly moved in on the heels of the inspector, a final verification of the checklist items is virtually impossible. The general contractor "assures" the inspector that all has been done. Because of his own high standards, his continued involvement as owner and manager, and because of the strong role the management branch of the organization plays, the finished product is just that. But when problems do come up with the field inspector regarding change orders, requisitions being approved, change in specifications, the general contractor, to the outspoken dismay of the inspector, often goes above his head to get approval. In part, however, the sound financial position of the general contractor and the availability of adequate working capital helps relieve pressure and friction that might otherwise develop in his dealings with FHA. Sydney indicated that FHA standards were not unreasonable—his own were higher anyhow—and processing delays were not a serious problem whatsoever.
Linkages with the community are less clearly defined. It is apparent that pressures have been brought to bear regarding the employment of minority group craftsmen. But there has been little surface friction. Only in the case of the sheetrockers does he feel he is unnecessarily "carrying" a man. Two should be capable of handling the work that three are now doing. As he sees it, the "black community has Roxbury sewn up." Black skilled craftsmen are in extremely high demand. To get them to work requires incentives beyond the hourly wage. Hence, to a limited degree, the pressure to produce that is characteristic of his operation is somewhat eased. But such concessions are nominal. For the most part, his own craftsmen, as with the subs, are evaluated on the basis of their performance. As the job supervisor remarked, "We try to get the best subs. If they're black, that's great." Yet in a second breath he indicates that the tapers, though not quite what he would hope for, are used because they are black.

Job training on such a project is "ridiculous." All managerial personnel agreed that any kind of job training would cost the contractor considerable money. If training were undertaken, substantial subsidies would be essential. As far as the traditional union apprenticeship approach was concerned, its desirability from the contractor's perspective was determined totally by the individual apprentice himself. "If a guy can work, if he has pride in what he's doing, even
a first-year apprentice won't cost a contractor any money." The one apprentice on the job--a second-year man--was highly praised, and, considering his below-journeyman's wage, was an apparent asset for the contractor. Unfortunately, most men, especially unskilled blacks, are not so responsible and are not willing to work according to Sydney.

B. Archibald and Shephard Builders, Inc.

Archibald and Shephard is an expanded and expanding family business. Its development under the present partnership began approximately five years ago. From small fire jobs, they have moved into somewhat larger scale commercial work, though their activities have included a small residential rehab job, the interior remodelling of a church, and such new construction as a bank and nursing home. Their dollar volume has run approximately $200,000 per year.

The present rehab job they have undertaken marks a general significant departure from their past experience. It is by far the largest job they've tackled, for it includes 142 units with a cost of 1.2 million dollars. It is their first major rehab venture. And finally, it is their first encounter with FHA. The units themselves spread out over an extensive area at eight different sites, ranging from twenty-four units at one to only six units at another.
The company is acting as general contractor with only a nominal equity interest. One partner explicitly indicated his unwillingness to get involved in the headaches of management and ownership, at least in the Roxbury-Dorchester area. They are pushing to establish a sound reputation in both new and rehab construction work on an increasingly large scale, so as to choose from the many opportunities available to a black construction company in the area. At present they are experiencing growing pains which is reflected in their level of management and nature of their operation.

The two partners have their hands in every phase of the work. They personally do everything: picking up a bundle of shingles for a particular site, running the weekly job meetings, checking daily attendance records, ordering material, and keeping records of ongoing unit costs. Their own background as skilled carpenters encourages them to participate in decision making at a very basic and detailed level. And what they lack in managerial skills and systematic scheduling and programming, they have attempted to make up for by a seemingly boundless amount of energy and initiative. One partner noted that they had five foremen for the main job sites. Usually these were the most skilled and experienced carpenters given added responsibility. But the other only spoke of one such carpenter as a foreman in the sense of bearing a degree of personal responsibility.
Whatever their title, this lower echelon appears to do little more than provide some very simple site control, holding most decision making for the arrival of one or the other of the partners.

The project itself was given to Archibald and Shephard in the fall of 1969 on a very short notice after many subcontracts had already been negotiated and after some demolition work had already begun. From a tight, closely knit crew of only eight, the company has expanded to thirty-eight men. They acknowledge a strain in control, especially with the dispersed nature of the sites. Yet at the same time, they seem very reluctant to transfer some of their personal control to other actors at a lower level. The lack of qualified personnel is one obvious stumbling block. The main point is that they are continually scrambling, half a step behind the pace needed to exert firm control and establish a sounder system for production.

While they have received a two-month extension from FHA, they nonetheless expect to have completed the total project in a period of approximately eight months. And they are anxious to take on additional rehab work, especially given the experience gleaned from the present project. They would not, however, take on a group of buildings dispersed at such varied locations. The scope of rehab work for the future can be expected to be as extensive as it has been for these buildings. The actual extent of work is very much the same as that
undertaken by Sydney, though the buildings acquired by the latter were in somewhat better condition. Archibald and Shephard have not dealt with the staging of activities due to relocating of tenants since all the properties were vacant.

As general contractors they perform directly all carpentry work and also whatever masonry work is required. Like the Sydney Construction Company, all other work is generally subcontracted out. Interestingly enough, many of the subs are the same ones working for Sydney including electrical, plumbing and heating, and painting. The latter two and the sheetrocking and tile setting contractors are all white though they employ substantial numbers of black workmen. Again, like Sydney, the general contractor holds job meetings once a week to check out progress, exert pressure on subs who may have fallen behind, and to ease conflicts or problems between the trades. But because of their own inexperience in organizing a project of this size, Archibald and Shephard often find themselves under as much pressure as any sub for failing to prepare a particular unit for the progression of the trades. Similarly, the developer, the architect, and the FHA representative play a more outspoken role in helping to resolve issues that might arise, in offering advice to the general contractor, and in pushing certain subs as necessary. The high level of orchestration that characterizes the Sydney Construction Company is in the middle stages of development in the Archibald and Shephard operation.
The crew of the general contractor is built around approximately eight skilled tradesmen who have been with the company for several years. Prior to this larger job, this crew was responsible for the entire output of the company. Now at its peak level, Archibald and Shephard employ approximately thirty-five to forty men, about ten of whom are laborers. Roughly 80 to 85% are black. A number of the workmen have migrated from the South and the British West Indies where they received formal or informal and long-term training in carpentry. Two are union members who, out of work during the winter, sought out rehab work at the prevailing wage. Both partners agreed that in winter there was relatively little problem getting skilled men. The problem was to hold them through the hectic spring and summer peak construction period. But, in addition, they have found it considerably more difficult to get skilled black tradesmen.

Interestingly enough, the company had placed advertisements in the area newspapers seeking carpenters with ten years' experience, as the work increased in tempo and the crew had to be expanded. The result, however, was the exclusion of much of the local labor force. And as with other contractors, white or black, pressure was exerted by the local community. Picketing and disruptions were threatened, and the result was a reduction in the requirements established by the general contractor. Accordingly, the qualifications and abilities of the individual workmen seem more variable than that of Sydney for
example. Because of pressure to have as many blacks as possible and because their own supervision is less established and demanding, Archibald and Shephard seem to tolerate several members of the crew with problems of reliability and mediocre craftsmanship. Similarly, one of the so-called foremen at one of the larger, more complex sites is reluctantly maintained, largely because there is no one immediately available to replace him. An old-time, white, independent contractor, he has had difficulties in dealing with many of the younger black workers under his supervision. In addition, he has difficulty coping with the complex scheduling of his part of the project. Yet he remains, very much by default, again reflecting how strained the supervisory function of the company has become.

Nontheless, they are producing, and their expectations for the immediate future are high. Other rehab projects are already lined up, in addition to several new jobs. Their chief limitation remains their expressed desire for personal control, which, in turn, places very real constraints on the volume of work they can handle. They do, however, hope to build up a larger, stable and responsible crew based on those qualified men presently at work for them. They realistically expect to maintain steady work for a crew substantially larger than the eight workmen from previous projects. Continuity of work is thus essential and appears feasible. The demands for solid, well organized black construction firms is astounding.
In light of this and recognizing local political pressure, Archibald and Shephard wish to build a highly productive, primarily black work crew. Several workmen taken on as laborers have been encouraged to upgrade themselves. In essence, these few have been very selectively screened. Perhaps eight to ten other young blacks have been dismissed previously due to lack of initiative and little sense of responsibility. Two or three others have been promoted to what is very much like an informal apprenticeship program. They work with the more highly skilled carpenters, and both Archibald and Shephard personally will check their progress and give them pointers in the tasks they are performing. While they are fully realistic about the possibility of losing these men, Archibald and Shephard feel that such efforts are "part of our responsibility" as one of the partners put it.

Both men are vehemently anti-union. Though some of their subs have union shops, the general contractor sees only problems and restrictions in going the union route. Indeed, one asserted he'd fire all his men if they ever voted to join the union. Their attitudes are based on several factors. First, "going union" would mean more and more whites referred to the company. In addition, the unions mean loss of control for the contractor of many of his prerogatives regarding his workmen. Moreover, as a new company to join, Archibald and Shephard feel they would get the bottom of the
barrel in workers--"those who have been fired from ten other jobs" as one partner remarked. And once in the union, workmen would be likely to "lay down on you," limiting their output and failing to put out when the push is on.

They too pay the prevailing wage, though for their better men they would do so anyway, requirement or not. FHA has been cooperative but firm, willing to help a black contractor "make it" yet afraid of getting burned. Their policy of retention of funds hurts a small, undercapitalized operator like this. Their standards have been a source of minor friction.

C. Ben Polishook, Inc.

Ben Polishook, Inc. is the most established of the four companies studied, and it is also the most personalized. As one of his associates put it, "Ben Polishook has been in the business for most of his life. And he is the business." He has specialized in fire restoration work and, only for the last four to five years, has he undertaken more straightforward, conventional rehabilitation utilizing federal programs. He participated in the much publicized BURP and, until the present project, has acted as the general contractor with an equity position for Continental Wingate. The company's output, exclusive of a whole range of "fire jobs" is approximately six hundred units in slightly over four years. At present they are rehabbing
174 units in the northernmost section of the South End between the Prudential Center and the Back Bay Fens. In this case, they are acting solely as general contractors. The project consists of five buildings virtually adjacent to one another and is anticipated to be completed within nine months of the starting date. An additional twelve and thirty-four units are simultaneously being done at two different sites in Dorchester.

In sharp contrast to Sydney, Polishook has relied as little as possible on his staff. Principally out of absolute necessity due to his expanded scope of operations, he has come to place somewhat more responsibility in the hands of his project manager and principal job supervisor. The former handles the fire restoration work and the smaller rehab jobs on a day-to-day basis. His primary role, however, is that of cost estimation, negotiating subcontracts, and scheduling the delivery and ordering of materials. A large part of each day is spent in the office. But he makes the rounds of the jobs under his control and consults by phone with the lead man at each site. The job supervisor, in contrast, spends his full time at the main rehab site and covers the daily activities of his own crew and the subcontractors with a firm and knowledgeable hand. He has been with the company for over six years in this capacity and prides himself on his ability to run "his" operation so smoothly and with what appears to be almost
tyrannical control. Nonetheless, as the project manager observed, "Polishook makes all the decisions. He is in on everything . . . he is on the job every day and there is a continual solving of problems."

Unlike Sydney, there are no formal visits, specified job meetings, or prearranged conferences with his two key personnel. Polishook appears when he appears and keeps most of what's going on and what should be going on in his head. His control is very personal and there is no effort on his part to minimize the power he has over those under him. From his longtime work in fire restoration, he has developed a keen respect and feeling for the work of the craftsman and is far less conscious of the management principles that might be brought to bear on the overall operation of the company. The rehab process itself is something of a very much specialized art; the managing of a firm clearly is not thought of in any similar sense.

In terms of the actual construction process itself, the system and method he has developed are closely similar to those of the other companies, especially Sydney's. Again, it is comprehensive gut rehab, though in the fire jobs the approach is one of greater precision and selectivity. In the main rehab work, such as the 174-unit project, work activities are carefully organized and scheduled based on the past experience of the super and Polishook himself. The different trades follow extremely closely on one another's heels. The daily control exerted by the super is very firm. He has the
highest standards of workmanship and of responsibility and performance. As the project manager described him, he is something of a tyrant "with a real knack for running through men." The contrast with the job super for King-Bison is especially striking.

Whether on fire jobs or larger scale rehab, Ben Polishook, Inc. as the general contractor handles primarily carpentry work and minor masonry work. He has built up a basic, relatively permanent crew of approximately fifteen men, three of whom are laborers, two masons, and the rest carpenters. Of these, only two are black—one mason and one laborer. Interestingly enough, these men are used almost exclusively on the fire restoration work. Because of its idiosyncratic nature, this work, even more than regular rehab, places a premium on experience and specialized craftsmanship. For the larger rehab job, the crew is almost wholly new, brought together as the work progresses and layed off as a particular trade is finished or slows down. Here hiring is done entirely through the unions. Only two lead carpenters, one in each building presently being rehabbed, are members of the company's key staff. As one job supervisor puts it, "The hardest part of starting such a project is breaking in the men, especially with rehab." He tests out carpenters to see their specialties. If they have none, they're quickly sent back to the union hall. "Mediocre men are always available. Even in the winter good men are tough to find." If they do get a good man,
they will try to hold onto him, though the continuity of work is a critical factor here. On this job, then, there are approximately eighteen men on the general contractor's payroll, of whom only three are laborers. Two of these workmen are black; both are laborers.

The standards that are upheld for their own workmen are similarly applied to the subcontractors. They are expected to produce on schedule and with good quality workmanship. The job supervisor on the main rehab job again is extremely firm in "applying the screws" when and where that's required. The subcontractors are, for the most part, small and well experienced in rehab. Most have worked with Ben Polishook before, and they've established good track records. They are both union and non-union; and, on this job at least, they are very much predominantly white.

As mentioned earlier, the company is fully unionized, more so than any of the others. Since most of the larger jobs require payment of prevailing wages anyhow, union scale has had little adverse impact. Moreover, because the volume of the major rehab work has fluctuated rather sharply, the union acts in its traditional role as a flexible source of skilled labor to the obvious benefit of this contractor. And the relations of Ben Polishook to the unions are good. Jurisdictional problems have been few and far between. He knows the carpenters' business agent personally and this seems to
have helped in assuring the referral of higher quality craftsmen. In exchange, Polishook has "bailed out" the agent by taking on a man or two when work was slow or when an individual was in need of immediate employment.

Viewing the company's operations at their present site has made an evaluation of the less hard-nosed aspect of their activities somewhat more difficult. It is easier to ascertain community linkages or attitudes toward employing and training minority group workers when work is underway in the black community. Nonetheless, the company has worked most extensively in the Roxbury-Dorchester area in the recent past making it feasible to crosscheck the word with the deed.

Polishook himself works with CAB, a predominantly black contractors group, and he has acted as a consultant to a number of black contractors doing rehab. He has opened his own shop, where his workmen do millwork for the use of training local unskilled or partially skilled workers by a community group, and he has banged on the doors of HUD and private foundations seeking funds to support such activities. At present he hopes to get the money for a more extensive training program to be carried out jointly with several community groups in the Model Cities area. And while results have thus far been minimal, such efforts are an indication of his own
activism and concern for problems of employing minority group members in the building trades.

In terms of his specific construction work in the black community, the picture is somewhat mixed and not as sharply in focus. As with most of the other general contractors studied, he too has felt strong community pressure to employ more black workers. And the strains over productivity and workmanship are apparent. As the project manager stated, "Participation is fine . . . we'll put them on . . . we negotiate with groups concerned and take on men they supply . . . but it's not very satisfactory and never is when you don't have freedom to hire and fire and move around your own personnel." The job supervisor who has been in charge of the major rehab work in the black community was even more outspoken. "I don't like guys telling me they have to be hired." And as far as job training is concerned, "I don't feel I'd have the patience. I think I'd consider quitting if I have to take another ghetto job."

On "ghetto jobs" the company has taken on black workmen, especially laborers, largely in response to explicit community pressure. And they have encouraged subcontractors to hire local people, though with marginal or costly results. As with the Sydney Construction Company, the unions do not police hiring practices; hence Polishook's "nominally" union position here. But instead of
hiring many more local workers he appears to turn to his own permanent crew for manpower to the extent they are available. Nonetheless, given some basic ambiguity between intentions and what is actually performed, there is little question but that Polishook himself is as sensitive to the problem of employing less skilled, often disadvantaged, blacks as any of the others.

As to the union apprenticeship program, the company has had some minor and reluctant participation. The project manager felt that the company had little to offer because the scope of their work was too narrow, and apprentices, even with a wage lower than that of the skilled journeyman, were a financial burden.

D. King-Bison Company

The King-Bison Company is unquestionably the most unusual of the four firms studied. Established in 1964, its brief statement of aims or objectives suggests its basically different orientation. The five original partners, black and white, set out: "to provide an honest dollar of housing for the middle-level income group currently in the South End; at a financial return to investors sufficient to provide a steady flow of money on a continuing basis; to provide or maintain an element of integration in the South End." That broadly defined social goals should assume such importance is in striking contrast to the other businesses, businesses for whom the financial
return is unquestionably the critical element. The unique nature of this operation makes the company an important foil for the others and can provide some real insights into the complexity of the rehab process and the issue of employment opportunities and job training.

In its nearly six-year history, King-Bison has turned out 120 units, and dollar volume of output has increased from $50,000 to nearly $300,000. For the most part, it has acted both as developer, general contractor, and manager of the units involved. Its work has been entirely in rehabilitation. The two general partners came to the field with virtually no construction experience, and most of their staff has "learned the ropes" along with them in the hardest school of hard knocks. Perhaps the most striking feature about the company is the tenaciousness of its two principals, and, somewhat paradoxically, their persistent inability to develop a sound and efficient system of management for their activities. In many ways they have remained most effective as innovators, as generators of ideas, as consultants and much less so as managers of a business and as producers of housing.

They maintain high hopes for the desirability and feasibility of rehab, and ultimately of large-scale rehab. Yet they are equally cognizant of the difficulty and complexity of the process. Much of their energy has been directed at doing battle with the vast array of bureaucracies whose primary purpose sometimes appears to be the
discouragement of such housing developers. Much less of their
energy has gone into the supervision and systematization of the
immediate production of the units at hand. The control of job
activities is in striking contrast to that of the others and especially
the Sydney Construction Company and Ben Polishook, Inc. Until most
recently, scheduling was literally non-existent. Sheetrocking took
as long as it took to do the sheetrocking. Cost estimation was
extremely poor, as was ordering of materials and coordination of
overall activities. The two partners appeared at the job sites at
irregular intervals and, while exhorting the men to move ahead, pro-
vided little constructive managerial control. The project manager
was chiefly responsible for the general progression of the job and
was the key link between the principals and the job supervisor. Yet
he was new to construction, and though picking up the "ins and outs"
of the business very rapidly, had difficulties of his own in providing
the firm managerial control that is critical. Finally, the job
supervisor was perhaps the most experienced man in construction and
has worked with the company since its beginning. But while a skilled
tradesman in his own right, he lacked the toughness and rigid
insistence on quality and speed necessary for an efficient operation.
As one of the staff put it, the super "is not a guy who can push . . .
he wants an easy-going operation . . . he's not a boss and has little
concept of costs."
At the time of my interviews, the company was in a transition stage in several ways. First, it had been taken over by a more broadly financed development firm, about which some mention will be made later. In addition, it was virtually finished with a thirty-unit project and had undertaken a small six-unit job primarily to hold much of their crew intact while the next major project was being firmed up. For the most part, the buildings which King-Bison had acquired and worked on were in extremely poor condition. Many were purchased for nominal sums from the Boston Redevelopment Authority as tax foreclosed or abandoned properties. Most had been vacant for some time. And in most instances, more work was required than in the case of those buildings acquired by the other companies. Structural elements such as bearing walls and foundations, and other components such as floor beams, the flooring itself, roof beams, window frames, and the layout often required basic repair and adjustment. While the acquisition of such properties resulted in large savings for acquisition costs, it has resulted in higher unit construction costs and has exacerbated problems in developing an efficient rehab production system.

The structure of the work crew again contrasts with that of the other firms. In the first place, as general contractor, King-Bison performs not only carpentry work, but also electrical, sheet-rocking and taping, painting, and most masonry and plastering.
Moreover, they are not only strongly anti-union, but also do not pay prevailing wages. On the average their hourly rates are approximately 35 to 40% lower than prevailing wages. At its peak output, the crew has numbered between twenty-five to thirty-five men. In contrast to the other contractors, however, the ratio of unskilled to skilled is very much higher. Over 50% of the crew would be considered either unskilled or semi-skilled. Yet the work they are called upon to perform is far more extensive than the other producers who subcontract out much more. While the other three are highly specialized in the tasks performed, the King-Bison Company prides itself on the ability of their crew to perform a varied mix of tasks. A man on cleanout/wreckout is also capable of doing painting or of acting as a mason's helper.

The most outspoken of the two partners scorns the traditional specialty trade system that characterizes the construction industry. His conception of the ideal workman is a "rehab specialist"--tradesmen mastering several crafts. Similarly, he is scornful of the prevailing wage requirement attached to most federally subsidized jobs. Payment of the prevailing wage--and the related union pay scale--is not based on a full working year of approximately fifty weeks at forty hours per week or two-thousand hours total. While his men are paid well below the union scale, their take-home salaries ranging from $5200 to
$11000 per year--as good as the average annual union wage--is the result of full time, year 'round work possible in a continuous rehab operation.

Yet, he acknowledges how tough it is to program the continuous work necessary, especially with the unpredictability of federal financing and massive levels of red tape that must be cut. From the 1968 to 1969 payroll, the names of only five men--the key tradesmen--reappear.

The prevailing wage requirement and the union shop are both scorned for another broadly defined reason, again, related to the general objectives of the company. They feel that "going union" means having a virtually all-white crew. Under present conditions, the crew is about 80% black, though the most highly qualified carpenters are white and were recruited by newspaper advertisements in Quincy. Similarly, paying the prevailing wage would mean that the company could literally not afford to hire the local unskilled and semi-skilled that they have traditionally sought to develop as a functioning rehab crew. The lower salaries paid are presumably in line with the lower productivity of these workmen. In trying to understand the policies of the company, it is essential to keep in mind that housing rehabilitation is conceived of as a much broader concept than the production of X units for Y dollars in a specified number of months. Rather, rehab is a complex economic and social
process which can mean housing as well as employment opportunities and an important impact socially on those who are to live there.

Thus, the company prides itself on the efforts it has made to train and upgrade its personnel. It states very explicitly that it will pay for all night courses successfully completed by an employee. It encourages laborers to try their hand at the particular trades and uses the men as carpenters, masons, or electrician's helpers as a means of introducing them to the trades. King-Bison proudly publicizes the case of a cleanout man who started with the company four years ago, and is now a materials chaser, truck driver, and window repair man. He also handles all locks and keys for their finished units and has set up a shop in one of the buildings.

The subcontractors that the company uses are all small scale and are non-union. And in line with their intentions regarding advancement, they have negotiated with the plumbing sub to take on one of their workmen with some prior training in the field as a registered apprentice. In this single case, at least, the arrangement has been highly satisfactory for all the participants involved.

In addition, the company had applied to the Department of Labor for funding for the training of six "rehab specialists." The trying process of getting approval after nearly two and one-half years and four separate applications is a story in itself, and added fuel to the fires as far as their opinion of such bureaucracies was
concerned. But such efforts are a further indication of the commitment and point of view of the two principal partners. Interestingly enough, this response has not been the result of any visible community pressures whatsoever, in contrast to the case of Ben Polishook, Inc., for example. Rather, as the former project manager put it, "Training was perceived as a good thing to do socially. Much like building housing, it was a worthwhile thing to do."

The company has been plagued by the lack of working capital and the lack of sufficient mortgage financing. Unable to utilize either section 221(d)3 or 236 because of the prevailing wage requirement, the company has most recently utilized section 312 to finance one project and conventional financing for another. But in both cases the equity requirements have been extremely severe--a minimum of 20%--and the company has become more and more strapped for funds.

King-Bison was taken over just at the time of this study by a more soundly financed development conglomerate of sorts--North American Development Corporation (NADC). And some remarks about the new directions projected by this company are relevant insofar as they reflect some of the positive and negative aspects of the King-Bison operation, and some of the difficulties of developing a sound rehab company with broad economic and social goals.

The new management's primary concern is to institute a system of sound supervisory control with improved cost estimating and
scheduling of activities. The new project manager is a man experienced in construction work and with high standards for running such an operation. Considerable pressure will thus be exerted on the job supervisor to provide more effective control and orchestration of on-site activities. The question of what site work should be subcontracted and what work performed by their own crew is being evaluated. The crew itself will be pared down from the present thirty-five men to slightly under twenty-five.

At the same time, they have not yet come to grips with two problems of critical importance, if not immediately, then for the not-too-distant future: the continuation of the non-union status of the company and the policy of not paying prevailing wages. These questions will become particularly acute if and when the company gears up to the production of two-hundred to three-hundred units per year which is their present projection for 1971-72. On the one hand, they propose to develop a tightly run, very efficient production operation. On the other hand, however, they feel that the employment of local semi-skilled labor is a prerequisite for "turning communities around"—a specifically articulated but far more broadly defined objective. The difficulties of successfully wedding these two goals are recognized by all concerned.
<p>| Table 1 |
|---|---|---|---|
| <strong>SUMMARY OF CHARACTERISTICS OF THE FOUR COMPANIES STUDIED</strong> |
| | $3-4 million per/yr. residential and commercial. Very experienced. 90% new--10% rehab. | Well established. Expert in fire restoration work of all sorts. A very personalized operation. | Black contractors. $200,000/year. Growing family business, from minor rehab jobs to larger, new commercial work. In the throes of expansion. | About $100,000 past 2 years. All rehab. Knowledge of rehab, but poor producers and managers. |</p>
<table>
<thead>
<tr>
<th><strong>REHAB OPERATION AND EXPERIENCE</strong></th>
<th>BURP participant. several hundred units. Present project 65. Very experienced. Equity interest.</th>
<th>BURP participant. Last 4 or 5 yrs. moved into regular rehab. 600 units. Presently 175 and 2 smaller jobs. Highly qualified. Usually an equity interest.</th>
<th>Prior minor rehab experience. Present job of 140 units far larger than any other work. Know rehab as carpenters not as contractors.</th>
<th>Only 120 units in 6 years. Problems of financing and gearing to production. Owners &amp; managers of all units.</th>
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<tr>
<td><strong>ATTITUDE</strong></td>
<td>Barely worth the head aches. Money in developer role if anywhere. Skeptical about future work.</td>
<td>Rehab is his business, including fire restoration; a real Pro. Thrives on this work.</td>
<td>Rehab O.K. if they get right price they'll take it. No interest in ownership or management; basically contractor only.</td>
<td>Proselytizers for rehab. Tough, but can be done. Rehab as a broader process—shelter but also develop human resources.</td>
</tr>
<tr>
<td><strong>MANAGEMENT AND SUPERVISION</strong></td>
<td>Extremely systematic; maximum efficiency. Good supporting staff. Functions well distributed.</td>
<td>Largely controlled by Polishook personally. Very small staff. Tough super on main rehab jobs. Some responsibility to project manager.</td>
<td>Two partners do a little of everything. Lack of supporting staff. Scrambling but able. Responsibility largely their own.</td>
<td>Very poor control, supervision, &amp; coordination. Responsibility poorly defined. Recent take-over should mean improvement.</td>
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<tr>
<td><strong>QUALITY OF STAFF</strong></td>
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<td><strong>GENERAL CONTRACTING WORK</strong></td>
<td>Carpentry, drywall masonry. 16 men at peak. Only 2 laborers. 2/3rds black. All highly competent and know</td>
<td>Carpentry &amp; masonry. Some drywall. Base crew of 15 used on fire work. On rehab 2 key men. Others from union</td>
<td>Carpentry &amp; masonry. Crew jumped from 8 base men to 38. About 10 laborers, 85% black. Variable skills.</td>
<td>All trades in house except for roofing and plumbing. Peak crew 25-35. Over 50% un- or semi-skilled. 80% black.</td>
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<td>rehab. Less qualified quickly weeded out. Little continuity for men &amp; little transfer to new work.</td>
<td>in &amp; out. 95% white. Highly skilled; if not, out they go.</td>
<td>Problem getting skilled blacks. Hope to build a larger permanent crew. Continuity feasible if qualified &amp; with potential.</td>
<td>Efforts to build a permanent crew, but rapid turnover. Only 5 key men from last year, &quot;rehab specialists&quot;.</td>
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<tr>
<td>High quality. Experienced in rehab. Held to firm standards &amp; well orchestrated. All white except for 2. Union and non-union.</td>
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<td><strong>UNION IMPACT AND PREVAILING WAGE</strong></td>
<td>Fully unionized outside ghetto. &quot;Nominally&quot; within. Pre-wage on most jobs.</td>
<td>Anti-union. Resent control &amp; largely white membership. Pre-wage applies for 1st time here.</td>
<td>Anti-union and pre-wage. Won't touch either. If they did, no room for local workers with marginal skills.</td>
<td></td>
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<tr>
<td></td>
<td>Anti-union and pre-wage. Won't touch either. If they did, no room for local workers with marginal skills.</td>
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<td><strong>FHA IMPACT AND RELATIONSHIP</strong></td>
<td>221(d)3. Smooth relation with FHA.</td>
<td>236 &amp; 221(d)3. Not determined. Second-hand information suggests no problems.</td>
<td>221(d)3. FHA cooperative but firmly in control re standards &amp; retention of funds. Pressure on poorly capitalized company.</td>
<td>Friction with FHA &amp; most other &quot;bureaucracies&quot;. Many delays. Standards felt unreasonable.</td>
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<td><strong>COMMUNITY LINKAGES</strong></td>
<td>Pressure re hiring.</td>
<td>Pressure to hire.</td>
<td>Pressure to hire less skilled blacks. Good community relations. Take initiative in hiring and training local men.</td>
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<td>(where visible)</td>
<td>Minimal response.</td>
<td>Personal efforts to train. Cooperation with black contractors and some community groups.</td>
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<tr>
<td><strong>ATTITUDE RE JOB TRAINING AND TRAINABILITY</strong></td>
<td>Ridiculous. Subsidies essential. Even then most less skilled aren't willing to work. Little interest in apprenticeship. Where are men with PRIDE?</td>
<td>Tough; subsidies needed. Would like to make it work. Personal commitment of B.P. and also good P.R. Staff &amp; crew mostly negative.</td>
<td>Try to help out and upgrade black workers. Build a crew Small number. thru training &amp; upgrading. Marginal results at best. Problem of losing them. Need good men for crew. Hard to find. Young unwilling.</td>
<td>Trying to make it work.</td>
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<td><strong>SCOPE OF REHAB</strong></td>
<td>All four companies are engaged in &quot;gut&quot; rehab. Because King-Bison acquires tax foreclosed and abandoned buildings in poor condition, they usually do work on structural elements as well. Somewhat more extensive and costly.</td>
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CHAPTER III
THE APPROPRIATE LEVEL OF SKILLS TRAINING

A. Broad Training versus Specialization

What on-the-job training is all about is, most simply, the acquisition of skills. But like everything else in the construction industry, this turns out to be a very controversial matter. Two basic questions are involved. On the one hand, what skills should be taught? What level of training is minimal for entry and security in the building trades? But, in addition, one can separate out a second, though closely interrelated question. What is the most appropriate framework or structure for carrying out this training? This latter issue will be put aside, to the extent that that is feasible, until the chapters on the apprenticeship system and the informal training mechanism. It will be considered here only in the sense that the framework is a single rehab company making an effort at on-the-job training.

The first question--what skill level is necessary and appropriate--will be the initial focus for this chapter. The answer that one is likely to get depends, in part, on the trade concerned. But primarily it depends upon whose perspective is taken, that of labor represented
by the unions or that of management. Stated most simply, the unions stress that a broadly trained mechanic is essential, and the apprenticeship system is designed to achieve that objective. In contrast, the individual employer generally looks for a worker with highly specialized skills. Accordingly, the informal training process that occurs within the industry is geared primarily to produce such a craftsman. John T. Dunlop describes this very basic difference in emphasis as follows:

An understandable and ancient conflict of interest exists between the desire of the unions for broadly trained journeymen and the preference of some contractors for narrow specialists and of many others for operations requiring a minimum of site labor and calling for a minimum of skill. The broad training of formal apprenticeship programs is designed as a form of security or insurance against changes in job opportunities in a labor market characterized by frequent changes of jobs on projects of short duration. A broadly trained journeyman can more adequately protect himself against changes in technology and shifting job opportunities, whereas the unskilled laborer has little job security . . . . This conflict of interest is not readily resolved and the actual range of skills among journeymen is in fact widely variable.¹

For the unskilled or semi-skilled minority group worker seeking to gain access to, and to acquire a foothold in, the industry, this distinction becomes less clear cut. The acquisition of specialized

skills may be the most appropriate, short-term approach. In the past it has surely been the most traditional approach for most members of the building trades, black and white. Yet, as the study of the informal training process in Chapter VIII indicates, it has severe limitations. For adequate job security and for maximum job opportunities, a broad training is essential. Variation among sectors of the industry and between projects, in addition to technological change, places a premium on men skilled in a range of duties in a craft. Most authorities would agree that, "Despite some tendency for specialization within crafts, craftsmen must have a broad training to handle more difficult jobs as well as routine . . . and to be able to adjust to new technology . . . and new materials."¹

Given that as a basic standard, how adequately does each of these individual rehab operations meet it? Can any of them satisfy the necessary requirements as far as broad on-the-job training is concerned? In attempting to answer this, several factors are involved: (1) the distinction between the homebuilding and smaller scale residential sector of the industry and the commercial sector including


larger scale, high-rise residential projects; (2) the difference between rehab and new construction; (3) the individual structural and operational differences among the four firms studied; and finally (4) the distinction between key men, including foremen and supervisors, and the remainder of the work force with highly variable though lesser skills.

In many respects, training and experience primarily on small residential rehabilitation projects, such as I've described in Chapter II, mean a considerable degree of specialization from the very start. In the first place, entry into some trades such as the operating engineers or the ironworkers is totally excluded. But more important, the level and scope of work performed in many other trades is severely limited. The plumber or electrician fully equipped to handle a twenty-unit, three-story apartment building is hardly trained to do the far more complex plumbing and heating, air-conditioning, or electrical work required on a forty-story office building in downtown Boston. And though less obvious, the carpenter or cement mason whose skills have been acquired almost exclusively on small scale residential work would face similar problems and limitations in the possible range of work he is able to handle. Considering the large volume of commercial work undertaken and the high wage levels and steady hours frequently offered, the workman excluded from this segment of the industry is at a disadvantage.
How serious such a disadvantage may be is difficult to determine; and the state of the industry and labor market are critical factors. Indeed, during a building boom when labor is in very great demand, opportunities may open up for tradesmen accustomed to this more limited residential sector to transfer temporarily to the broader commercial segment and to pick up new skills that could provide a useful foothold for the future. Notwithstanding this, however, there is no question that a training confined to this single sector can be a significant limitation which must be considered in determining what training is essential and how it can be provided. This situation is compounded when one takes into account not only confinement to small scale housing work, but also to rehabilitation. Virtually exclusive training in rehab can once again affect a worker's ability to enter the mainstream of the construction industry, new construction and the commercial sector. But while there is a discernable negative impact, it is a more complex one.

Most important in the eyes of several men experienced in rehab is the different standard of workmanship generally taken for granted here in contrast with much new construction and especially large scale commercial construction. ¹ Rehab is often considered somewhat

shoddy, less precise and requiring less of a mechanic. Perhaps something like ingenuity is more highly prized than what is often referred to as real "professionalism." But, a closer look at the companies here suggests that such a view must be tempered or qualified. The finished work of a Polishook or Sydney indicates high quality craftsmanship. For such skilled producers, especially when they have an equity interest in the development, there is likely to be little clearcut difference in the standards attained. In the case of King-Bison and less so, Archibald and Shephard, the judgement appears to be a more accurate one.

Where the negative impact of doing straight rehab is most substantive, however, is both in the scope of functions or activities a worker performs and especially in the materials with which he becomes familiar and is accustomed to handle. These factors were emphasized in several interviews with representatives of the building trades.\(^1\) Also, from a somewhat different perspective, the project manager for Ben Polishook Inc. noted that shop and site work was not varied enough for training under the traditional apprenticeship system. The few apprentices they have had remained for relatively short periods,

\(^1\) Interviews with Fred Ramsey, Secretary-Treasurer of the Building and Construction Trades Council of Boston, April 6, 1970, and John J. McDonough, Administrative Assistant to the Director of the State Division of Apprenticeship Training, March 19, 1970.
moving on to new construction work in other segments of the industry.

But, in addition, breadth of training refers to more than what might be called sector specialization, a transferability of skills between segments of the industry and between rehab and new construction. It also refers to a craftsman's skill in his own trade within any single construction sector. Interestingly enough, in this regard, rehabilitation is qualitatively little different from new construction, whether residential or commercial--though the specific nature of the rehab operation becomes a factor at this point. The issue of task specialization versus broad training was expressed in the interview with the Secretary-Treasurer of the Building and Construction Trades of Boston. He noted that even though criticized as an industry virtually bypassed in this age of technological change, the construction industry is, in fact, in a critical period of flux and change. While talk of a dramatic breakthrough in technology is now most topical, the introduction of new materials and new techniques has been continuing at an accelerating, though very much unnoticed, pace--unnoticed at least to those not closely familiar with the field. He pointed to the bricklayers and

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1 Interview with Henry Rossi, project manager for Ben Polishook Inc., April 6, 1970.
carpenters as striking examples of how a broad training in each of these basic trades is essential for future job security. The bricklayers have been severely affected by the increasing usage of the curtain wall, of concrete poured in place and left in a rough finished state, and by the growing utilization of precast elements. Similarly, in speaking of the carpentry trade, he asked rhetorically how a carpenter, trained only in drywall application, could survive if this technique were replaced by a new material or technique. Such a hypothetical situation parallels that of the plasterers who have seen a broad and fairly sudden substitution of drywall in place of the more complex and highly skilled, traditional practice of plastering.

Somewhat ironically, it is difficult to see how these rather dramatic instances of changing construction technology can be significantly offset by the "broad training" so highly touted by this union representative. In such cases, considerable retraining would be required. But the importance of a less specialized training can be substantiated, however, in somewhat less dramatic terms and circumstances. In the first place, retraining might be made considerably easier if the craftsman has been exposed to a range of different demands within the broader scope of his trade. Secondly, this same kind of exposure in the form of original training as well as in future work experience is important in the more traditional kind of
adjustments required of a tradesman. He has an increased mobility or flexibility that can be especially significant in a labor market which is highly variable and fluctuating in its demands. A carpenter who is capable of doing finish work with reasonable craftsmanship is more likely to continue on a job than one of his peers who is extremely proficient in rough framing and little else.

Thus, while a four-year apprenticeship is likely to mean relatively little to a bricklayer who finds some of "his" work going over to the ironworker, a sound, broad training in his trade can increase his ability to take on with considerable competence, somewhat new trades or branches of his own trade. Or, it can make efforts at retraining in related skills, or even trades, far more satisfactory and feasible.

Of course, this point of view is counterbalanced by that of most employers. And again, it is important to realize that this divergence of opinion cuts across both new and rehab construction as an issue crucial to job training as such. To ground this more general discussion in the case studies at hand, the perspectives of Sydney and Ben Polishook are most representative. As pointed out earlier, each of these companies puts a very high priority on finding and holding key men, especially the latter, in the fire restoration aspect of his operation. Such men are highly responsible and frequently possess the ability to supervise other workers. But above all, they
are skilled craftsmen with a real "professionalism". Most frequently, they have the broad training and experience mentioned earlier as a prerequisite for job security; but they are also specialists, noted for their particular aptitude in one, very much more narrow area of their trade. In this sense such men--"key" men indeed--bring together the values stressed by labor and the key attribute of specialization so important for the employer.

The point is that, exclusive of this rather small, elite group of key men, a Polishook or Sydney, and only slightly less so Archibald and Shephard, place the most value on a craftsman who is exceptionally proficient in some area of his trade, even if that area be a narrow one. This different weighting of what skill level is most important can be seen most clearly by looking briefly at the carpentry trades.¹ Both operators break down the functions generally performed by carpenters into a variety of separate operations including: demolition in the case of Sydney, rough framing, application of sheetrock, fitting windows, hanging doors, and finish trim. The more areas in which a carpenter is highly proficient, the better. But in terms of the real-world work force, these contractors are content to find a man who meets their expectations in even a single

¹See A. J. Grimes, "Personnel Management in the Building Trades," Industrial Relations Research Institute, University of Wisconsin, 1961. It is important to note that task specialization affects the various trades quite differently, and it is probably most prominent in carpentry.
area. When the sheetrock is finished, they are likely to lay off those workers, because others on the crew or available from the union may be more efficient in later carpentry stages. A man who is, at best, "satisfactory," though his skill range may be broader, is of less value on a man-to-man basis, though conditions in the labor market may as always, be the determining factor. Indeed, a highly organized operator such as Sydney has made every effort to fragment the individual tasks at hand to take advantage of the highly specialized skills that are available.

This distinction between labor and management that I have sketched is thus by no means an absolute one. The values that each looks for in the labor force are, at the highest level, very similar. But where workers below that level are concerned, and where questions of the structure of training efforts are involved, then the different weight given to broad training and specialized skills becomes more significant. More specifically, the immediate needs of a rehabber such as Sydney or Polishook suggest a training effort that emphasizes rapid acquisition of skills in a narrow segment of a particular trade. Especially if no subsidies are involved, their intention must be to make a worker a productive member of a work crew in the shortest time possible.

This general approach is most explicit in one concept developed by Ben Polishook to train unskilled workmen. The proposal would...
initially involve working in the shop in what would resemble a crude assembly line process. A workman would undertake a very limited task, one that would be repetitive in nature and in which he could become proficient in a short period of time. He might learn to cut a door to size, set the hinges, or cut the opening for the hardware. After mastering all the separate steps—and this would presumably include actual installation on the job—he would become a specialist to whom such work would be given. In the process he would have learned what was expected of him, what standards would be applied in this area, and, if necessary, he would have developed the proper work habits for the job. From the contractor's point of view, a worker could thus become productive with a minimum of expenditure and in a relatively short period of time.

There are several critical factors behind such an approach. Those of wage scale and continuity will be discussed more fully in later chapters. But the latter is so relevant here that some comment is called for. Even the short-term training program described above is likely to extend beyond the time period required to complete a single project. And the past experiences of virtually all of the companies suggest that it is unlikely that any but the most skilled workers, let alone trainees, could be held for the next project. Only with Archibald and Shephard is the pressure to develop a stable crew in the absence of the unions so great that limited opportunites
might be available.

Related to this and of comparable importance, is the matter of job rotation. The training effort described above clearly requires that a worker be moved from one such task to others. Specialization in such a very narrow skill area is valuable for the worker only as a beginning point, as a way of getting a foothold in the trades. For the worker as well as the contractor, an expansion of the range of skills is highly desirable. The extent of that expansion is a different matter, however. At some admittedly hard-to-define point, it is in the individual contractor's interest not to expand the scope of the training, though this is dependent on a complex set of variables. He is best off keeping the worker hanging doors, putting in windows, and perhaps doing some demolition, for example, once the worker is efficient at performing those tasks. Any time which could be spent at these tasks is used less productively if devoted to additional training. The main point here is that somewhere fairly early in this progression, the contractor's interest in specialization begins to conflict with the longer range perspective of the individual worker and of the union, particularly, for a broader training encompassing as many tasks or skill areas as possible.

It is the more highly organized and systematized producers, epitomized by the Sydney Construction Company, that are likely to
place the greatest emphasis on short range productivity through specialization. Placed in the primary position of responsibility for training and upgrading, such a contractor, by himself, whether in new or rehab work is unlikely to develop in a trainee or semi-skilled worker the broad skill level deemed so important to long term job security and wage stability in the industry.

In contrast to the needs of such a company geared to maximum output is the approach taken by King-Bison, and one practiced by other small rehabbers such as Rudy Waker, Executive Director of Low Cost Housing. They propose the development of a new breed of workmen referred to as the "rehab specialist." He would be a specialist in that he would be trained and experienced almost exclusively in rehabilitation. But in terms of mastering certain skills, he would more accurately be described as the true generalist. These would be "tradesmen mastering two or more trades and having sufficient knowledge of others to be able to handle the work, men who can work rapidly and solve whatever problem may appear."¹ In the training program for six workers funded by the Department of Labor, the workers are referred to as "house repairmen" but the concept is similar. While the training period is only nine months, the trainee will move

¹ King-Bison Realty Trust, "Report on Three Years' Operation," (Boston, 1968).
from one trade to another including carpentry, brickwork, electrical, drywall, painting, and others, learning the basic skills of each. Presumably, the worker would later concentrate on several of these. This is assuredly a far cry from the specialization sought from the other three producers. But can it be expected to meet the requirements for a broadly skilled craftsman? One can hardly think so.

A cursory look at several workmen on the crew with whom such an approach was taken more informally indicates that the result is little more than a glamorized laborer familiar with rehab in particular. He is more a "jack of all trades and master of none" not unlike the more familiar "repair-it man" who, perhaps with his own pick-up truck, does various odds and ends for private homeowners in the community. To turn out the kind of craftsmen that is ideally pictured would be an extremely lengthy and expensive undertaking.

But one can understand the logic of such a proposal given the structure of the company. Because the scheduling and orchestration of work activities is poor, the idea of a workman capable of doing a variety of tasks is seen as a way of sidestepping the more traditional progression of trades. Similarly, a "rehab specialist" is proposed as a means of meeting the skilled manpower problem where the union cannot be relied upon as a source of labor. The company would hope to develop a tightly knit, highly skilled rehab crew. Yet there is little likelihood they could hold such trainees over the long period
of time required to develop the necessary expertise. Nonetheless, the seemingly naive hope is that, while they could not hope to keep busy members of most of the different trades, they could maintain a smaller but multi-skilled crew. If the sheetrocker could also do the painting, there would be no need to lay him off, and there would be less pressure to have a series of units ready for sheetrocking already in the pipelines.

The likely result, however, is the training of, at best, marginally skilled craftsmen. First, they would be very much excluded from both the commercial sector of the industry and most new construction as well. And, other than in an extremely tight labor market, they would be unlikely to have the sufficient skills to take on anything but semi-skilled construction work. Once again, nothing more than a foothold is being provided, and, in terms of the quality of training likely to be received, it is probably even more tenuous than that offered by the specialized route of a Polishook, Archibald and Shephard, or Sydney especially.

Thus, in terms of acquiring a broad training, none of these firms individually could be particularly effective, leaving aside as much as is possible the additional, closely related problems of continuity, wage flexibility, and others. For three of them, especially Sydney, the structuring of the work to achieve production efficiency places strong, short term demands on specialized skills and rapid
productivity. King-Bison, in rather striking contrast, seeks to develop a worker broadly trained--in rehab at least. But the concept is so expensive and ambitious, especially given the company's managerial problems, that it offers little promise of realistic implementation.

On the other hand, as noted here and elsewhere, these companies can and do play a part in the overall informal training process discussed in Chapter VIII. As far as skills alone are concerned, the emphasis on specialization of a Ben Polishook or Sydney and their potential for developing such skills are more promising than the approach of King-Bison. But the other deficiencies of these companies, coupled with the problems built into the informal process, minimize the contribution that any of the four might make toward job training in this context as well.

B. The Suitability of Rehabilitation:
The Need for Effective Managerial Control

While the previous section has dealt with the need for a breadth of skills through on-the-job training and the extent to which any of the rehab companies could provide it, there is a broader issue--the suitability of rehab for training generally--that has been largely bypassed. One aspect of this has been mentioned already, namely, the transferability of skills from rehab to new construction. But, in addition, a more basic question is frequently raised about how well
suited is the rehab process itself for whatever training may result.

Two rather different responses to this question emerged in the interviews and in some of the literature as well. On the one hand, rehab was seen as not significantly different from new construction as far as on-the-job training was concerned. In contrast, others felt rehab was far more difficult and problematical. As one might expect, the truth appears to lie somewhere between the two. And the key is less rehab as such than it is the competence of the companies usually associated with or undertaking the rehabilitation of housing.

In comparison with new, commercial construction, especially on a larger scale, rehabilitation does present less variety in terms of operations to be performed and materials to be handled. This is especially true in the electrical and mechanical trades. Similarly, there is more repetition of basic kinds of activities; there are fewer basic kinds of tasks to be mastered. While this may thus make rehab at least as easy for training as new construction, it also means that those trained in rehab face certain limitations in the scope of work they can handle--a limitation mentioned in the previous section of this chapter.

On the other hand, rehab is also noted for the great heterogeneity of work, especially in the carpentry trade, which accounts
for the bulk of construction activity. Moreover, while the basic range of tasks may indeed be more restricted in many other trades, this is more than offset by several other characteristics of rehab construction. The work is highly variable and heterogeneous due to the idiosyncratic nature of the tasks that are performed. Even in the case of the plumber, for example, he may be called upon to put in only new risers for the bathroom fixtures and the kitchen utilities, including drains and hot and cold water lines for both. Yet in doing so he will have to determine if any of the existing plumbing is serviceable, and he will have to consider where his pipes should run. Moreover, this entails a full understanding, not only of his own tasks, but of those of several other trades. How many studs can he cut to set his pipes into the wall without weakening the wall itself? Would it be easier for him to leave the wall intact and have the carpenter "fir out" around his plumbing? If the basin is placed where the plans call for it to be, shouldn't the door swing the other way? Or should he move the basin to the opposite corner? What should be made clear is the large number of discretionary decisions left to the individual tradesman, decisions that are required in such work on a day-to-day basis. What may be true in one bathroom may not work at all in the apartment across the hall because of variations not taken into account when the architectural drawings, such as they are, were
prepared, or because unforeseen conditions were brought to light once much of the demolition had occurred. Thus, the basic tasks may be limited in number; but the repetition that one might expect and that might make training easier frequently does not exist. Indeed, if anything, rehab places extra demands upon the skills of the craftsman in the sense of his ability to make a multitude of small but important independent decisions with a minimum of supervision. Partly because of this, and because of the unpredictability of many of the tasks that will be required, rehab is frowned upon by many workmen. It is considered "dogwork" and it's always done "half-backwards"--these are some of the responses one hears. But the key emphasis here must be placed on the minimal number of standardized and repetitive tasks that occur. Yet these are a prerequisite for effective on-the-job training and the proper acquisition of skills.

The following statement from a study done in this same area comes to a similar conclusion.

We find rehab sites to be useful in providing orientation to tools and materials, for establishing a close relationship between journeymen and trainee, and for learning non-standardized techniques and versatility. Unless there are a large number

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MEMO

TO:           All Students and Faculty
FROM:         Ed Wood
DATE:         November 29, 1973
SUBJECT:      Special Speaker in 11.941

Mr. Norman Klein, an Associate in the firm of Skidmore, Owings and Merrill, will speak on the Baltimore Urban Design Team and related subjects in an open lecture sponsored by my 11.941 Practicum on Environmental Impact Statements class. The lecture will be held Tuesday, December 4, 9:30 - 12 am, in room 4-153.

All students and faculty are cordially invited to attend.
of rehab units, however, such sites do not provide the repetition of tasks necessary for a class of trainees to learn construction skills.  

One of the most important factors, then, offsetting these seemingly inherent shortcomings of rehabilitation is simply the scale of the operation being undertaken, though coupled with this, one must add the presence of sound managerial control of work activities. The two go hand in hand, each essential for an effective training environment.

It is virtually impossible to say what is the minimum number of units that are necessary. That would vary with the size of the crew involved, the scheduling of activities, the number of trainees and so on. The King-Bison operation can be used as something of a foil in suggesting the volume of output required. In 1968-69 they produced sixteen units, and in 1969-70, twenty-two units. Such small production coupled with the slow pace at which it occurred could hardly provide the progression and scale of work sufficient to keep a trainee in a particular trade and at several fairly well defined tasks. As one of the staff studying the productivity of the crew described it: "Right now I feel that there is too much job switching with the result of individual disorientation and a lack of task and project continuity." And in speaking of the administrative problems

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¹Nellum and Associates, p. 56.
of coordination and supervision, he noted the case of the painters who "are under no direct supervision. Work is sporadic depending a good deal on the weather, the day of the week, and the mood of the individual concerned."\(^1\)

An independent analysis of the BURP activities of Penn-Simon makes a similar point. Here, volume alone can hardly be in question. But, poor managerial control can negate whatever potential may otherwise exist for an effective environment for training. Absence of adequate supervision, absence of well defined work crews and work schedules, and poor staging of work activities were identified as three key factors responsible for the failure of training efforts.\(^2\)

Indeed, many of the misgivings expressed about the suitability of rehab for job training are a reflection less of the nature of the rehab process and the admitted limitations prevalent there, and more a commentary on the manner in which much of rehab has been carried out or has been perceived to have been carried out. A member of the Massachusetts State Division of Apprenticeship Training was skeptical about registering apprentices on rehab jobs, not because of the nature of the work itself, but rather because those companies with whom he

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\(^2\) Bruce, p. 101-126.
had dealt were "one-job contractors" with poorly established operations who were looking for cheap labor more than anything else. 1 For him and other state and federal officials, rehabilitation was sometimes taken to mean "remodeling" and the fly-by-night repairman or "a small contractor not equipped to train." An evaluation of the issue based on such a misconception only blurs the kind of distinction I have tried to make.

A Sydney or Polishook can bring together these two elements of managerial control and production output so as to offset whatever negative effects the rehab process itself might have as far as on-the-job training is concerned. Archibald and Shephard are more questionable in this regard. The number of units they are presently undertaking and the overall pace at which they are proceeding are both more than adequate. But the personalized level of supervision which essentially has been stretched past its soundest limits in a job on what is a new scale for them would make the introduction of a training program a problematical and probably undesirable measure. The presence of unskilled and semi-skilled workers can only exacerbate the effects of the shortage of competent foremen and supervisory personnel experienced by such a company. Once again the observations of the Penn-Simon

1 Interview with John J. McDonough.
venture are relevant:

Overloading projects with trainees breaks down the managerial fiber of a project and may plunge them (it) into a downspiral of the type experienced by the Penn-Simon job.

The disastrous circumstances of Penn-Simon are hopefully some indication of the complexity of the problem of training unskilled men in housing. No one, after the experience of that company, should ignore the managerial context in which a training program must be set up.

Whatever other shortcomings the Sydney Construction Company or Ben Polishook Inc. may have as far as an effective training environment is concerned, they do have the ability to turn out the necessary volume in a well organized, systematic way. They can provide the continuity of work experience on any single job that is required for training. And their experience in rehab, their high level of managerial control, their well organized work schedules and work crews all help to minimize and order the ad hoc decision making so common to rehab and to create a more repetitive series of tasks which are, once again, most conducive to training. As noted elsewhere in this chapter, such characteristics can act as a double-edged sword. For one byproduct is a pressure for worker specialization that is the antithesis of the broad training recommended in the building trades. And in Chapter IV on trainability, it will be similarly observed how this very production efficiency can work against the effective implementation of a job training effort. As usual there are both assets and liabilities that

1Bruce, p. 36 and p. 142.
must be considered.

In concluding this section on the suitability of rehab for training, a final qualification must be made, based not on the number of units produced but on the simple factor of the small size of these companies. As pointed out in Chapter II describing these firms, the crews of all of the companies are small, generally between fifteen and thirty. And, except for the case of King-Bison, most of the craftsmen are highly skilled; the number of laborers is remarkably small. Yet these are four of the most substantial and productive rehabbers in the city of Boston. BURP notwithstanding, the general feeling is that companies of such size and individual projects utilizing crews of the aforementioned size are likely to continue to be the rule. The case has been put most strongly by Gerald Schuster of Wingate Company, one of the participants in BURP:

I am sorry to report that we have found no magical way to go about it. Rehabilitation, until proven otherwise by people who are more sophisticated in their approach, is a conventional operation of construction. We do not have bathrooms that we can drop in through the roofs; we do not have kitchen components. We can build them cheaper and far better on the job. Therefore I feel that rehabilitation will have to be an operation for the small builder for the foreseeable future. There may be conglomerates or coordinated efforts of many small builders; but for the single small builder--this is his meat. Large scale firms will never be able to compete at this level with the small builder. There are simply too many on-the-job decisions required.  

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1 Gerald Schuster, in Innovations in Housing Rehabilitation, ed. by Melvin R. Levin, Monograph #2, Urban Institute, Boston University, 1969.
The reliance on scarce federal monies, the problem of acquisition of variously located parcels, the variation in work from building to building and from one building type to another, the difficulties of staging and relocation—all these factors plus those noted above, strongly support this point of view.

Moreover, present experience with rehab indicates that lean crews, finely honed for efficient production, are the most effective basic units. Present practitioners again feel that twenty to thirty men are better able to turn out a sound volume of approximately four to five units per week than could a crew twice that size.¹

What must be kept in mind, then, is that the potential for training is severely limited. Unless the government and the industry begin to gear up for the kind of production urged by the President's Committee on Urban Housing and other housing authorities, the rehab industry, such as it is, offers a questionable number of job training opportunities. This is especially true if the approach is that of staffing the existing companies with relatively stable and experienced work crews. More potential exists only where a program or effort can be so constructed as to make such companies a resource as an entry

¹See Bruce, p. 33, for a confirmation of this view. Interviews with the staff of the Sydney Construction Company and Ben Polishook, Inc., have strengthened it.
point, but one that offers meaningful training opportunities and a meaningful route to other sectors of the construction industry. Indeed, it is these latter two conditions that make the feasibility of training so complex and form the basis for the discussions in Chapters VII and VIII on the apprenticeship system and the informal entry and training route.
CHAPTER IV
ATTITUDE TOWARD TRAINABILITY

One prerequisite for a successful training effort has been defined in the literature as a sensitivity to the problems of the trainee and his adjustment, and a positive attitude toward his trainability. This is important enough even in the basic training process of acquiring skills. But it becomes even more imperative in dealing with what might be called work adjustment problems.

Some researchers such as Nellum and Associates have concluded that most workers seeking entry to and training in the building trades are not seriously disadvantaged. Too frequently, Nellum encountered what they referred to as the "myth of trainability," the notion that most potential trainees come with serious deficiencies in skills and especially poor mental attitudes that require very extensive remedial help. ¹

My own interviews strongly suggest that most trainees or semi-skilled workers do, in fact, have frequent and serious difficulties adjusting to the work situation. Using information based on Boston's

¹Nellum, p. 64-65, for example.
ABCD experience, Doeringer notes that:

... while low levels of education and training can limit productivity and do affect the attractiveness of workers to prospective employers, unreliability on the job, rather than lack of skill, appears to be a more serious cause of ghetto unemployment.¹

For many disadvantaged workers accustomed to a labor market characterized by menial jobs and rapid turnover, and where benefits for staying on a job and performing well are minimal,² the adjustments to a more rigorous and demanding environment may be the most critical area for training. Indeed, it is more difficult and demanding to alter poor work habits and poor social skills such as getting along with fellow workers and relating to those in authority, than it is to transfer skills. And this is especially true if the task falls on men ordinarily geared to production, and the production of a complex and especially competitive product such as housing at that.

One study noted that it was indeed difficult for those in the production process to shift their focus from "managing personnel" and


to take on the unprecedented task, for many of them, of "developing the potential" of the persons whom they supervise and direct. To paraphrase a relevant part of their conclusions--many disadvantaged workers do have poor job-holding ability; they lack "staying power;" they prefer dollars now to spend now. And given their background, they frequently have unrealistic expectations of what they are capable of accomplishing. While this may be understandable behavior to the sociologist, to most employers it is laziness and a lack of responsibility which they cannot condone.

But however seriously one evaluates the disadvantages of that part of the work force in need of training, there is a clearly articulated need for a positive response from the employer. Nellum emphasized that negative attitudes and prejudices on the part of those undertaking training at one stage or another adversely affected the trainees and their achievements. They found that a major factor in the success of such programs was a "close supportive relationship between a trainee and his instructor" or a "sympathetic and responsive foreman or supervisor" to whom the worker could turn. And to the

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2 Nellum, p. 178-179.
extent that trainees do have serious work adjustment problems, the
need for sensitivity and responsiveness becomes still clearer

Employers can and have made the necessary adjustment, given
all the difficulties involved. ¹ The kind of effort that is required
in terms of attitude was spelled out in reference to a JOBS program
in Chicago, where it was found:

... that if the employer manifests a personal interest
in the new young worker and gives an impression that he
cares, the new employee usually responds favorably and
adjusts well to working conditions. The point is that a
great deal of understanding is required by the employer
regarding the employee during his training period, and
demands a sensitivity to his adjustment to the world of
work and its realities.²

Finally, then, with that as something of a guideline, how well do the
four rehab companies studied here meet it?

There is considerable variation in their response and potential,
with the Sydney Construction Company at one extreme and King-Bison at
the other. Sydney himself is most outspoken in his response toward
these issues, as the description of his firm in Chapter II should have
indicated. Nine out of ten of the local people he has dealt with are

¹ See Peter B. Doeringer's study of industry efforts and some
successful endeavors at training.

² Frank H. Cassell, "Jobs for the Hard-to-Employ in Private
Enterprise," in Critical Issues in Employment Policy, ed. by
Frederick H. Harbison and Joseph D. Mooney, Industrial Relations
not good workmen and are not reliable. Even with subsidies, training for most of these people on his projects would simply not be feasible. Rehab is complicated enough with very high costs of overhead and administration. The return is hardly worth the effort, and training the disadvantaged only aggravates the situation. Only for those very few workers with pride in themselves and in their work would a training effort be practical.¹

However well founded and justified such attitudes may be, and whether or not one agrees with them, they hardly show the sensitivity deemed necessary to deal with and train disadvantaged workers with any effectiveness. His own commitment to and pride in a highly efficient production unit is so strong and overriding as to preclude such training efforts under the existing circumstances. Moreover, the firmness with which he runs the company strongly reinforces similar attitudes on the part of his staff. Their total emphasis on efficiency, pride in craftsmanship, and tight control and scheduling make work adjustment problems and unreliability especially intolerable. The fact that in the union they have an available supply of manpower only serves to strengthen this.

Ben Polishook offers a striking personal contrast with Sydney. For all his concern and pressure to produce most effectively, he also

¹Interviews with Stanley Sydney, March 18 and April 2, 1970.
has a perhaps unique understanding of the problems facing the unskilled and especially the unskilled black worker. The efforts he has made at training and his relationship with many members of the black community are strong indications of that. But here, the role and attitude of his key job supervisor play a potentially critical and counter-balancing role. His frank statements about his lack of enthusiasm for the pressures of job training quoted in Chapter II are in striking contrast with the understanding of his boss. In acknowledging this difference, it is important to consider briefly the role that the job supervisor plays in the building process. He is one-hundred percent the "pusher" whose purpose is to get his men to produce and to reach the production goals established by his boss. And insofar as his focus is on production, on-the-job training--and the energy, time, and patience that it requires--is viewed as a constraint or restriction on doing the job for which he himself has been trained and for which he has handsomely been rewarded.

Thus, to put into practice the understanding that Polishook himself appears to show, several conditions would have to be met. First, considerable pressure from the community, for example, would be essential to assure this transfer of words into meaningful action. Secondly, Polishook would have to alter his own expectations as far as his job supervisor is concerned. He would have to make explicit new standards for proper supervision that would take into account the
objectives and responsibilities of training. Alternatively, the present job supervisor could be bypassed or completely replaced—the latter a potentially costly measure, for such competence is a hard-to-find commodity. In any case, whoever assumed the responsibility for training on a day-to-day level would have to possess the necessary attitude and would have to be assured of Polishook’s own commitment. So, while the basis for a successful response is there, at least as far as this element is concerned, considerable problems exist as well.

Archibald and Shephard and the principals of King-Bison are both painfully aware of and sensitive to the problems of training the unskilled and disadvantaged. The response of the former in helping out a "carpenter" learning the ropes is a clear indication of the kind of understanding and willingness that are necessary. Because they themselves are black, as are many of their lead men, and, in part, because production pressures are somewhat less rigorous than Polishook's or Sydney's, Archibald and Shephard are probably most successful, or at least have the greatest potential for transferring down through their crew a comparable kind of response toward trainees. Moreover, in part, because they do not draw on the union as a source of manpower, they are likely to go with a worker and to give him a second or third try in the long term hope of making him a productive member of a permanent crew. Ideally, they too are looking for the worker who, even though unskilled, has pride in himself and shows determination
and initiative in his work. The problem, as they see it, is that men with such attributes are few and far between; and those that exist are in extremely heavy demand from all sectors of the industry. Nevertheless, of the four, this company offers the most realistic promise of responding to the special needs of the disadvantaged worker in adjusting to the work situation and in acquiring skills as well. Its shortcomings in other areas have been and will be made apparent.

Archibald and Shephard notwithstanding, the principals of King-Bison are surely the most outspoken in their desire to train the disadvantaged and to hire from the local community. And, as suggested in Chapter II in the description of their company, NADC has expressed a similar level of concern. Their social commitment, and the fact that they pay well below the union or prevailing wage, also makes them more willing to gamble on workers with poor work habits. Above all, however, is the broader conception of rehabilitation that King-Bison has had since the establishment of the company. For them it is a process that includes the development of human resources; it is not only a product designed to shelter people.

The problem, however, is that this responsiveness is not transferred with any explicitness to the remainder of the crew. Their "super"--a black man--is also responsive to the needs of trainees and to the idea of job training generally. But, the vertical control from
these levels down to the crew itself is so fragmented that this 
attitude is translated into lack of supervision and poorly specified 
work standards and little more. Some of the lead men, especially 
the key carpenter, show little but resentment toward the less pro-
ductive and unreliable members of their crew. And one can hear many 
of the traditional racial stereotypes about blacks being lazy and 
irresponsible--attitudes which, if nothing else, are incompatible 
with the kind of training the principals of the company have wanted 
to achieve.

Moreover, the quality of control, noted in Chapter III, as an 
important prerequisite for training in itself, is so poor that it 
only reinforces the poor work habits of many of the workers. 
Informal interviews with several members of the company's staff indi-
cate quite clearly the difficulty they've had in coping with problems 
of tardiness, "gold-bricking", drunkenness on the job, and absenteeism.
Yet, largely because of the inadequacy of supervision, such conditions 
have been tolerated or overlooked, in striking contrast to the Sydney 
or Polishook jobs. Clear standards and expectations regarding work-
manship and behavior on the job have never been well established. To 
a very large extent, the company has been carrying varying numbers 
of relatively unproductive men. And more often than not, this 
peripheral group of unskilled or marginally skilled workers has under-
gone a rapid turnover, not so much because they were laid off--a
surprisingly infrequent occurrence—but for personal reasons of their own.

The point to be made is that the potential for training has been almost entirely lost. Instead of altering poor work habits and attitudes of many of these men, ineffective supervisory control has meant that such habits were, if anything, reinforced and that some erosion of discipline and workmanship has taken place among other more stable members of the crew. As some labor economists have pointed out, many of the ghetto unemployed and underemployed are accustomed to low-wage, dead-end employment, undesirable working conditions, and inequitable supervision. And they have developed both work habits and expectations about jobs that are based upon these previous experiences. For such men, the environment at King-Bison has been only a step or two removed from this "secondary" labor market and the conditions found and accepted there.

Overall, then, Archibald and Shephard Builders Inc. seems to fulfill most adequately the requirement of a positive and constructive attitude toward the trainability of the disadvantaged who may be lacking both in skills and in proper work habits. Their personal attitudes are coupled with the ability and potential to transfer their

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1 See Piore and Doeringer.
own responsiveness to most of their lead men and crew, limitations that are present for both King-Bison and Ben Polishook, though especially the former. The difficulty for Archibald and Shephard is to continue to show their sensitivity and convey it to their crew without undermining the existing level of discipline, already somewhat strained, and indeed, while trying to improve it, as they strengthen the efficiency of their operation.

One important qualification must be noted in the above analysis. For, to the extent that workers have some skills and do not have poor work habits, the need for special sensitivity in their training becomes relatively less important. Under such circumstances the negative attitude of Sydney or of the job supervisor for Ben Polishook becomes a less significant stumbling block; and the potential of such companies, in particular, for what might be more appropriately called "upgrading" rather than "training" is increased considerably, subject of course to the other limitations discussed elsewhere.

In Chapter VIII on the informal training and entry route to journeyman status in the building trades, this distinction will be spelled out more fully. At this point, however, it should be clear that the potential of each of these companies can vary to some degree with the characteristics of those to be trained. King-Bison is the easiest point of entry into the industry. For the unskilled and for those with poor work habits, this company can, at least, provide
a foothold, an exposure to the nature of the work and the trades involved. Their sensitivity to the problems of the truly disadvantaged worker and other factors to be noted later make this role a feasible one. How much a "trainee" is likely to learn is another matter.

In contrast, Polishook's personal commitment and the effective scheduling of work and managerial control provide a more satisfactory environment for upgrading a mechanic with some prior skills and with a minimum of work adjustment problems. For such a worker, the attitude of the job supervisor, while still not an asset, is less important. Moreover, the high standards of workmanship and the excellence of most journeymen on the job, can be positive factors in increasing the level of proficiency of the trainee and in establishing the proper standards of workmanship. Obviously, considerable friction is built into this interaction as well; but the characteristics of the worker himself do increase the possibilities of a successful training experience.
CHAPTER V

THE ROLE OF THE UNION: JOB CONTINUITY AND PLACEMENT

The building trades' unions play a highly significant and complex role in the construction industry. The industry itself is organized to meet several principal requirements including both specialization and flexibility to meet an enormous variability of demand and mobility to meet localized demand. One principal characteristic of the industry which has been developed to meet these most general requirements is the establishment of a floating labor force with allegiance to and reliance upon the trade unions more than upon any individual employer. Moreover, the labor force must be highly differentiated, composed of men with specialized skills, and it must also be relatively mobile to adjust to a system that places the highest priority on flexibility and maneuverability. In such a setting, job tenure is almost entirely lacking as is the commonly accepted concept.

of seniority. Here the union assumes what has been called the role
of "employment agency." ¹

But perhaps the most general and complete way of describing
the key role of the unions in the operation of the industry is to
say that they act as a stabilizing and regulating force in what is
basically an unstable business. ² As suggested above, they provide a
pool of skilled and experienced labor from which contractors can draw
as the need arises. In addition, they are responsible for the develop-
ment of uniform wage rates for firms in a particular area. They also
help to police the industry on both sides by helping to maintain
discipline among their own members and by helping to control the
entry and actions of many small firms in the industry.

The effects of their activities are highly variable and complex.
Some are good, others bad. Their efforts at stabilizing wage rates
may reduce uncertainty in bidding and assure certain levels of pro-
ductivity. But their control of entry and membership, a critical factor
in such stabilization, may mean the unnecessary exclusion of many

¹ See William Haber and Harold M. Levinson, Labor Relations and
Productivity in the Building Trades, Bureau of Industrial Relations,
University of Michigan (Ann Arbor, 1956).

² See Gordon W. Bertram and Sherman J. Maisel, "Industrial
Relations in the Construction Industry," The Institute of Industrial
Relations, University of California (Berkeley, 1955).
workers from the building trades, especially minority group members, and may also have an adverse effect on spiralling labor costs. Moreover, the impact of the unions may vary significantly from one segment of the industry to another and from one geographical area to another, and may depend too on the size of the contractors involved. In Boston, for example, the Secretary-Treasurer of the Building and Construction Trades Council estimated that more than ninety-five percent of commercial construction was organized, while perhaps only fifty to sixty percent of the homebuilders in the metropolitan area were. 1 Similarly, an established small or medium sized firm may be especially interested in having the unions regulate and police the entry of small firms into the industry. Yet to the extent that they've built up an experienced, relatively stable crew, they are much less interested in the union's role regarding the control of labor supply or in the assurance of particular work rules and conditions.

From this admittedly brief overview of the unions' general role in the industry, it is possible to separate out several, more specific factors which are of particular importance to the question of job training, entry, and employment opportunity in the construction trades. The most obvious issue, that of apprenticeship, will be covered in

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1 Interview with Fred Ramsey.
considerable detail in Chapter VII. Chapter VI will consider the subject of wage control and flexibility. For the remainder of this chapter, the focus will be on the role of the union in assuring job continuity and placement.

One of the recognized shortcomings of many training efforts, whether on-the-job or not, and whether in the construction industry or not, is the failure to place the worker in a suitable position once his training has been completed.¹ It is appropriate that one of the basic prerequisites for an on-the-job training proposal under the MDTA is "a reasonable expectation of employment when a person successfully completes the program."²

Obviously, the state of the economy is a most critical factor in fulfilling such commitments and in assuring generally that employment opportunities will be available. The recently announced cutback of efforts under the JOBS program and the virtual withdrawal of the Chrysler Corporation and others from participation in such training programs are striking testimony to the drastic impact a downturn in

the economy can have. Given that, it is nonetheless feasible to determine what other factors are of primary importance in assuring job development and placement.

In the construction industry in particular, the unions play a considerable role in this regard. As noted earlier, individual workers are generally not attached to particular employers. The constant flux of construction activities requires a maneuverability which includes the ability to expand and contract work crews with rapidity. The unions serve as a source of labor supply and as an agency that is out to supply men with specialized skills to a particular contractor at the appropriate time. In many instances this includes shifting workers from one area where demand has been met to another where the demand is as yet unfilled. The contractor relies on the union to screen its men, to assure a certain level of competence and productivity. Where a union is strong then, membership is highly desirable. As work is terminated at a particular site, he need only look to the business agent to be referred to a new project, assuming, of course, that construction activity is at a reasonable level. He is potentially given access to a range of opportunities, and generally these opportunities

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are in the most lucrative and steady segments of the industry—the "mainstream" as it is frequently called—particularly the commercial sector.

In their study of training programs, Nellum and Associates noted:

The training programs we studied operated under various kinds of sponsorship and support. A commitment by either local unions or contractors or both seems essential to successful job development, which is, after all, the very heart of a program. Where this commitment is absent, job development is usually not effective . . . .

Not surprisingly, those programs in our study with strong support of their local Building Trades Council have an excellent program of job development via union entry and, with that, job placement is successful.¹

The point to be made is not only that union entry is a distinct advantage in job placement, but also that the lack of union membership or sponsorship can be a definite stumbling block.

There are a variety of methods by which the unions exert control over the labor supply. Said differently from the point of view of the non-union worker, there a variety of methods by which the unions control access to what is frequently a broad range of job opportunities. In times of excess demand for skilled workers, a union may reach beyond

¹Nellum, p. 66 and p. 72.
the geographical range of the local union. It may call upon journeymen in good standing from other locals in the same jurisdiction; hence the term "traveling cards" to refer to journeymen who travel to another area and find work there based on the credentials of union membership. While this practice varies with the level of construction activity and with the practices of the particular trade, it does suggest the importance the unions traditionally place upon controlling the work force and the preference that union men invariably receive.

The permit system represents a second alternative to expand temporarily the local work force while maintaining some degree of comparable control over the labor supply. Here an experienced non-union worker may work on a union job and receive the union wage. Instead of paying the regular union dues, he would pay a daily fee, usually greater than the pro-rated portion of the regular dues would be. Thus, when the work terminated or when union journeymen became available, the permit would be withdrawn, and the worker released to his previous status. Authorities in this field\(^1\) have indicated that this method is avoided as much as possible, with crafts in many areas excluding its usage entirely. In Boston there is a similar feeling that the system may undermine the bargaining power of the local, especially in the long run.

\(^1\)See, for example, Slichter, Chapter III, p. 53-98.
Finally, then, two other general procedures may be followed, both of which offer somewhat more opportunity for the non-union craftsman. In some cases, the unions very simply do not bother to enforce their shop rules; non-union men in limited numbers may find and continue to work on what are otherwise organized jobs. It has been suggested already that this is very much the case in the black community here in Boston and no doubt elsewhere as well. But otherwise, a more involved and more significant procedure may be followed. A non-union worker in the aforementioned circumstances could continue on a job for a particular number of days, usually seven. After that time the union may seek to determine if the man is qualified. Sometimes a test is given. And if the worker "passes" he must enter the union or cease work on that job. If he "fails" he follows the latter course. Most often, perhaps, the union may offer the worker membership on a more informal basis, simply on the recommendation of the contractor or that of fellow workers. 1 Of course, the union may also proceed as noted above, neither accepting the worker into its fold nor seeking to have him removed from the job.

1 The procedure briefly outlined here is often referred to as that of "journeyman referral" and is the basis for the informal route of entry and training described more fully in Chapter VIII.
The initiative for such actions, however, rests largely with the union. For the non-union craftsman, there is no real security, even for that particular job. More to the point, such opportunities are not likely to be very frequent, especially for the minority group worker. The employer himself will most commonly turn to the union as a general procedure when he wishes to hire additional men. Generally, only when the latter fails to supply the required manpower will the contractor be likely to look to non-union workers, and at that, subject to the procedures noted above.

For the most part, then, the unions attempt to exert as firm a control as possible over the size, qualifications, and often, unfortunately, the racial composition of the labor supply.\(^1\) No matter what procedures are involved in expanding the labor force, even on a short-term basis, the non-union worker invariably takes his place at the tail end of the labor queue when jobs in the organized segments of the industry are at stake. In an area such as Boston, this means that the vast majority of construction work in the highly organized commercial sector is generally outside the reach of craftsman who do not have union membership. To the extent that work opportunities are organized, a

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training effort that operates outside the union framework is handicapped in the job opportunities that are available for trainees both during training itself and most especially for job placement thereafter.

In terms of job placement and work continuity, the unions thus play a crucial and important role both on a general or more abstract level in terms of the functions and needs of the construction industry and on a more personalized level in terms of acting as an employment agency for the individual craftsman. Membership can thus be a significant asset and exclusion a real liability. And in that context, the extent to which segments of the industry are or are not organized can be extremely important. If a worker is a member of the union, then the more highly organized the industry is, the greater the benefits in terms of job placement and security. But for the non-union worker, the same degree of organization becomes restrictive as far as employment opportunities are concerned. For this reason entry into the unions is of real concern and significance. While this factor will be considered in Chapter VII on apprenticeship, a recognition of its ramifications must be noted here as well. Where the commercial sector is highly organized and where entry into the unions is severely limited, especially for minority group members, the presence of the union and the extent of its organizations can be a serious liability rather than an advantage.

This becomes especially apparent in a brief analysis done by Nellum and Associates of the Boston and Cambridge Journeyman's Outreach
Program, also known as the Workers' Defense League--Boston Program for the Model Cities' area. Without going into the details of the agreement reached between the Building and Construction Trades Council of Metropolitan Boston and several contractors' associations to facilitate the entry of minority group members into the industry, several points are worth noting regarding this issue of the presence of the unions and job placement opportunities.

Although the agreement says that union membership is the goal for these black construction workers, it does not guarantee each man a union card, even upon completion of training. (Agreements to this effect are now being negotiated with the various locals.) Until an enrollee receives his union card, his status as a 'first class citizen' is limited to the Roxbury area. His true mobility in the after-training job market rests largely on his union membership.¹

This brief quotation makes all too clear the double-edged potential in the role of the unions.

As we turn to the specific experiences of the four companies under study, the different aspects of this issue become more blurred and somewhat more complex. Again, for the time being, we will be confining ourselves to the question of job placement, continuity, and mainstream opportunity. As noted, two of the companies are "organized" (Ben Polishook Inc. and Sydney Construction Co.), the other two are not and are vehemently opposed to the role the unions play in the industry.

¹Nellum, p. 118.
Ironically, in the case of neither Polishook nor Sydney, do the unions play the traditional role described earlier. As the project manager for the former summarized the situation:

In Roxbury the unions stay out . . . they don't carry out their normal roles regarding hiring and jurisdiction . . . No single union or business agent wants to be the target of anything felt to be stifling, impeding the development of the community . . . . They'll look the other way.¹

And the job supervisor for Sydney remarked:

We don't hire through the union when working in this area (the black community of Roxbury-Dorchester) . . . . If we hire non-union men, the union won't refuse. If Sydney likes him, the man will stay. There's too much work and not enough manpower for the unions to raise a stink.²

Three key factors are usually noted as to why the unions take such a hands-off policy. The first has been stated most explicitly in the first quotation. The unions are extremely sensitive to the issue of racial discrimination regarding their membership. They have no interest in pushing black men out of work, when the work is in their own back yard. Secondly, this work is predominantly small scale. And many of the operators are not well established, high-volume producers. Finally, construction work has been proceeding at a good pace in the Boston area. Union representatives indicated that nothing more than the

¹ Interview with Henry Rossi, April 6, 1970.

² Interview with George Golant, April 18, 1970.
normal winter slowdown and anticipated a large number of jobs for the spring and summer.

But no matter what the reasons, this response of the unions removes both the opportunities and resistance normally associated with their presence. On the one hand, their laissez-faire attitude regarding the presence of some non-union workers on the job and their failure to carry out the normal follow-up procedures to control the labor supply reduce the limitations on job opportunities generally found when a project is organized. Minority group workers, who are not union members, do find work opportunities and without any payment of permit fees of any sort. But such benefits are likely to be of short term importance. The real advantages potentially available in the form of union status are simply never offered. The worker remains a "first-class citizen" in terms of wage scale only in the Roxbury area. Employment opportunities in the commercial sector remain outside his grasp for the most part, as does most other organized work beyond the geographical boundaries of the black community.

Contractor commitment is frequently offered as a counterbalance or alternative to the above situation. A craftsman might remain with the contractor, shifting from one job site to another, both during the entire period of training and on a long term basis thereafter. Indeed the contractor himself might support the worker's ambition to gain union membership, if after a period of time the worker has proven himself to
be a real asset, and his non-union status limits him to only certain of the contractor's sites. On the other hand, the contractor may be reluctant to play such a role. Once in the union, the worker may not be nearly so dependent on this single employer and his relationship with him. But, such speculation aside, the structure of the crew of these two contractors at hand indicates that little commitment for continued employment and placement is likely to be made. The initial description of these two companies suggests why this is so.

For Sydney, rehab work has not been continuous. Even with the four different projects undertaken since BURP, his crew is almost entirely changed. And, insofar as his new construction work, entirely outside the ghetto, is concerned, he then falls back on the normal procedure of recruitment through the unions. Such jobs are more carefully policed under the established mechanisms of the unions. Of his present crew, he will attempt to retain only the job supervisor and his foreman. Not only are both skilled mechanics, but of even greater importance, they are also especially capable as leaders of other tradesmen. Indeed, it is just such features that characterize many of the men kept from job to job by Ben Polishook as well.

Because of the highly specialized skills required on his fire restoration work, Polishook can and must provide a considerable amount of continuity for a surprisingly large number of men. But these tradesmen are key men in the strongest sense. They possess a high level
of skills, specialized knowledge of rehab, a strong degree of reliability, and the ability to work alone, make independent decisions, and supervise other workers as necessary. Interestingly enough, for normal rehab work, the company assembles and disassembles a crew with little continuity of men from one job to the next. On the present project which is outside the black community, they simply rely upon the traditional system of hiring from the union hall. In the Roxbury-Dorchester area they follow a procedure similar to that of Sydney, though no workers from earlier activities since EURP have been retained as part of the nucleus or core crew.

Generally then, "being union" means that such a company need hold onto only a limited number of the most highly skilled and responsible workmen. These companies look to the union to fulfill its traditional role as a supplier of skilled manpower as the need arises and quickly subsides. When working in the black areas, more flexibility is introduced and some workers are hired from the union, some are not. Yet the latter get only short term benefits from this lack of resistance on the part of the union to non-union men on the job. They are unlikely to get union membership, an objective of longer term significance for future job opportunities. But, ironically because the companies are still primarily organized and engage in the largest volume of their work outside the ghetto, these workers do not get any benefit of significant
employer commitment either. And, as Nellum makes clear, this predicament for the worker is even more pronounced in the case of those who are newly trained or are less experienced and less skilled.

In terms of job development, placing trainees in on-the-job training situations should be a good assurance of their subsequent employment by that contractor. But this does not necessarily hold. A construction worker without union protection must always be prepared to market himself. Business might slack off at the end of the period of subsidy, and many "graduates" (most only partially trained) would enter this rather difficult labor market.¹

But while these two "nominally" union companies appear to offer neither union protection nor contractor commitment—though some limited job opportunities are present for non-union workers on a short term basis—do the two non-union companies offer any significant benefits or advantages? Is there anything about their operations and structure that can overcome some of the above deficiencies?

Having little if any relation to the unions brings to light the same counterbalancing trends. Far more than the union firms, Archibald and Shephard and King-Bison are unable to offer their employees or potential employees any possibility of direct access to union protection and to future job placement or opportunities in the organized sectors that union membership would grant. On the other hand, there are no restrictions or constraints on hiring that being organized might

¹Nellum, p. 72.
justifiably or unfairly otherwise entail. As the project manager for NADC put it when the future prospect of "going union" was suggested:

We couldn't hire from the ghetto . . . . Hiring locally is a good policy for us . . . . If we were union, it would mean we'd be 98% white. And then there'd be problems with the community.¹

But while this would be more accurate in referring to projects outside the ghetto, the composition of the crews of Polishook and Sydney suggests that this need not be so for work in the black community. The tendency of the unions to back off there means that potentially Polishook and Sydney have nearly as much flexibility in hiring as their non-union counterparts. Where the latter are more desirable in terms of employment opportunity is in the totally non-union framework of all their work.² Very simply, King-Bison or Archibald and Shephard are totally reliant on the non-union labor market, and to some degree, this means greater opportunity and security for the non-union worker. In contrast with Ben Polishook or Sydney, Archibald and Shephard or King-Bison cannot turn to the union for manpower whether or not they are working in the ghetto. Theoretically at least, one would expect that they could offer significantly more contractor commitment, which, to

¹Interview with Claude Cimini, April 8, 1970.

²This leaves aside for the time being the impact of wage control or flexibility discussed in Chapter VI.
varying degrees, could offset some of the advantages of union membership. To the extent that a worker could remain with these companies on a fully employed basis from project to project during and after training, the additional security and continuity in union membership and in access to the commercial sector of the industry would be somewhat offset.

Once again, however, the experience of these two companies holds out questionable promise in this regard. Only key men have continued with either of these companies from project to project. And while their skill level and competence is somewhat lower than those of similar men on the Ben Polishook and Sydney crews, they are still the cream of the crop, at least a notch above the run-of-the-mill craftsman. Yet both Archibald and Shephard and King-Bison have shown a definite interest in training and upgrading workers primarily in the hope of developing a highly competent, largely permanent construction crew. For King-Bison the problem has not been the lack of willingness on their own part to keep together and hold a considerably larger crew than the five or six men who have remained with them over a single year period. And while their volume of work has been low, there has been sufficient continuity to have carried a larger permanent crew. The main factors have been the level of wages paid and the caliber of men employed. Because they have not paid prevailing wages, but rather hourly rates as much as fifty percent below, they have attracted more hard core unemployed and
unskilled than any of the other operators. Many of these men have simply drifted in and out on a short term basis, pocketing whatever money they could and moving on to something else. One can only speculate, but no doubt some others, having acquired some additional skills and experience may then have moved on to other jobs in the industry where hourly rates were more enticing. Nonetheless, the key factor remains--King-Bison does not offer any really substantive benefits as far as job placement and continuity is concerned, beyond the role they play in helping workers get a foothold in the industry as already noted in Chapter IV.

As for Archibald and Shephard, it is probably still too early to judge, though they do appear to offer more promise than any of the others. As noted earlier, only for the present project have they significantly expanded their crew. It is thus too soon to say how many men they will try to hold and actually will be able to hold. Though the specific nature of their future contracts is still largely undetermined, there are considerable opportunities available. This latter factor, their presumed need to build a larger, skilled work crew, the fact that they have adjusted to paying prevailing wages and are likely to continue to do so, their concern for offering additional health and insurance benefits to bid men away from union jobs--all suggest that they can offer the kind of contractor commitment deemed
necessary to offset their non-union status for an admittedly limited number of construction workers.

There is one additional, related issue that must be taken into account. Throughout this section union membership has been upheld as a primary means of job placement and continuity and of access to some of the most stable and lucrative job opportunities available in the industry. But interviews and discussions with varied participants in the rehab sector of the industry suggest that in the case of most minority group workers, union membership is not at all perceived as a desirable objective. To some extent this is a logical response to an institution that generally has established a reputation as one that discriminates against minority group members. But there is also a logical economic justification for such a response. The pressure for equal employment opportunity expressed in the Model Cities legislation, in recent policy changes on the part of FHA, and most significant of all in the often vociferous demands of the black community itself have come together to define what could appropriately be called a dual labor market. In the black community especially, the labor market can be differentiated, not between union or non-union, but primarily between black and white. Sydney himself was outspoken in defining the impact of this situation from his point of view:

We can't get blacks who are willing to work . . . . We have to provide added incentives . . . . There's no competition
here in the ghetto . . . Piecework a guy will do a job in twenty hours. On an hourly rate it will take him three times that long.  

And as the project manager for Ben Polishook Inc. noted:

Local guys get prevailing wages. They don't want to get in the union . . . They avoid dues and the initiation fee . . . There is more than enough work in Roxbury now without the union . . . If guys aren't qualified, they'd get thrown off the job in Brookline . . . they'd rather stay in Roxbury.

Both of these contractors as well as Archibald and Shephard have experienced considerable pressure from local groups of one sort or another. Some has been spontaneous, an expression by several individuals; some has taken the form of vandalism and minor destruction; some has come clearly articulated from the New Urban League or the UCCW. Whatever the case, the contractors were extremely reluctant to answer specific questions about specific projects. "'They' threatened a disruption so we've made some adjustments in our work force and in the qualifications of some workmen"--that was the kind of response offered most frequently. The point to be made is that this pressure, built upon what has been appropriately referred to as "turf control", has had considerable effects on the labor market in the black community.

There can be little doubt that, without this pressure in particular, far fewer jobs would have been made available to local minority

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1 Interview with Stanley Sydney.

2 Interview with Henry Rossi.
group members by all the contractors except for King-Bison. Ben Polishook and Sydney would more than likely have followed their pattern of hiring through the union, as practiced by them outside the ghetto. Those black workers in the union would be in still greater demand to satisfy whatever requirements were made by participating federal agencies, as far as equal employment opportunity was concerned. Archibald and Shephard frankly acknowledged their preference for carpenters with a minimum of ten years' experience—who were also most often white. They had to back off on their requirement and, to get more Negroes on the job, settled for five to six years' experience. For those blacks with high skills an excess demand has surely been one byproduct of such pressures—if such a demand did not already exist. And to some extent, the "absence of competition" as Sydney called it, may result in some reduction of productivity. Far more important, however, in terms of employment opportunity is the fact that blacks with lower level skills are able to find well paying jobs that might otherwise be beyond their reach. There are additional benefits in the added skills and experience obtained as well.

But one shortcoming can also be suggested, one that is reflected in the desire of many black workers to deliberately avoid union membership. While construction activity is at a reasonably high level and while there is a strong, enforced demand for black workers in the ghetto
itself, union membership is far less significant. But in the long run and in terms of increased job security, the union, as noted earlier, offers substantial advantages. Reliance on job opportunities in a narrowly defined geographical area exacerbates the problems of unpredictability of labor demand in an industry which is characteristically troubled by often dramatic fluctuations in output. In any case, it is important to realize the role played by community pressure in assessing the potential of these companies for training, and employment security and opportunity.
CHAPTER VI

THE ROLE OF THE UNION: WAGE CONTROL AND FLEXIBILITY

The second key role played by the unions is in wage control, and here too the impact on or implications for job training and employment opportunities are considerable. As described by John T. Dunlop, the unions are most generally interested in placing the producers of housing on an equal basis in respect to labor rates and conditions, without discouraging a healthy degree of competition among employers and a high level of production by labor. Their objective is to establish and protect an area rate and to assure competition on other than the price of labor services. Competition in labor costs should occur on the basis of the efficiency of operation and management competence in running the project. Apprenticeship is one basic element in establishing both job and wage control. It is a means of


2 See F. Ray Marshall and Vernon M. Briggs, The Negro and Apprenticeship for a good, concise description of the apprenticeship system and its role in the system of industrial relations in the construction industry.
standardizing the skill content of the individual crafts and helps establish a basic level of training and expertise for the journeyman. Its highly significant role will be discussed more fully in the next chapter.

In light of the aforementioned objectives regarding wage stability and control, the union seeks to regulate a variety of factors that may undercut these objectives. Most frequently, their work rules establish direct and indirect limits on output, protect the jurisdiction of each craft, and may regulate the employer's right to work with the tools of the trade. More important for the present discussion, the unions clearly regulate overtime work and the payment of premium rates and place strict limitations on piecework, lumping, and the subcontracting of labor. According to experts of the industrial relations systems of the construction industry, piecework, for example, is an equitable and stable system of compensation where the unit of output and where general working conditions can be determined and maintained with reasonable clarity and uniformity over a period of time. But in the construction industry, least of all in building and in rehabilitation, these criteria cannot be met. Conditions

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1 See, for example, Sumner H. Slichter, *Union Policies and Industrial Management* or William Haber and Harold M. Levinson, *Labor Relations and Productivity in the Building Trades*.
vary enormously, as do measures of performance and the standards and quality that are expected or required. The concern of the union is that the utilization of piecework under such circumstances will both encourage excessive and undesirable specialization and erode the uniform area wage rate based on time rates which can be policed more effectively.

The point here is not to attempt to evaluate such judgements, but rather to determine their impact on issues of training and entry in the building trades. What emerges is a carefully structured and rigid system of wage controls. Only in the apprenticeship program are wages adjusted on a more flexible basis relating to time in training and acquisition of skills, at least in theory. For the journeyman, a single wage rate is established in his particular trade, be it plumber, laborer, or ironworker. Any card-carrying union mechanic thus receives the same wage, whether a man can drive a nail with three swings of the hammer or whether he misses the nail and hits his thumb. The assumption is that entry into the union as a journeyman, whether through the apprenticeship program or not, means that a man has a certain minimum level of skills, and a level that is presumed to be quite high at that. The standardized hourly wage is a recognition of the standardized level of productivity or output. The only variation in this system is in the categories of working foreman and helper. The former receives an additional wage for the supervisory role he performs
over and beyond his functions as a mechanic. The latter occurs in some trades and usually receives some percentage of the mechanic's wage. He might best be described as a "specialized laborer" who works with a number of journeymen in a particular trade. The designation is not held in favor by many unions. Too many such helpers who invariably "pick up" the trade over a period of years can be a threat to the carefully controlled supply of craftsmen.

The result of this rigidity in the wage structure is very much to place a high value on efficiency. Both Ben Polishook and Sydney reflect this to a very large degree. Given the relatively high wage level paid to every member of the work crew in their respective trades, both companies make every effort to achieve effective scheduling, coordination of activities, and maximum utilization of the work force. As a consequence, their standards for an individual mechanic are extremely high; and the close supervision on each job assures a clear appraisal of the capabilities of each worker in a short period of time. The project manager for Ben Polishook, Inc. proudly noted that the job superintendent "seems to have a real knack for running through men." As much as possible, depending on labor market factors and the relationship with the unions, a company like Ben Polishook tries to place the burden of supplying high quality workmen right back in the lap of the unions. There is little room for
less productive, let alone unproductive, men on such a job site. A man who is not satisfactory on the work site is a liability both to the contractor and to the union as well. The contractor cannot afford to pay the standardized journeyman's wage for a man who cannot produce; the union can hardly afford to demand that wage for many such men. On the one hand, this says a great deal about the union's desire to maintain high standards for entering journeymen. On the other hand, it points up the pressure on the contractor not to make concessions in respect to the productivity of any particular worker. And it is this factor which, for the present, has the most serious ramifications for training and employment opportunities for the unskilled most obviously, but just as well for the semi-skilled and moderately skilled.

While strict union hiring practices are not closely adhered to by these companies when their work is in the ghetto, this pressure to pay full union wage rates does make "carrying" any less productive worker a costly venture. Without the external counterpressure of local community activists, neither company would be likely to take on the subsidy required to support a less skilled worker at the full wage.

1A key issue, of course, is whether or not present standards are reasonable and necessary for that goal or rather are arbitrary and designed primarily to exclude.
rate. And even then, the results are marginal, if we observe only the three sheetrockers on Sydney's payroll. Admittedly the careful management and concern for efficient production that characterize these companies already work against such subsidies. The requirement regarding union wages reinforces this. Whatever employment or upgrading opportunities may have remained open with the union's tendency to back off from the black community insofar as hiring non-union workers is concerned are virtually closed tight with the imposition of this wage factor. The prevailing wage requirement established under the Davis-Baron Act and applying to the federally financed projects undertaken by these companies only serves to insure especially rigid wage control. This will be pursued more fully later on in this chapter when its impact on Archibald and Shephard Builders, Inc. is assessed.

One way that Sydney, for example, has tried to circumvent such wage requirements is to turn to some of the very procedures mentioned earlier that are strongly discouraged by union work rules, namely piecework and lumping. "Payment by results" as Dunlop refers to such practices, is one means of paying less skilled workers a wage commensurate with their output. The close scrutiny of the FHA and the

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accepted work principles of many union craftsmen, even without the presence of a business agent's watchful eye, both make such practices somewhat risky and assuredly infeasible on anything but the smallest scale.

Nevertheless, what a union contractor cannot effectively do is a common operating procedure for a company such as King-Bison, which is unencumbered in this regard with union work rules or prevailing wage requirements. In the first place, piecework or payment by results can help to ease supervision problems, problems which are most obvious on the King-Bison operation. Hopefully, less constant attention and close supervision is required in order to reduce idle time. And, again referring to Dunlop's observations of the homebuilding industry in particular, this form of compensation is especially appropriate where: "... considerable labor turnover and a high proportion of new recruits on jobs of short duration make for wide disparity in the quality and speed of workers."\(^1\) The King-Bison crew is characterized by just such disparities. The company can and has experimented with such practices to encourage productivity and to provide a more satisfactory work environment.

\(^1\)Ibid.
More important and basic, however, is the simple flexibility in the hourly rate that such a non-union contractor can offer and take advantage of. In contrast with a Ben Polishook or Sydney, he can very easily adjust his wage rates to the capabilities and experience of each individual worker. Labor market pressure, if nothing else, makes it necessary to pay union scale wages to his key men in order to hold onto them. And the continuity of work he is able to provide them assures them weekly and yearly earnings that are at least as good if not better than the average union journeyman who invariably faces periods of slack and unemployment. The range of wage rates that King-Bison can provide, however, is of still greater significance, especially at the lower end of the scale. King-Bison has enormous flexibility in being able to take on a relatively unskilled worker by adjusting his wage to reflect his level of productivity. The danger, of course, is to set a level that is so low that it is virtually exploitative. But market conditions and the objectives of the company mitigate this. What King-Bison can do as well is to easily adjust the wage scale to the employee's increasing skill level and value on the job.

The new project manager frankly indicated that:

Paying the full wage would kill us in respect to productivity . . . Now, if a worker's only seventy-five percent efficient, seventy-five percent productive, we can pay him seventy-five percent of our top man's wage.

The advantage in terms of training opportunities and entry into the construction industry are potentially extremely important. This is especially true when the process of informal training and entry is considered in Chapter VIII. For though the specific numbers are in question, the majority of the present union mechanics in all trades entered "informally" and without any structured, formal training. Only the kind of wage differentials encountered in a non-union company like King-Bison makes this possible.

But given that, the broader potential for effective on-the-job training per se is hardly realized. This wage flexibility and the added factor of a positive attitude toward job training and trainability are more than counterbalanced by the poor quality of supervision and managerial control, noted in Chapter III, that is so essential for effective job training. Ironically, it is the spur of necessity of

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1 Interview with Claude Cimini.

higher union wages, noted by Slichter\textsuperscript{1} that may force management to improve their efficiency and control to reduce labor costs. The growing pressure on NADC to "go union" or, at least, to undertake projects covered by the Davis-Bacon Act is likely to accelerate their own objectives of improving managerial and supervisory control. Unfortunately, the very flexibility in wage structure so apparent at present cannot help but be sacrificed to some degree. It is an extremely problematical trade-off of sorts, that reflects, in part, the need for changes or assistance from outside such a closed system.

Up to this point, no mention has been made of Archibald and Shephard. While non-union and vehemently so at that, they are also undertaking the present project under the provisions of the Davis-Bacon Act. They are paying prevailing wages which are, for most of the trades, based on the union wage scale in the commercial sector of the industry.

Before examining the specific impact and ramifications of this requirement on an operation such as Archibald and Shephard, some background on the Davis-Bacon Act and the controversy surrounding it is in order.\textsuperscript{2} Like many of the practices of the unions, the Act is designed

\textsuperscript{1}Slichter, p 391.

\textsuperscript{2}See the text of the Davis-Bacon Act (40 U.S.C. 276a) or FHA Handbook 1340.1 covering prevailing wage requirements and the applicability of Section 212(a) of the National Housing Act.
to help stabilize and regulate aspects of an industry that is highly
unstable and intensely competitive. Referring again to Dunlop, the
Act has been a major factor in the recognition and defense of area-wide
wage rates and has played a particularly important role in stabilizing
rates in areas of mixed labor policy. Like the unions its purpose is
to eliminate or reduce competition on the price of labor services per
se, and to increase the importance of efficiency and management in
competition between firms. Similarly, under its provisions, piecework,
lumping, and evasive practices of contracting are carefully scrutinized
and generally discouraged as a means of undercutting or evading the
basic prevailing wage requirement. Once again, such practices, which
might be used to adjust to differential skill levels and varying rates
of productivity, are virtually eliminated.

The prevailing wage requirement has been attacked and criticized
with considerable vigor and consistency, especially in its applicability
to federally financed and insured housing projects. Most recently it
came under attack by both contractors and HUD officials at a mortgage

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1 Dunlop, "The Industrial Relations System in Construction."

2 It applies to "all multi-family housing projects except (1) pro-
jects which contain less than 12 family units and are to be insured
under Section 220 or Section 233, and (2) projects which contain less
than 9 family units and are to be insured under Section 221(h)(1) or
bankers' meeting held in New York City to evaluate the prospects for spurring the presently slumping housing industry. One developer-contractor prominent in the New York-New Jersey area argued that the prevailing wage requirement was one of the principal factors behind the rapidly escalating cost of housing.

It amounts to a conspiracy to keep costs high. A developer is forced to pay the highest wage rate in his area in the construction trades, even if the competitive situation doesn't warrant it.

And while obliquely agreeing with this analysis, the Assistant Secretary of HUD added that:

One problem is determining what is the true prevailing wage, and we feel that the Department of Labor often fixes it too high. We're trying to get what we think is a more realistic approach so that this element of housing costs can be brought down.

Assuredly the Department of Labor has its own justification for the present administration of the Davis-Bacon Act.

Meanwhile, on the local scene, the principals of King-Bison have been bitter critics of the impact of the Act and its whole rationale. The real "hypocrisy of prevailing wages" is that it is based upon an industry in which skilled men "end up working an average of thirty to thirty-two hours per week for high rates of pay and sit at home idle or look for work the rest of the time." For a company which can

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schedule full time, year 'round work for a multi-skilled rehabber and which is engaged in producing "low-cost housing for low-income families," such a requirement is both unrealistic and undesirable.

In a carefully done study of his own experiences in rehab in the South End of Boston, Robert Whittlesey came to similar conclusions. His analysis is more inclusive and more carefully documented and is especially appropriate because of the comparison offered with several of the companies studied.

The Corporation found that the requirement to pay prevailing wages not only increased construction costs but introduced many administrative problems . . . . Wages were the same as those paid on union construction jobs in Boston at the time . . . prevailing wages issued by the Department of Labor were approximately thirty-five percent higher than those paid on most rehab jobs in Boston . . . .

He also noted the fact that many rehab contractors, though paying lower hourly wages, can offer more continuous employment, can move men into maintenance work during lulls, often maintain health and accident insurance policies, and may pay for vacation and sick leaves. Under such circumstances, mechanics working for open shop rehab firms will often make the same annual wage or better than comparable union mechanics and may prefer the added conditions of employment. Finally, and of crucial importance:

The prevailing wage requirement eliminated many small contractors and tended to eliminate the less skilled mechanic. Unskilled mechanics can sometimes find employment at lower
wage rates on non-union rehab and maintenance work. This provides an opportunity to learn about construction. On jobs where union or prevailing wage rates must be paid, contractors tend to employ only experienced mechanics.¹

Before verifying these ramifications on Archibald and Shephard, the only non-union, prevailing wage contractor under study, a final digression of sorts is appropriate to suggest some of the solutions to the various problems noted above. Two general approaches are most frequently offered: (1) establishing a wage differential for the housing and commercial sectors, and (2) building into the existing prevailing wage approach additional flexibility in respect to training wages.² But Dunlop³ and others point up the difficulty of maintaining such a differential, especially given the interrelationship of the different segments of the industry and the fluidity of movement of much of the labor supply from one segment to another. Moreover, to what extent such a differential, a lower floor for housing wages, would favor non-union operators, would affect less skilled workers as distinct from those with high skill levels, and would affect minority group workers and contractors, are all particularly problematical and controversial questions.

¹ Whittlesey, p. 3-6 to 3-8.
² One lucid and probing discussion of these issues is contained in the unpublished paper by Robert Bruce.
³ Dunlop, "Labor Management Relations."
Further discussion of these questions could be only speculative at best, especially given the scope of research undertaken here. These issues are raised, however, as an indication of the complexity of the problems associated with bolder "solutions" to the adverse impacts of the prevailing wage requirement. Aside from questions of implementation, proposals to remove broad areas of housing from the requirement entirely or to soften its impact through such a differential can have broad and often unforeseen consequences and deserve more careful study than appears to have been done amidst all the cries of rising costs and inequity associated with it.

On the surface, at least, the second alternative—that of additional training wages—offers less dramatic but more realistic and immediately feasible potential. For, as far as a company such as Archibald and Shephard is concerned, it is the inflexibility, the standardized nature of the prevailing wage requirement that has the most serious impact and less so the level of wages as such.

The prevailing wage requirement, much as Whittlesey observed, prevents Archibald and Shephard from hiring less skilled workers from the local community, even though their attitude toward trainability makes the firm a promising participant in such efforts. Paying top wage rates to all their mechanics pressures them into seeking out the best qualified, most highly skilled individuals and to increase as
much as is possible their managerial efficiency and control of these men. Their clearly articulated personal commitment to train and to give blacks from the community an opportunity to enter the industry as something other than laborers can not withstand this kind of basic economic pressure. The impact is not really felt at the level of their best qualified men and the key crew they hope to develop. Archibald and Shephard feel they must compete directly with the unions and the work opportunities in the commercial sector of the industry. Thus, in addition to the prevailing wage they offer life and health insurance and paid vacations as added benefits to attract and hold the highest caliber craftsmen. Where the prevailing wage requirement does hurt is in the remainder of the work force. Since wages cannot be adjusted to differentials in skills and productivity, there is a disincentive to hold or recruit semi-skilled and especially the virtually unskilled. Similarly, men with poor work habits and unreliable attendance records must be more promptly weeded out. Much like Sydney and Ben Polishook, Archibald and Shephard acknowledged that were it not for community pressure, they would have opted for more carpenters with extensive experience—who were turning out to be white—rather than go with somewhat less experienced black mechanics. Thus, while Archibald and Shephard are probably most promising in respect to attitude toward trainability and in providing some continuity of employment, and though
they have a reasonable degree of the necessary supervisory control and are also non-union, these factors are seriously blunted by the impact of the Davis-Bacon Act.

Interestingly enough, the Act also has an adverse impact on Ben Polishook Inc. and the Sydney Construction Company as far as on-the-job training is concerned. It has been a significant stumbling block in the training efforts of the former in particular. For any attempts to work around the union wage rates meet head on with the well policed prevailing wage requirement. The Urban Housing and Model Cities Agreement for Boston and Cambridge, for example, is most significant in that it establishes training wage rates for several categories of workers outside the traditional apprenticeship structure. Whatever other shortcomings the Agreement may have, it does allow a contractor such as Polishook or Sydney—both members of the Association of General Contractors and both organized—to pay less skilled workers a wage that is more commensurate with their level of skills and experience. The prevailing wage requirement and the way it has been administered seriously undercut such flexibility.

Yet it is important to point out that there is already built into this requirement some flexibility that could assuredly facilitate training. The Department of Labor will recognize payment of a lower rate for an apprentice, appropriately registered at the federal level
through the Bureau of Apprenticeship and Training or, where available at the state level, through a State Apprenticeship Training Committee. Potentially more important, however, is a provision regarding youth, poverty and manpower training programs.

The Department of Labor and the FHA, as a matter of administrative policy, will take no exception to the employment of enrollees or trainees in these programs at wage rates below the prevailing journeyman wage rates . . . in those instances where agreements have been reached by labor and management under a bonafide youth, poverty, or other similar manpower training program.¹

Perhaps the negative phrasing of this policy suggests in itself the problems of implementation. The bureaucracies responsible for approval and certification are invariably products of the unions and the mainstream construction industry. At the least they have been reluctant to approve such policies in all but isolated cases. For Archibald and Shephard, a non-union company, there is even less likelihood of cooperation, and this applies to the registering of non-union apprentices as well. Interviews with members of several of the agencies concerned indicated a skepticism, to say the least, about encouraging apprenticeship outside the union framework and especially among rehab firms engaging in federally financed housing activities. (This was much less true, however, in the licensed trades.) The long and arduous process of getting approval for the limited training program of King-Bison,

though, in part, an understandable response to the nature of that operation, was primarily a result of the kind of bureaucratic resistance frequently encountered in such efforts. ¹

¹ Based upon interviews with John J. McDonough, Frederick Smith, Deputy Director of the Bureau of Apprenticeship and Training, March 13, 1970, and Ray Poet, Office of Manpower Administration, March 30, 1970.
The apprenticeship program is a key aspect of the unions' efforts at stabilization and regulation of the labor supply and working conditions. Within its framework, wage flexibility, designed specifically for on-the-job training, is provided. Indeed, from the point of view of job training and entry, apprenticeship is the answer on the part of the unions. Thus, while only two of the four companies studied are union and while they have participated only nominally in the apprenticeship program, a discussion of the program to some extent is essential. As the traditional and best established formal approach to training entrants into the construction trades, apprenticeship cannot help but cut across and include every basic element in on-the-job training. Ideally, as a program designed specifically for this objective, it must meet every one of the criteria discussed in this paper. Indeed, the successes and failures of apprenticeship, as it has been studied in the literature, have been principal means of determining what the criteria for job training should, in fact, be. Thus, as noted earlier, the issues of appropriate skill levels—how much breadth and how much
specialization—is intimately connected with the very operation and values of the apprenticeship program itself. So close is the inter-relationship that separating them for more careful discussion and analysis has in itself been problematical. Similarly, questions of job rotation and continuity during training, attitude toward trainability, the suitability of different segments of the industry such as rehab for on-the-job training are all integral aspects of the structure of the apprenticeship program. And finally, as we turn to a closer look at the functioning of the system, this overlapping must be kept in mind. References will be made to other chapters where particular issues of training per se may have been discussed in more depth.

First of all, then, how does apprenticeship fit into the system of industrial relations in the industry generally? What role does it play in the unions' efforts at regulation and stabilization? Perhaps the most thorough analysis of apprenticeship has been done by F. Ray Marshall. In answering very briefly these and other questions about this method, its advantages and shortcomings, his research and writings are an invaluable source. ¹ For the unions, apprenticeship is

a primary factor in job and wage control. It is a means of standardizing the skill content of each craft. And, in doing so, it helps to protect wage rates and strengthens the craft union as an institution as well. It helps to maintain the jurisdiction lines of each craft, again important for job security and wage stability, and it also controls access to each trade. Thus, as a principal control on labor supply and as a means of preventing the excessive use of low wage trainees in competition with journeymen, it can help to assure the availability of employment opportunity and the maintenance of a stable wage level. At the same time that it protects a journeyman's wage from being undercut, it can assure the apprentice a good chance to learn the trades, while receiving a reasonable rate of pay.  

But, if that is its rationale from the union perspective on a very broad scale, it is also upheld for the beneficial role it plays from the individual's point of view. As emphasized in Chapter III on skill levels, apprenticeship does provide a broad training which can be a very significant advantage to a craftsman. A well rounded mechanic has more employment opportunities and additional job security; he is less vulnerable to technological changes. Moreover, apprenticeship is a passageway to the higher paying jobs in construction, especially in

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the mainstream, and it turns out men with a higher level of productivity, many of whom go on to supervisory positions or become independent contractors.¹

If these are the generally stated, positive accomplishments of this program, what is the basic structure of the apprenticeship method that is responsible for them? In the construction trades, apprenticeship programs are usually undertaken by management and labor together, with the latter taking the strongest initiative, though where workers are not organized, management alone may conduct such programs. Broad standards for the program are established by the Bureau of Apprenticeship and Training (BAT) under the Department of Labor. They play what is primarily an advisory or consulting role in helping to develop training programs. Many states including Massachusetts have state-level apprenticeship councils (SAC's) which again play an advisory role with more concrete responsibilities for review. In such cases, both state and federal legislation has established specific standards that must be met by any apprenticeship program to be properly registered. Where they exist, state laws usually provide more specific and detailed requirements and the SAC's maintain primary responsibility for them. Finally, local supervision of the programs resides with joint apprentice-

¹Ibid.
ship and training committees (JAC's or JATC's) through whom programs are then registered with the BAT. These committees, usually established on an area-wide basis in the construction industry, are usually composed equally of representatives from management and labor, and in fact, they generally are so represented at both national and state levels as well. Within the framework of state and federal guidelines, the JATC's are most directly responsible for the quality, content, and standards of specific training efforts. They have general supervision of the program itself, including the selection, indenturing and placement of apprentices. Indeed, there is a growing trend toward indenturing apprentices directly to the local JATC rather than to individual employers, though this is less true of the licensed trades. 1

The heart and substance of the program really resides with the joint committee, and here is where the great variations found in these programs originate. The BAT and SAC leave great latitude, for example, in the qualifications for apprenticeship. Hence, they vary considerably from one trade to another and from one locality to another. Requirements include age, level of education, manual dexterity, and "other characteristics directly related to learning the trade." 2 Past experience

1 Haber, p. 23.

indicates these may range from motivation and reliability to family background and race. Length of training varies from two to six years depending on the trade, with four years as the average. In addition to on-the-job training, a minimum number of hours of related classroom instruction is also required, usually at least 144. Wages paid the apprentice begin at approximately half those of the fully trained mechanic and advance at six-month intervals subject to the evaluation of the JATC's. Ratios of apprentices to journeymen are generally worked out locally. An apprentice may get credit for previous experience, starting him at a higher wage level and requiring a shorter apprenticeship period. Finally, the joint committee conducts periodic examinations of the apprentice's progress, ascertains the acceptability of the employer's facilities and cooperation, and assures that the apprentice receives the proper scope and experience in training. Furthermore, as the National Carpentry Apprenticeship and Training Standards specify:

It shall be the duty and responsibility of the local joint committee to provide insofar as possible, continuous employment for all apprentices. Where it is impossible for one employer to provide the diversity of experience necessary to give the apprentice all-round training and experiences in the various branches of his trade, or where the employer's business is of such character as not to permit reasonable continuous employment over the entire period of apprenticeship, the local joint committee may arrange to transfer the apprentice to another employer who shall assume all the terms and conditions of the local standards.¹

On the employer's side, he is usually expected to provide proper supervision and control of the apprentice's activities. Records are to be kept showing the range of work performed. Moreover, in recent years, informal financing plans for these programs involving contributions from employers, labor organizations or both, have been followed by trust funds established through collective bargaining. These funds provide financing either by joint payments from employers and the union or by employer contributions alone, and the amount collected is usually based on the number of hours worked by journeymen and apprentices.

From this hasty description, one can see nonetheless, most of the elements previously deemed essential for a successful training effort. Within the apprenticeship program itself, there is considerable flexibility in the progressively increasing rates and the opportunity for more experienced men to enter at levels somewhat above the minimum. In this way employers will be paying a scale somewhat more commensurate with the worker's skills. Whether or not this is adequate to cover the costs of training on the job will be discussed more fully in Chapter IX. Nevertheless, it is a positive feature of this system. In addition, the joint committee plays a highly functional role. It is in a unique position to insure continuity of training and experience in a whole range

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of job tasks as well as in different segments of the industry. As emphasized in Chapter III, these factors are virtually a prerequisite for obtaining the broad, all around training so highly valued by those who have studied the functioning of the construction industry. Furthermore, the JATC's responsibility to police and evaluate the quality and content of the on-the-job training experience helps to insure that the necessary job control and scheduling of work processes is practiced and that proper supervision of the trainee is received. Similarly, it can ascertain whether an employer has the necessary facilities, volume of work, and construction operations to train effectively. And finally, because of the area-wide scope of its activities, it can better distribute the burden or responsibility of training among the contractors involved. This is especially true of the financing mechanism of a trust fund whereby all employers are compelled to share at least some of the costs of training.

Theoretically, then, the apprenticeship system should be capable of carrying out a most effective training program, should be a satisfactory entry route into the building trades for minority group members, and should be capable of fulfilling the manpower needs of the industry. Clearly, the broad problems noted in the introduction and the somewhat frantic and haphazard search for alternative approaches that have recently appeared indicate the failure of the apprenticeship system to meet these more broadly defined objectives, even though it may be a
satisfactory answer to the more limited needs and goals of the unions themselves. Why and to what extent this is so are highly controversial questions. Nonetheless, some discussion of the deficiencies in the system as it has been described here are essential for an understanding of the difficulty of carrying out job training in an effective way and of improving access of the less skilled and unskilled workers, especially those in minority groups, to the construction trades.

To begin with a broad generalization, the defects lie less with the structure of the apprenticeship system itself, less with the role of the JATC's for example, and much more with the way the program is operated and administered. The two are closely interrelated; but to the extent that such a distinction holds, it is valuable in determining what action is necessary and what alternatives can be most meaningfully pursued. Its ramifications are especially important in considering how a training program can be developed to overcome the deficiencies of the individual firms studied here.

Most of the criticism levelled at the operation of the apprenticeship system focuses on what might generally be called its practices of exclusion. More specifically, these would include: (1) an unwillingness to expand its scope numerically to meet the generally increasing demand of the construction industry; (2) a failure to respond significantly in offering access to members of minority groups and to fulfill its
responsibilities regarding equal employment opportunities; and (3) the development or continuation of unnecessary and unrealistic policies and standards regarding length of term and entrance qualifications that perpetuate the above conditions.

A report prepared for the U.S. Conference of Mayors deals explicitly and very succinctly with the first two basic issues. "Most crafts are not graduating enough apprentices to cover the journeyman retirement rate."¹ And the national dropout rate from apprenticeship programs varies from thirty to eighty percent depending upon the trade, with the licensed trades showing the best completion rate and painting and carpentry showing the poorest. On the average, about forty-six percent of apprentices did not complete their training from 1952-1967.² And the President's Committee on Urban Housing also focused on the manpower needs of the industry and, in part, on the inability of apprenticeship programs alone, especially as now constituted, to meet those needs.³

Why this is so and what should be done are surprisingly difficult questions to answer. The dropout rate itself may not be particularly

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² Weinberg, p. 36.
³ The President's Committee on Urban Housing, see in particular Part Nine: Assuring Adequate Manpower, p. 161-79.
significant in judging the "failure" of the apprenticeship system. For even though figures are scarce, most dropouts are likely to enter the industry anyhow. Some claim that the unions' concern for job control, their fear of seeing journeymen "on the bench" in the future when the boom subsides, is the primary reason for the unresponsiveness of the system. Others argue that when jobs continue to go begging during the prime building months of the summer this is unjustified, especially with wages skyrocketing. At the same time, one can point to the high level of unemployment in the industry and the problem of seasonality in production as issues far more basic and primarily responsible for the attitude of the unions. In contrast, many look to the unwillingness of employers to hire trainees and the high costs of training as the "real" reason for the long waiting list to enter the programs and the relatively small numbers that go through.

Such questions take us too far beyond the scope of this paper, though several simple but relevant points should be noted as far as the basic discussion of on-the-job training is concerned. First of all, the apprenticeship program has not lived up to the high expectations one might have, given the seeming completeness of its structure. Problems endemic to the operation of the industry at large, the resistance of employers regarding training, and especially the unions' own efforts to control and limit the labor supply, all indicate the broader
constraints on this job training method. Secondly, it is helpful to realize, as F. Ray Marshall makes clear, that while "apprenticeship is relatively important in the construction trades it is still of minor importance, especially if trends continue."¹ Projections made by the Bureau of Apprenticeship and Training indicated that only about ten percent of the total number of journeymen needed in the building trades will be provided by registered and completed apprenticeships at the present rate, with only six percent of the carpenters, three percent of the painters, and a high of thirty-six percent of the electricians.²

Marshall emphasizes this factor especially in regard to the question of access to the trades for minority group members. Very simply, he feels that too much emphasis has been placed on apprenticeship. In many ways this is in striking contrast to the view held by many civil rights proponents and activists concerned with opening the apprenticeship program to far greater numbers of minority group workers. A passage from a study conducted by the NAACP reflects the importance traditionally attached to the program and the exclusionary practices

that are prevalent there.

The minimization of the Negro's participation in apprenticeship programs, traditionally and currently, results in both the misdirection and malpreparation of the Negro for skilled craft occupations. Negroes, as a rule, must seek skilled training opportunities outside of formal apprenticeship programs. These, in turn, do not usually provide the recipient with the qualitative preparation requisites for truly skilled standing in today's economy... they remain marginal employees; the ones who are hired as a last resort, and who can be dispensed with at ease; and whose displacement can be rationalized in terms of objectively lower skilled attainments. Continuing in full circle, apprenticeship opportunities are denied to Negro youth on the basis that Negroes "somehow" do not make good craftsmen.

While one may weigh the relative importance of apprenticeship differently, it is hard to argue against making whatever inroads are possible into the system as to minority entry. And in that regard, both Marshall and the NAACP acknowledge that here, as before, a range of complex factors compound the problem. Outright discrimination and racism in more subtle forms are only one aspect of the barriers facing Negroes and others in entering the trades. Both focus on the problem of supplying qualified Negro applicants when so many Negroes suffer from poor education, institutionalized patterns of job segregation, lack of knowledge of the trades and a frequent bias against manual occupations and poor motivation and preparation to run the gamut of paperwork, tests, and interviews generally required. Add to this the problems of finding an

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opening, the long term of apprenticeship at wages which are for a time below those attainable immediately in unskilled and semi-skilled jobs, and the seasonal fluctuations of demand of this unstable industry and there are a formidable series of barriers indeed.

Yet progress has been and continues to be made. To quote only one of many recent indications of the acceleration of Negroes and others into apprenticeship programs, 15,600 of 240,000 apprentices in 1968 were members of minority groups. This represented a nineteen percent increase amidst an overall increase of nine percent in the number of apprentices.\(^1\) Marshall and Briggs and others have studied the experience of the Workers' Defense League in placing non-whites into building trades' apprenticeship programs.\(^2\) Theirs is basically an "outreach program" which counsels and tutors minority group youth to enable them to pass the entrance requirements for apprenticeship programs. For all its problems and limitations the program and its approach have met with considerable success and been expanded to at least eight cities. Essentially, what the Workers' Defense League (WDL) has

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done is to tie into the existing apprenticeship structure. It has sought to provide the extra-ordinary, affirmative action that the unions in and of themselves have generally been reluctant or unwilling to take.

But what the WDL has not done is to attempt to challenge and to alter any aspects of that apprenticeship system, aspects that may contribute to its unwillingness to open its doors on a more large-scale and equitable basis to minority group members. This, alas, is the third basic deficiency of the apprenticeship system as noted in the earlier section of this chapter. A whole range of practices have been subject to considerable criticism as being unnecessarily demanding and ultimately restrictive and exclusionary. While the WDL prepares its youth to pass the tests given by the unions, less patient critics have urged the abandonment of most tests altogether, especially oral tests. Once again the approach of Marshall is the more moderate one: "Don't eliminate oral tests or 'objective' written tests but validate them in the setting in which they are used."¹ But, in addition, minimum entrance qualifications established by most of the unions have received similar criticism. The grade level completed, type of education and performance, maximum age limit, and police clearance required—all can be so weighted or defined as to eliminate out-of-hand the largest

number of minority group members seeking access to the trades. Under such circumstances the WDL approach faces serious limitations and invariably leads to the selection or "creaming" of the highest quality applicants available.

Finally, in this area, the length of term has been a particularly controversial matter. Some like Haber claim that "if the objective of the program was to turn out a journeyman highly skilled in all facets of the particular trade, then the time period was not excessive."\(^1\) Indeed, the reasonableness of the term really depends not only on the expected skill level on completion but on the care taken in the selection of apprentices, on the opportunities given for learning the trade, and on the amount of productive work they're expected to do as apprentices in order to help pay for their training. More intensive programs could reduce the term but might prove to be prohibitively expensive to the employer. He would be receiving much less productive work from the apprentice. Similarly the higher the wages received, the longer is the term necessary to make it worthwhile for employers. But, acknowledging such qualifying factors, several interviews conducted personally and the weight of a number of studies of the subject\(^2\) indicate

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\(^1\) Haber, op cit., p. 94.

that the term could very reasonably be shortened, even as the program is presently constructed and operated. The danger of seriously under-mining the attainment of a broad training could be more than compensated for by improved administration of the program and more careful control exerted over the major on-the-job training component.

It is not my purpose to propose what changes are indeed required and how they can best be implemented. Apprenticeship is a complex system that necessitates far more detailed study than has been done here. Rather, I have attempted to spell out in a general way the basic structure of the apprenticeship system with all its desirable features as well as to note some of the key deficiencies that limit its prospects as a vehicle for the training and entry of minority group members. Finally, my own judgement is that the program suffers from much more than the specific kind of requirements mentioned above. No doubt many of these can gradually be changed if the political and legal pressure is sufficient and if economic conditions are sound. What is most crucial is the attitude and point of view behind such requirements and endemic to the whole administrative structure. During one interview, a non-profit developer of considerable experience in the industry remarked that the length of apprenticeship wasn't so bad, but that what "flunked" was the pervasive kind of obstructionism and unnecessary degree of control.¹

What this suggests is a fundamental difference in the goals sought by

¹ Interview with Robert B. Whittlesey.
those advocating job training and access for minority group workers
long overlooked and discriminated against and the goals sought by the
unions themselves, and especially the membership. Basic and all
pervasive attitudes about regulation and control of the labor supply
and about the maintenance of the highest standards in personnel and
working conditions—whether fully justified or not and whether present
in reality or not—clash head on with those seeking immediate and
large-scale entry into the building trades. And similarly, those in
the latter position tend to overlook or dismiss these primary issues
about job security and wage control that are the very reason for the
existence of such labor organizations.

In Chapter IV the attitude toward trainability was emphasized
as a big factor in a successful training program. Similarly, here,
the discrimination practiced by very many of the unions and their over-
riding concern to preserve their own economic security create an
environment that makes meaningful, large-scale entry and training through
the apprenticeship system for unskilled and semi-skilled minority group
members an unpromising possibility to say the least.

Given this broad analysis of both the positive and negative
aspects of the apprenticeship system, what role have the two union
companies, Ben Polishook and Sydney, played in relationship to it?
What, if anything, can be inferred about this job training method from
their experiences or about the training potential of the companies themselves? The very limited number of apprentices taken on by these two companies and the responses of each to the apprenticeship system have already been noted. Little substantive information can be gleaned from such minimal data, but some admittedly tenuous conclusions might be offered nonetheless.

For the union, such companies have a very limited role to play in the apprenticeship system. While they have the managerial experience and job control necessary, their small size limits their utility. At most, given accepted journeymen-to-apprentice ratios, perhaps six apprentices could be handled. The limited scope of the work noted in Chapter III on skill levels makes it imperative that apprentices remain with such a contractor for relatively short periods, perhaps a year. As much as anything, then, the basic problem is one of logistics. Apprentices would have to continue to be rotated, and those in different stages of their term would have to be distributed equitably. While it would appear that such small companies could be better utilized if problems of inertia and administration on the part of the JATC's were overcome, their role remains constrained by their size no matter what training approach is utilized.

The reluctance of employers to take on apprentices and trainees is a very general and pervasive problem, discussed more fully in Chapter IX. Their own lack of interest is another hurdle that the JATC
and union, as well as any other alternative mechanism, must overcome. For the present, it would appear that with an equitable job rotation, employers should be capable of handling such apprentices with a minimum of difficulty and expense, though their attitude toward job training and trainability remains a stumbling block.

Finally, the trainee himself can benefit from the experience. To reiterate, however, the union or the JATC with its ability to provide continuous and comprehensive training is the primary element in a successful training effort using such companies. The important and unique role of the JATC structure has been spelled out in sufficient detail in the earlier sections of this chapter. The main point that must be emphasized is that the apprenticeship structure can potentially overcome the deficiencies a Ben Polishook Inc. or Sydney Construction Company, as individual companies, may have regarding a suitable training environment. The limiting factor, however, is the additional problems of the apprenticeship program itself, as noted earlier.

The assets and liabilities apparent here will be taken up again in Chapter X. For, aside from the potential of the system to utilize such companies for training, the apprenticeship program also has considerable utility as a structural model, of sorts, to which other training alternatives can be compared.
CHAPTER VIII

INFORMAL TRAINING AND ENTRY

Ironically, the two "nominally" union companies, when in the ghetto, as well as Archibald and Shephard and especially King-Bison, play a role in an informal process of training and entry. And this informal route, referred to in passing in other chapters, represents something of an alternative to the well structured, traditional apprenticeship system. Indeed, in Chapter V, it was pointed out that it was union membership, and not necessarily apprenticeship as such as the way of achieving it, that was most significant in terms of employment opportunity and continuity in the construction trades. This distinction was reaffirmed by F. Ray Marshall's conclusion, noted in the last chapter, that other than for its symbolic value, apprenticeship should not be overemphasized in developing strategies for training and entry in the construction industry. Some figures have already been given indicating the predominant role that the informal route, not apprenticeship, plays in supplying journeymen for all the trades. Moreover, since 1950, informal training has provided a larger proportion of craftsmen in the trades. Only in the electrical craft has
apprenticeship held its own, and it is generally acknowledged that apprenticeship is most prominent, though still not dominant, in the electrical, sheetmetal and plumbing trades.

Clearly, then, the majority of the journeymen in the industry, both union and non-union, do not come up through a formal apprenticeship program. Nor do many foremen, supervisors, and key men--the elite of the trades--though here formal apprenticeship plays a more important role. Specific information is lacking about what the most common training arrangements actually are. But "picking up the trade" or "stealing the trade" as this informal process is often referred to, may or may not include some exposure to more formal on-the-job training. Often it begins with a man hired as a laborer or helper on non-union jobs or working with a small contractor or a friend or relative in the maintenance business. Over time and over a variety of jobs with different employers, he acquires sufficient skill to perform the simpler tasks of the journeyman. In peak construction periods he may even receive a temporary union permit or may work on a union job where the union fails to enforce its work rules. He may become a regular worker

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2 See Howard G. Foster, "Non-apprentice Sources of Training in Construction," Monthly Labor Review, XCIII (February, 1970), p. 21-26, for a most recent effort utilizing a case study to document these sources of training.
in the construction industry, drifting into other work less and less frequently, depending upon the level of construction activity. He may become attached to a single or small number of contractors in an area and through individual progress and bargaining increase his regular wage and skill level. Haber argues that within as little as a two-year period in some trades such as painting and carpentry, a worker may reach the journeyman's status in terms of hourly rate, at least in the non-union labor market.¹ And their proficiency at specialized jobs probably entitles them to a journeyman's classification. Continuing this scenario of sorts, a worker might eventually establish himself as a key man in a non-union operation especially, or via the journeyman referral system he may enter the unions and mainstream construction as a fully accepted journeyman. This latter step has been described in Chapter V along with other responses, most of which are temporary, that the unions may make toward such workers.² But it is this referral mechanism and not the formal apprenticeship system that has been responsible for at least the majority of craftsmen in the unions today. How closely these mechanics come up to the standards and

¹Haber, op. cit., p. 99.

²The various responses and alternatives regarding union membership are diagrammed effectively in A. J. Grimes, "Personnel Management in the Building Trades," Industrial Relations Research Institute, University of Wisconsin, 1961, p. 45.
expectations of the apprenticeship system in terms of skill level and ability is difficult to say. It is clear, however, that as such men acquire more and more experience outside the unionized segments of the industry, pressure mounts to take them into the industry. Too many well qualified craftsmen kept outside the union framework can ultimately be a serious threat to wage control and security, far more so than their entry and expansion of the labor supply might be.

But while all four companies do participate in this informal process, the roles that each plays varies with the structure of these companies as described in prior chapters and with the varying characteristics of members of the work force itself. One limited example of this was presented at the conclusion of Chapter IV. A somewhat more extensive discussion of the four companies is in order at this point.

Primarily because of its flexibility in wages, King-Bison plays the more traditional and basic role in this long-term informal training process. The broad social commitment of its principals and the absence of any real production pressures make this company the most likely entry point into the industry for the totally unskilled or those with little familiarity with the construction trades. Here they can become acquainted with the tools and materials of a trade, test out their own suitability for the kinds of work involved, pick up some rudimentary skills, and pocket an adequate wage for as long as they remain. In addition, because of the lesser amount of task specialization,
the interaction of trades, and the basic conception of "rehab specialist" which does influence work operations to some degree, the company also offers opportunities for marginally skilled or semi-skilled craftsmen to pick up additional skills in their own trade or to familiarize themselves with other trades for which they might find a particular interest or aptitude.

Sydney and Polishook offer a striking contrast to King-Bison, as has been mentioned before. Neither has the flexibility that is so readily available in the latter's operation. Both, in turn, have the control, quality standards of workmanship, and managerial efficiency that King-Bison almost entirely lacks. These two firms, though Sydney less so, can provide an effective environment for upgrading a small number of already somewhat skilled mechanics with only limited problems in reliability or work adjustment. On such jobs a worker could develop into an extremely proficient mechanic, adopting good work habits, high performance standards, and an understanding of efficient scheduling and coordination of activities. The personal responsiveness of Polishook makes that firm more likely to deal effectively with still less skilled workers with somewhat poorer work habits. But in neither case does either firm seem equipped to train the majority of workers that King-Bison takes on, certainly not Sydney.

Finally, Archibald and Shephard are something of a middle point between these extremes, though the prevailing wage requirement places
them closer to Ben Polishook Inc. than to King-Bison. Their own
sensitivity to the needs of minority workers and their desire to build
up a highly skilled, fairly stable crew, without any association with
the unions, places them in a position to upgrade and provide more
basic training for less skilled workers than Polishook would be likely
to handle effectively, especially given the less responsive staff and
base crew of the latter. In addition, the mediocre quality of super-
vision, at this point at least, works in two different directions as
far as the company's place in this informal process is concerned. It
is unlikely to turn out the real "professional," but at the same time
it is not so demanding as to be unable to cope with less efficient
workmen with poorer work habits.

Each one of the companies thus contributes something in
experience and training in this overall process, though the length
of employment with any of these firms is also a key factor in their
contribution and a most problematical one at that. Nevertheless, the
most crucial point is that each company alone lacks some key elements
for effective on-the-job training. One might say that, in the long
run, each company plays an equally important role: the deficiencies of
one are offset by the positive factors of another. If a worker bounces
around enough from one operation to another—which is likely to occur,
though he'll be confined to only certain segments of the industry—he'll
come out after a period of many years a fairly skilled mechanic able to enter the unions or obtain a more stable position with a single contractor as described earlier.

But there are some real problems with such a process. First of all, some deficiencies are cumulative. The partially skilled mechanic coming to Ben Polishook Inc. or Sydney Construction Co. is likely to improve his skills, perhaps significantly so, in that limited area in which he is already most proficient. Such employers are likely to develop highly skilled but highly specialized workers at the cost of a broader training and skill level. And as before, the worker is least likely to be exposed to the highly organized commercial sector of the industry. Moreover, there is no assurance that a worker can get anything like the right combination of experiences that are necessary for the development of skills as well as work habits. To take a highly simplified example of what is obviously a very variable and unpredictable process, access to a company like King-Bison with its poor job supervision and control may lead to nothing more than a foothold, a succession of such jobs, in and out of the industry, that are low paying, menial, undemanding, and ultimately not a beginning but a dead end.

Finally then, the informal process as a whole has serious limitations, even where it leads to the end points of union membership or stable, full time employment described earlier. Haber is perhaps most
explicit. For while "picking up the trade" may mean a journeyman's proficiency in certain specialized facets of the trade, it also means a labor force "with virtually no competence in the other important aspects of the trade." ¹

Moreover, though no specific numbers appear to be available, very many of those who start out on this route don't reach the stable and often lucrative goals at the end. The reliance of Negroes on this informal route or on inferior vocational training has been identified as a major factor in their relatively poor performance in the building trades. Their status as marginal employees with little job security and stability can be attributed in large measure to the inadequacies of this training approach and means of entry. ² But perhaps the most pointed and outspoken criticism of "stealing a trade" is to be found in a study commissioned by the Canadian Construction Association. To quote:

(Stealing a trade) is an antiquated unreliable method, wasteful of time and effort, with uncertain standards of attainment, and with poorer chances of recognition; of certification, or of continuing employment. Practical training by itself provides an inefficient, inadequate education for a worker . . . . (It) seldom provides the opportunity to learn craft technology and tends to lock workers at operator levels rather than to lead them on to full journeyman status. ³

¹ Haber, op. cit., p. 99.
³ C. Ross Ford, op. cit., p. 205.
However basic this informal process is to the construction trades, it emerges with severe limitations. Lacking the kind of structure that makes the apprenticeship system so effective potentially, "picking up the trade" essentially builds upon the various defects in the training environment of individual companies such as those described in detail here. None of those four by itself could satisfy the basic criteria for an effective training effort. And these very basic criticisms of the informal "method" as a whole indicate that it can compensate for these individual shortcomings only in a haphazard, inefficient, and time consuming way. Without any structure other than that provided by the actions of a labor market mechanism that is capricious and wasteful as far as job training is concerned, this process relies upon the independent and idiosyncratic actions of a variety of firms such as those seen here. In anticipation of the issues in Chapter IX, one could alternatively say that this process falls prey to the very much generalized reluctance to train on the part of employers. Prolonged, gradual, and relatively cheap for the employer at least, this informal approach has been shaped by, rather than structured to withstand, such resistance.

This point of view will be pursued again in Chapter X--the conclusion. Before that, however, it is important to clarify what this reluctance to carrying out training involves, for it is an important issue facing any programmed effort for on-the-job training in the building trades.
CHAPTER IX

THE EMPLOYER'S RELUCTANCE TO TRAIN

The fluidity of the labor force that characterizes the industry makes training a potentially risky and costly business. Each builder realizes that the workers he trains not only may leave him at any time but may soon be working for a competitor. This fear of "pirating" as it is frequently called, is one of the most obvious yet strongest factors discouraging on-the-job training. The seemingly universal attitude of letting other employers do the training and then "pirating" the skilled worker is less a criticism than a simple fact of life.

Of course, the problem is that if every employer adopted this approach no one would be trained. For an industry that is intensely competitive and is characterized by many very small operators, the immediate pressures of production result in an extremely short range perspective regarding the adequate supply of trained manpower. The employer is far more likely to hire a worker based on current rather

than potential ability and is usually uninterested in providing training beyond what will fill his immediate needs.\(^1\) Only the large manpower needs of the major producers and the pressure of the unions are able to provide a more reasoned and structured approach to training, embodied in the apprenticeship system itself. Indeed, non-union employers free from union restrictions have trained even fewer applicants than have their union counterparts. Most of those so trained have been in the more complex mechanical trades, especially plumbing and electrical, which are also licensed. Here, small non-union subcontractors are better able to provide the necessary continuity; they are better able to hold the apprentice for his full term and to have somewhat more certainty of keeping him after his training is completed. Perhaps a major factor here is that these trades are more sophisticated and require higher qualifications on the part of the apprentice. The apprenticeship term is usually longer. The employer faced with often severe manpower shortages is perhaps forced to take a somewhat longer range view of the problem and "pirating" is a less satisfactory response. Moreover, this suggests one other relevant factor in the decision to train--or more appropriately--not to train. Where an employer is uncertain there will be a position available in his organization when the apprentice's term is

\(^1\)Indeed, this is the basis for the conflict over specialized versus broad training discussed in Chapter III.
complete, he is even more reluctant to make the long-term investment necessary. And, in an industry marked by often dramatic fluctuations in activity due to factors entirely outside the average contractor's control, this kind of longer range predictability or certainty is most frequently not present.

In criticizing the failure of the apprenticeship system to respond to increasing manpower needs and to the demands for access by minority group members, the reluctance of employers to take on apprentices is frequently voiced as a major deterrent. One survey indicated that only a small number of firms which were technically able and had a sufficient volume to train apprentices were, in fact, training them.¹ Not only do employers appear to underestimate the value of training, but they also show a preference for other methods of meeting immediate manpower needs such as intensive recruitment of skilled workers, overtime and incentive wages, and job rearrangement.²

Fear of "pirating", a desire for immediate skills, a short-term perspective on manpower needs, and simple apathy have all been noted as basic factors in this reluctance, even resistance. The desire to avoid both government interference and the intrusion of labor into managerial prerogatives are also suggested as reasons behind this response,

¹ Grimes, op. cit., p. 44-46.
especially in respect to registered apprenticeship programs. But, above all, the question of increased costs has been raised as the primary deterrent, especially in the interviews conducted. By not hiring any, or by limiting the number of trainees or apprentices, these firms hope to reduce their short-run labor costs. Only Archibald and Shephard and King-Bison, relying on the non-unionized labor market, feel more immediate pressure to train and to try to develop a more permanent crew. Nevertheless, the cost of any such efforts is raised as a basic, prohibitive factor, especially for small firms. The most obvious and crucial cost factor, that of lower productivity of a trainee, will be discussed at the end of this chapter. And, while costs vary significantly with the nature of the training itself, with the different components involved, and with the structure of the program, some discussion of several general cost components can be undertaken.

Many of the costs are "hidden" and it is difficult to weigh their particular impact, especially in concrete, monetary terms. In an analysis of the Penn-Simon experience under BURP, delays and longer periods of high interest construction finance, waste and poor construction, and organizational difficulties and the strain on supervision

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1 See NAACP, op. cit., p. 17-19, for a more complete itemization of factors influencing the decision not to train.
were all identified as specific indirect costs not often accounted for.\footnote{Robert Bruce, \emph{op. cit.}, p. 100-26.}

While the adverse impact of a large scale, poorly organized training effort was perhaps extreme in that case, similar indirect costs were identified in several of the interviews and in the literature. An analysis back in 1927 pointed up one of the problems of redoing work and the expense involved; a problem no less pronounced today.

The character of construction work discourages the use of inexperienced labor for skilled operations. The building mechanic does not make a small part of the whole which later will be placed in a finished product as does the factory tradesman; but his work is performed, in the first instance, on the building itself. If a plasterer's apprentice or a tile setter's apprentice makes a mistake, it is made on the finished product and can be corrected only by the expensive process of tearing out materials from the building. This characteristic of building work makes teaching on the job a very expensive procedure and explains, in part, the reluctance of contractors to employ any but journeymen mechanics.\footnote{Arthur B. Mays, \emph{The Problem of Industrial Education}, (New York: The Century Co., 1927), p. 244.}

This cost component can be reduced, of course, with closer control of the apprentice's activities and with more supervision. But that in itself is a trade-off and a potentially expensive one. Proper job control and supervision has already been identified as a key criteria, not only for an effective rehab operation, but for an effective training program as well. Yet the latter makes additional demands on supervision, especially in the case of an Archibald-Shephard or King-Bison. An effective training program requires a network of men to insure that
training does indeed take place and that continuity from one task to
another does exist on the job. The contractor's own staff, especially
the journeymen most directly involved, must take considerable respon-
sibility for the proper orchestration of activities and instruction of
the trainee. Moreover, in part because of the employer's own tendency
to stress specialization over a broader training, some additional,
overall administrative framework is necessary. Whether this is pro-
vided by the JATC under the apprenticeship system or by some comparable
structure, additional expenses are incurred. Similarly, either a journey-
man on the contractor's payroll or a specially designated journeyman-
trainer must play some direct role in instruction. In either case,
there is either a loss of productivity or an additional direct wage
expenditure—or both.

Finally, the lower level of productivity of the trainee himself
carries with it the most substantial costs. Traditional apprenticeship
lore has it that over a period of a four-year term, for example, the
contractor will break even, or may even make a little money on the
apprentice. The graduated wage scale is the key here. During the
first year or so, the contractor may lose money. Though the apprentice
may receive only fifty to sixty percent of the journeyman's wage, his
productivity is probably below that level. In the second and third
years the contractor just about breaks even; for though the wage has
gone up the apprentice compensates with his rapidly increasing ability. The fourth and final year is thus the key. While the apprentice is getting less than the journeyman's wage, the assumption is that he is virtually one-hundred percent productive. The contractor's gain here may more than offset his earlier loss.

It is hard to determine how valid this judgement actually is. Spokesmen for Ben Polishook Inc. and the Sydney Construction Company felt that only the most enterprising and capable apprentice reached such a level of productivity in that period. In addition, since only certain subcontractors in the licensed trades and the very large-volume general contractors could expect to hold an apprentice for the full term, most contractors were totally dependent upon the policies of the JATC if they expected to receive an equitable distribution of apprentices. For every first-year apprentice, they should also get a fourth-year apprentice and so on. Moreover, there is no question that trainee rates alone can also cover the other costs of training noted above.

This becomes apparent even in the more gradual, more fluid context of the informal process. Here there are no specified standards and no time constraints such as those under the apprenticeship system or the related Davis-Bacon trainee provisions. As mentioned earlier, the employer "trains" primarily to meet his most immediate and specialized production needs, though with some consideration toward building a permanent crew. And, in doing so, he pays a wage that is
closely tied to the immediate productivity of the worker. To the extent that the employer is interested in retaining the less skilled worker on a more long-term basis, the latter has additional bargaining power. In this process the employer probably has little sense of the extra costs incurred, or if he does, he tries to establish a wage that takes them into account. But while the contractor may fare much better in this system, the criticisms levelled at this "method" as far as training is concerned make such a resolution an unsatisfactory one.

The experience of King-Bison bears this out. It has been an active participant in this informal approach to training and entry. What training has occurred has, however, been extremely inefficient and of minimal effectiveness and value. Because of a desire to improve their training efforts and because they were dealing with workers with considerable problems adjusting to a work environment—even if a poor one—they have been forced to seek direct federal subsidies to carry out such a program. The much increased costs for a more substantive training effort with higher standards and a greater focus on more rapid training and upgrading of disadvantaged workers simply cannot be covered by a training wage, wage subsidy, or the wage flexibility of such a non-union producer. Their particular proposal, recently approved by the Department of Labor, Manpower Administration, under the JOBS program, involves a subsidy of roughly $3500 for each of six trainees.
for a training program of only thirty-nine weeks, not even a full year.

While this includes an amount to cover initial orientation and counseling sessions, limited medical and dental care, and some transportation costs, it does not cover job-related basic education or supplemental classroom instruction. Moreover, it is viewed largely as a pre-apprenticeship program, an initial step if not into a registered apprenticeship program, then toward a continuing program of on-the-job training under additional federal financing. Such an example is not offered as any model for a training program nor of typical training costs, but as a general indication of the magnitude of the costs that a more formally structured on-the-job training effort for the disadvantaged must come to grips with in one way or another.

And as we turn to the final chapter, the extent of the employer's reluctance to train and the kind of costs involved must be kept clearly in mind.
CHAPTER X

CONCLUSION

From the more detailed discussion in the earlier chapters, we can summarize briefly how adequately these firms have satisfied individually the criteria established for a successful training effort.

1. **The Appropriate Level of Skills Training.** None can offer the broad training established as a standard. All, except for King-Bison, look for rapid, short-term specialization—though this is less true of Archibald and Shephard. And while King-Bison advocates a broader concept of training and skills, it appears to be unrealistic and infeasible. Other than for key men, only Archibald and Shephard have potential for providing the necessary continuity during a prolonged training period—an important factor in developing a breadth of skills.

2. **Job Control and Production Output.** Both Sydney and Ben Polishook are capable of, and have satisfied both, related criteria. King-Bison can meet neither, though the new management of NADC should have a positive impact. Archibald and Shephard at present is struggling to manage a project which is on a wholly new scale for them. But they
are likely to develop more adequate managerial control in the immediate future.

3. **Attitude toward Trainability.** The problem here, especially for Archibald and Shephard, is that as a company increases in production efficiency through improved supervision and control, it also appears to become less responsive to the needs of the disadvantaged worker during training. Sydney is at the apex as far as an efficient operation is concerned, but is insensitive to the work adjustment problems of many less skilled workers. Personally, the principals of the three other companies respond very well. The practical matter of transferring this responsiveness to the other staff leaves Archibald and Shephard in the best position, with Ben Polishook and King-Bison facing problems which have a potentially limiting effect, especially for the latter.

4. **Job Continuity and Placement During and After Training.** None of the companies offers really substantial possibilities here, other than for men already highly skilled. Archibald and Shephard and King-Bison as non-union operators do have some advantage, especially the former, to the extent that they hope to build up a larger scale, more permanent crew. Even so, only very limited numbers of less skilled workers would be involved.

5. **Wage Flexibility.** King-Bison is in a class all by itself here. Both Sydney and Ben Polishook are constrained by union wage scales.
Moreover, they and Archibald and Shephard are all affected by the prevailing wage requirement. This latter is especially limiting since it is carefully enforced. While all three may attempt to sidestep it in various ways, the results are minimal as far as taking on less productive workers are concerned.

Given this simplified but more concise overview, it is painfully apparent that none of the firms as independent agents can hope to carry out an effective training effort or program. Qualitatively, the overall differences between their potential is relatively small compared with the extent of their shortcomings. Sydney Construction Company is probably the least likely to undertake with real effectiveness the training of less skilled workers. The other three are grouped together more closely. The poor quality of supervision and control of King-Bison seriously offset the structural advantages it has to offer. Overall, Ben Polishook and Archibald and Shephard are somewhat better, with the latter the most promising of all four. As will be noted a bit later, the potential of these companies is increased if one evaluates them less in terms of training disadvantaged, relatively unskilled workers and more in terms of upgrading semi-skilled mechanics. Nevertheless, the

1 Attempts were made to utilize a crude rating system to make such judgements. But the variable weight of the different factors and their qualitative nature made this more of an academic exercise than a useful approach.
distinctions made above in rating these companies are relatively incon-
sequential when one considers the magnitude of the deficiencies of
one sort or another facing all of them.

While such a conclusion is not necessarily surprising, it is any-
thing but a reassuring one. To some degree one could simply write off
these companies as far as on-the-job training is concerned. Yet to
the extent that rehab is to be a major source of low-income housing,
as noted in the introduction, and to the extent that these firms in
their basic characteristics are representative of those doing rehab,
such a response is an intolerable one. This becomes especially apparent
when one considers the likelihood of continued and growing pressure on
such operators from their respective local communities, where in fact
the housing stock is located. Indeed, in these terms, whether or not
such companies are equipped to employ and train unskilled and semi-
skilled minority group workers becomes a moot point. Unless they chose
to withdraw from this scene of activity, a distinct possibility for
some like Sydney, these companies will have to respond in some affirm-
ative way. The quality of that response does make a further consider-
ation of the problems of training a worthwhile venture.

Tokenism--to the extent that it will be tolerated--is another
alternative and an extremely likely one. A few men with some skills may
be put on the payroll, much as the Sydney Construction Co. has done.
Others may be carried in their more traditional role as laborers, though the more efficient producers like Sydney and Ben Polishook have a real need for only a small number of such workers. As always, training may become little more than a slogan with rhetoric and the "checker-boarding" of a small number of blacks from job-to-job the substitute for substantive action.

But what are some positive options that are available to make on-the-job training undertaken by small rehab companies something more than good local publicity? The scope of such a question is potentially enormous, extending far beyond the narrowly based research at hand. Some proposals can be made, however, that take into consideration the more specific deficiencies in job training efforts noted above. Again, for the present, the discussion will be confined to making firms, as individual units, potentially viable agents for on-the-job training.

The most obvious recommendation is based on providing subsidies to a firm to undertake on-the-job training. Generally, this is the approach pursued under the Manpower Development Training Act by the Department of Labor. The JOBS program under which the King-Bison trainees will be funded is one such example. It is not my purpose even to begin to evaluate its impact. Rather, can a reasonable subsidy per trainee offset the deficiencies described at the beginning of this chapter?
A subsidy could conceivably help to relieve the production pressure that discourages taking on trainees or any but the most efficient craftsmen, without destroying the job control and tight supervision needed for effective training. Presumably, this would also create an atmosphere more conducive to handling the special needs and problems of the disadvantage, though the impact could not be expected to be so considerable as to alter the basic attitudes of a producer such as Sydney. Part of the subsidy would cover the "hidden" costs described in Chapter IX, though the larger portion would be used to make up the difference between the productive wage of the worker and the prevailing wage or union wage that might be required. Were this the case, the criteria of wage flexibility could be overcome indirectly, at least from the point of view of the cost to the employer.

But such an approach can have a very negative effect on the trainee himself. Paying scale wages to an unskilled or semi-skilled trainee can undermine his own ambition to improve his skills and increase his earnings, and can embitter fellow workers who "earn" the full wage and who, in turn, fail to respond to the real needs of the trainee. Moreover, the trainee himself may resent a future reduction in pay when the period of subsidy ends or when he moves to a new job, unless, of course, he has acquired the skills to justify the going wage. The point

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1 See, for example, Robert Bruce's case study of the Penn-Simon job, p. 100-126.
to be made is that such a subsidy should be given in the context of
a trainee wage system and not independently of such wage flexibility.

Finally, the subsidy approach does help to assure some
additional continuity during training, at least for the period of
payment (in the case of JOBS, a maximum of 18 months and usually con-
tracted for a lesser period in the building trades). Nonetheless,
the key factor, that of having a continuous construction output can-
ot be affected. Should work between jobs slow down or should that
"particular craft not find additional work ready and waiting, the
trainee is likely to be given any number of different tasks wholly
unrelated to his training "program". And, unless his training has
been remarkably effective, he is unlikely to find continued employment
with the contractor once the training period is terminated.

These factors suggest a key deficiency that this independent
subsidy approach fails to address whatsoever--namely assuring the
breadth and quality of training deemed so essential. Proponents of
the union apprenticeship system have shown little enthusiasm for this
approach. Acknowledging their own prejudices and special interests,
their concern that narrow specialists trained in limited subdivisions

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1 U.S. Department of Labor, Manpower Administration, "JOBS '70

2 See the Report of the Eastern Seaboard Apprenticeship
of a trade would be the result has considerable merit. Again, the specter of the marginally skilled craftsmen with questionable marketability and faced with excessive periods of unemployment raises its head.

This brief and somewhat speculative argument indicates that subsidies alone, given to independent companies such as these, is hardly an answer. Regarding some factors, such as that of wage flexibility, additional proposals can be made to complement the use of subsidies. Very simply, the President's Committee on Urban Housing, among others, has proposed that the prevailing wage requirement make use of provisions for a trainee rate. Similarly, the Model Cities Agreement, referred to earlier, provides for different wage levels outside the apprenticeship framework, wages which are more commensurate with the worker's productivity. Neither of these is as straightforward as it sounds, especially as far as effective implementation is concerned. Even so, they are much simpler conceptually than the kind of proposals that are required to cope with the other shortcomings explained above. Assuring the needed continuity, the quality of the training, and above all the requisite breadth of skills, calls for more complex and difficult responses that mark a final retreat from the notion of utilizing

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1 The President's Committee on Urban Housing, op. cit., p. 33 and p. 176.
these companies as individual vehicles for on-the-job training.

At this point, the apprenticeship structure, though not the spirit and impact of its present implementation or utilization, can serve as a useful model in suggesting the kind of mechanism that is needed. To briefly recapitulate some of the attributes derived primarily from the role of the JATC, the following are most prominent and significant in light of the above discussion:

1. An area-wide approach which spreads the burden and responsibility among many contractors. The use of the trust fund for financing the apparatus assures an even further and more equitable distribution and helps overcome the reluctance to train.

2. A means of assuring continuity between jobs, the maximum range of experience in tasks of the trade, and an exposure to a variety of segments of the industry.

3. A means of assuring training standards, contractor compliance, and the necessary breadth of training, thereby countering the employers' general tendency to demand immediate and short-range specialization.

4. A method for the continuous cycling of trainees utilizing the individual contractors as resources for training and not as the final point of employment for a very limited number of apprentices.

The comprehensiveness and potential strength of this mechanism is obviously derived from and closely related to the very important role the unions play in the system of industrial relations in the construction industry. One could hardly hope to replicate this kind of structure in attempting to achieve such objectives as stated above.
But it is possible to suggest some basis for a somewhat comparable alternative. The operating committee established to implement and administer the Model Cities Agreement is an effort of this sort, though it is a very close derivative of the traditional JATC. Essentially, what is being suggested is that these firms, especially King-Bison and Archibald and Shephard as non-union companies, be considered not as separate training agents but as participants in a more broadly structured training program under the administration and scrutiny of a larger, composite agency. In a sense, this marks a return to the consideration of the role that these companies—and Ben Polishook and Sydney as well, though to a far lesser degree in their "nominally" union position—play in the broader context of the informal "system" of entry and training. Seen from this perspective, to what extent can this "system" be structured to utilize the training potentials of such companies more meaningfully while overcoming their shortcomings and that of the informal process as a whole? Similarly, it was noted in Chapter VIII that much of the promise of these companies was in upgrading workers with some skills and with less severe adjustment problems rather than in training unskilled, disadvantaged workers—though this varies with the nature and structure of the companies studied. What framework can be provided that will recognize the different, positive features that are available and that can build upon them for a more satisfactory training program?
There is hardly a single, definitive "answer" to such questions. What's more, an extensive evaluation of the issues and alternatives would extend well beyond the much narrower scope of this thesis. But with that as a qualifier, a final brief look at the United Community Construction Workers here in Boston is suggestive of the kind of structure that could be developed, at least potentially. The UCCW has acted for several years in the black community as what one observer has called a "protest group and service organization for black workers." It has established itself as a more recognizable labor organization, and there are some who view it as an independent black construction workers' union in the making. Whether or not that is so, present efforts to establish a very limited training program with Ben Polishook Inc. do indicate its broader potential as an "operating committee" which can organize, administer, and participate in the more comprehensive program that is needed. Like the traditional JATC, the UCCW could conceivably collaborate with the Contractors' Association of Boston, a black counterpart of sorts to the Association of General Contractors. But unlike the union system, the UCCW is far more likely to turn to existing social agencies and training centers to meet the often special needs of the disadvantaged worker. Some basic skills training and counseling to ease work adjustment problems can thus be provided prior to actual on-the-job training. This is one

1 Bruce, op. cit., p. 28.
way of helping to ease the burden on the contractor, to counter in part his reluctance to train, and to facilitate the adjustment of the trainee. Moreover, other functions such as the careful screening, preparation, and placement of workers can be especially important in the success of upgrading, a role that some of the companies seem best equipped to perform.

Even with such a superficial glance, two key differences emerge between an organization like UCCW and the union apprenticeship system. As noted in Chapter VII, the latter's exclusionary practices are derived, for the most part, from their primary concern for controlling the labor supply, for protecting those who are presently in the union rather than for offering employment opportunities and membership to those seeking entry, especially minority group members.¹

UCCW, at least at these stages, is interested almost entirely in entry, training, and access to the often lucrative jobs in the building trades. For minority group members this perspective is obviously logical and essential.

Tied to this is the fact that UCCW derives whatever strength it has, not because of its control of the existing labor supply, but because

¹ As D. Q. Mills and others have noted, there is a real irony here, for organization and not exclusion may be the most logical response to protecting job opportunities, especially where large numbers of even semi-skilled craftsmen in non-union areas can undercut the business of union contractors.
of "turf control" pure and simple. This is a second striking and important distinction between it and the unions. For UCCW at this point, protecting its "membership" means getting training and jobs for black men, now unemployed and underemployed, unskilled and semi-skilled. Similarly then, its leverage over contractors to take on less skilled and to take on trainees is based, not on the organization's power to withhold from the contractor the skilled manpower that is essential but rather to make the work site itself inaccessible. If nothing else, this study of the rehab companies has indicated that such leverage and pressure is virtually essential and is a key ingredient in any meaningful effort, not only for short-term employment, but more important for on-the-job training and entry in the building trades.

This position of UCCW gives it both a certain flexibility, on the one hand, but also suggests a fundamental limitation, on the other. To oversimplify somewhat, UCCW need not be primarily concerned as yet with protecting those well established in the trades. In this sense, its energy can be devoted to meaningful entry and training and future stable employment in the industry for minority group members. But because its leverage is based on a limited geographical area and not on control of a skilled labor supply, its impact and scope is constrained.

One result of its pressure is to place a burden on contractors in the ghetto, a burden not felt by those elsewhere, particularly those in
the commercial sector who might better bear it. Second, and more important, it means that the housing sector, to the extent that new and rehab construction in the ghetto is largely for housing and low-income housing at that, is assuming some additional costs for on-the-job training that it, least of all, can afford. And this is exacerbated when one realizes that workers who enter and are trained here might move into other sectors of the industry, especially if pressure for equal employment opportunity is carried throughout the industry. As Whittlesey affirmed in the conclusion of his study, "The economics of housing construction, particularly for the low-income family market, should not be asked to absorb the costs of manpower training,"¹ at least not without considerable subsidies for that purpose.

One could obviously continue on these far broader lines. There are a whole range of training programs and structures presently underway and under review.² Similarly, one can discern a variety of broader strategies for access into the construction trades, of which on-the-job training and the potential of a structure such as UCCW is only one small

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¹ Whittlesey, op. cit., p. 7-3.
² See for example, Nellum and Associates for several local approaches.
aspect. Some of these broader issues surely begin to emerge in this discussion of UCCW. But whatever strength the arguments made here may have is derived from the far more narrow and detailed analysis of these four specific rehab operations and their potential—or lack of it—for on-the-job training and not from the more speculative discussion above.

Finally, then, this study has done more to point out the shortcomings of different approaches toward on-the-job training than it has toward proposing "answers" such as there may be. Whatever broad proposals may be offered, part of their focus must be directed at the detailed experience within the firm itself. No successful job training program can be achieved by edict or by good intentions. The difficulty and complexity of any such effort in terms of the firms involved has been made all too apparent. Job training cannot be simply grafted onto efforts to produce housing, especially by rehabilitation. For all the promise of linking employment and housing, there are very real and resistant problems and conflicts.

1 See Robert Bruce's study of broader strategies of access to the building trades.
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2. Ben Polishook Inc., Dorchester.

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Ray Poet, Manpower Administration.
Frederick Smith, Bureau of Apprenticeship and Training.
John J. McDonough, State Division of Apprenticeship Training.
Fred Ramsey, Building and Construction Trades Council of Boston.
Carl Roberts, Federal Housing Administration.
Robert B. Whittlesey, South End Community Development, Inc.
Walter Barry, Priorities Investment Corporation, Newark, New Jersey.