

Building Justice



Interfaith Worker Justice
Report on Residential Construction
and Pulte Homes
May 2008

Interfaith Worker Justice



1020 West Bryn Mawr, 4th Fl. • Chicago, IL 60660-4627
Phone: (773) 728-8400 • Fax: (773) 728-8409
www.interfaithworkerjustice.org

Delegation Participants

Pastor Kevin Anderson

OnePlace Church
Phoenix, AZ

Mr. Hussam Ayloush

Executive Director
Council on American-Islamic
Relations – Southern California
Los Angeles, CA

Ms. Kim Bobo

Executive Director
Interfaith Worker Justice
Chicago, IL

Sister Cathey DeSantis

Detroit Catholic Pastoral
Alliance
Detroit, MI

Mr. Robert Drake

Elder
Presbyterian Church USA
Tucson, AZ

Mr. Vince Gallagher

Safety Research, Inc.
Philadelphia, PA

Rev. Paul Hansen

Pastor
Holy Spirit Lutheran Church
Las Vegas, NV

Karen Hessel

Former program director for
Justice for Women with the
National Council of Churches
Cape Elizabeth, ME

Mr. John Hill

Director for Economic and
Environmental Justice
General Board of Church and
Society, United Methodist
Church
Washington, DC

Rev. Dr. Daryl Ingram

Executive Director
Dept. of Christian Education,
African Methodist Episcopal
Church
Nashville, TN

Rev. William Jarvis Johnson

Co-Pastor
New Prospect Family Praise &
Worship
Washington, DC

Mr. Jeff Korgen

Director of Social Ministries
National Pastoral Life Center
New York, NY

Pastor Joel Menchaca

Amistad Cristiana
Las Vegas, NV

Ms. Jackie Parker

Master of Pastoral Theology
St. Francis Xavier Catholic
Church
Phoenix, AZ

Dr. Edith Rasell

Minister for Workplace Justice
United Church of Christ
Cleveland, OH

Mr. Roberto Reveles

New Sanctuary Movement
Past President
Somos America

Rev. Liana Rowe

Organizer
Interfaith Worker Justice of
Arizona
Phoenix, AZ

Rev. Jim Sessions

IWJ of East Tennessee / East
Tennessee JWJ
Knoxville, TN

Mr. Thom Shellabarger

Policy Advisor
U.S. Conference of Catholic
Bishops
Washington, DC

Mr. Will Tanzman

Organizer
Interfaith Worker Justice
Chicago, IL

Father Norman Thomas

Priest
Sacred Heart Catholic Church
Detroit, MI

Rev. Trina Zelle

Lead Organizer
Interfaith Worker Justice of
Arizona
Phoenix, AZ

Building Justice

Report on Interfaith Worker Justice Fact-Finding Delegations

December 10, 2007 – Phoenix, Arizona

January 24, 2008 – Las Vegas, Nevada

On December 10th and January 24th, Interfaith Worker Justice convened fact-finding delegations of religious leaders from around the country to learn more about working conditions in the home construction industry in Phoenix and Las Vegas. These religious leaders visited home developments and talked to workers who build homes for Pulte Homes, one of the largest home construction companies in the country, as well as officials and organizers from the International Union of Painters and Allied Trades (IUPAT), the Sheet Metal Workers International Association (SMWIA), and the American Federation of Labor – Congress of Industrial Organizations (AFL-CIO). Officials from Pulte Homes and several Pulte contractors refused to meet with the delegations despite repeated requests.

The delegations quickly discovered a disturbing pattern of injustice and abuse among contractors paid by Pulte to build homes for the company. Workers talked about a number of serious problems, including dangerous working conditions, nonpayment of overtime, wages so low that workers have to work 60-70 hours a week in order to make ends meet, and lack of affordable health care and other benefits.

In order for these and other workers who work on Pulte construction sites to achieve just working conditions, Interfaith Worker Justice recommends that Pulte Homes take the following steps:

1. Pulte Homes should develop and enforce an ethical contracting policy in order to ensure that its contractors provide workers with living wages, decent benefits, safe working conditions, and the right to organize. That policy should be monitored on a regular basis.
2. Pulte's Las Vegas and Phoenix contractors should increase wages, provide more affordable health insurance, pay overtime to workers when they work more than 40 hours per week as required by the law, improve workplace safety practices, and respect workers' right to organize unions.

Other companies in the home construction industry should follow suit with similar improvements in wages and working conditions.

Background

Interfaith Worker Justice

Interfaith Worker Justice was formed in 1996 to engage the religious community in issues and campaigns to improve wages, benefits, and working conditions for low-wage workers. In its brief history, the organization has helped shine attention on the concerns of poultry workers, janitors, health care workers, hotel workers, coal miners, security officers, and other low-wage workers around the country. Religious leaders affiliated with Interfaith Worker Justice have conducted a number of fact-finding delegations, including delegations looking at the conditions for poultry workers, locked-out steelworkers, hospital workers, garment workers, and coal miners. A significant amount of the organization's work focuses on concerns of immigrant workers. Interfaith Worker Justice is led by a board comprised of national religious leadership from nearly every faith tradition with a presence in the United States. Sixty-five local interfaith groups are affiliated with Interfaith Worker Justice and jointly share in the mission of engaging the religious community in low-wage worker concerns.

Residential construction industry

“When you build a new house, you shall make a parapet for your roof, so that you do not bring blood-guilt on your house if anyone should fall from it.”

– Deuteronomy 22:8

“Both the roof and any other object of potential danger, by which it is likely that a person could be fatally injured, require that the owner take action... just as the Torah commands us to make a fence on the roof... and so, too, regarding any obstacle which could cause mortal danger, one has a positive commandment to remove it... if one does not remove it but leaves those obstacles constituting potential danger, one transgresses a positive commandment and negates a negative commandment: ‘Thou shall not spill blood.’”

– Rabbi Moses Maimonides, Mishneh Torah



Interfaith Worker Justice decided to investigate conditions in the residential construction industry because it is a huge and growing industry that often does not treat workers with dignity and respect. More than \$500 billion is spent each year on residential construction, and more than 1 million workers are employed in the industry. The number of workers is expected to grow significantly in the next ten years.¹ Despite this rapid growth, too many construction workers are not earning enough to make ends meet. The bottom 25 percent of residential construction workers earn \$12.39 per hour or less (for an annual income of less than \$26,000), and the bottom 10% earn \$9.85 or less (annual income less than \$21,000).² Typically, these workers are either offered health insurance coverage priced beyond their ability to pay or not offered health insurance at all.

Residential construction is dangerous work. Construction as a whole is the deadliest industry in the country, with more than 1200 fatalities in 2007. Immigrants face particularly high risks in construction work; a study by the AFL-CIO found that the risk of death for immigrant construction workers was more than 3 times the overall worker fatality rate.³ Through its network of nineteen workers centers, IWJ has seen firsthand some of the problems that plague workers in the residential construction industry. Workers routinely come to IWJ's centers with complaints about injuries, health and safety problems, nonpayment of wages and/or nonpayment of overtime, and other violations of workers' rights.

Why Pulte Homes?

Pulte Homes is one of the largest home developers in the country. In 2006, the company built more than 41,000 homes and produced revenues of more than \$14 billion, which put the company at #147 in the Fortune 500. Pulte sells homes in 52 metropolitan areas under its own name as well as its subsidiaries Del Webb and DiVosta. As an industry leader, Pulte Homes has the capability and the responsibility to set decent standards for the residential construction sector.

Pulte is a particularly significant player in the Phoenix and Las Vegas areas, where the company makes a large portion of its profits. In spite of the downturn in the national housing market, the Phoenix and Las Vegas areas continue to see significant (though temporarily reduced) home construction. In these areas, residential construction is one of the key sources of jobs, so the wage levels and working conditions set in this industry have a ripple effect on the rest of the economy.

Unfortunately, there have been indications over the past several years that Pulte often hires whichever contractors place low bids even when those contractors exploit and abuse workers in order to do the work cheaply. Workers who build homes for Pulte Homes have told union organizers and religious leaders about a number of problems in the workplace, including unsafe working conditions, low wages, long hours, unaffordable health care, and nonpayment of overtime. Interfaith Worker Justice found the volume and consistency of these reports troubling enough to dispatch fact-finding delegations to Phoenix and Las Vegas in order to learn more about the situation.

Fact-Finding Delegations

On December 10, 2007, eighteen religious and lay leaders from across the country gathered in Phoenix to learn more about conditions for workers who build Pulte homes. The delegation began by hearing testimony from sheet metal, drywall, and painting workers as well as union leaders. The delegation then proceeded to visit six worksites, where religious leaders spoke with workers employed by Pulte subcontractors. In the Phoenix area, Pulte contracts with Chas Roberts



for heating/ventilation/air conditioning (HVAC) installation, Metro Valley Painting for painting work, and Bean Drywall for drywall installation, among others. Despite repeated requests, Pulte's Phoenix-area leadership and all three contractors refused to meet with the delegation.

Six clergy and lay religious leaders gathered in Las Vegas on January 24, 2008 to engage in a similar delegation. Again, the group heard from striking workers who had been hired to build homes for Pulte by contractors Pete King Drywall, Hutchins Drywall, and Burnham Painting and Drywall. The delegation then visited two large Pulte Home tracts in order to hear from active workers. Pulte's Las Vegas office also refused to talk with the delegation.

Workers' Stories



Delegation members were appalled by the workers' stories of injustice and abuse. The following are a few representative accounts that the delegations heard from striking workers:

Rogelio Perez, striking worker at Bean Drywall, Phoenix, Arizona

“I’m a worker from Bean Drywall, and we’ve received a lot of abuse from the company. We decided to organize there because there were many things that were not fair in the workplace. Most weeks we worked somewhere between 50 and 60 hours. We decided to get together and do something about it because the wages we were paid for each house kept going down. There were many accidents at work and they were reluctant to send us to clinics. They said that everything was OK if someone got hurt. The company also wasn’t paying us the overtime we deserved. They have insurance, but it was so expensive that we couldn’t afford it. So for that reason we all decided together to go out on strike against the company, because of all these injustices that I’ve told you about.”

Jose G., striking worker at Chas Roberts, Phoenix, Arizona

“My name is Jose, and I worked for Chas Roberts for seven years. I saw many injustices at this company. I had a number of friends who had accidents at work. Chas Roberts wouldn’t pay workers for the days they missed because of their injuries. They had to come into the office to work there if they were injured, and if they didn’t come in, the company wouldn’t pay them for the day.

“The company made us work very, very quickly, like you had to finish this entire house in one day. We know that this house would actually take 16 hours to do everything properly, and they told us we had to get it done in 8. When it’s really hot out, they don’t give us water. They don’t give us money to buy ice, or anything like that. The supervisors are always trying to make us work faster. They go from house to house putting pressure on us to speed things up. We do the house faster, but we know that we’re doing things in the way that they’re not supposed to be done. We’re cutting corners, because they want us to work so fast. And they wanted us to finish the houses quickly, but they wouldn’t even give us all the material that we needed to do things properly. They would also pay us by piece rate for the house, and they didn’t pay us very much. Sometimes, in a house, we wouldn’t finish everything because we didn’t have enough materials, so they would send us back, and they’d say, ‘You need to finish this now,’ and they wouldn’t pay us for the extra time.

“One day I went to work, and we decided to do something about it. I went in with a union t-shirt, and they fired me. That’s why I’m out here as a part of this struggle, as a part of this strike, because we need justice at this company.”

Luis Gonzales, striking worker at Metro Valley Painting, Phoenix, Arizona

“My name is Luis Gonzales, and I’m a former worker for Metro Valley Painting. I decided to come out of work and join the strike with my co-workers because of the injustices that we had to experience there at Metro Valley Painting. We worked there a lot, sometimes 70 or 75 hours a week, and in all the time I worked there, they never paid me any overtime for that work. They also pay us piece rate there, and the piece rate that they pay per house keeps going down. Another big problem that we had is that the insurance program we had for our family wasn’t very good at all. We need an insurance program that’s fairer for the workers.

“Whenever we’d go to our supervisors with problems, they’d tell us, ‘Well, if you don’t like it, you can get out of here, there are more Mexicans crossing the border every day.’ So it’s because of all these different things that aren’t fair that my coworkers and I decided to go out on strike. We’re going to keep on fighting and keep on struggling until we have justice not just for ourselves but for all the workers at Metro Valley Painting.”

Victor Hugo Rangel, striking worker at Hutchins Drywall, Las Vegas, Nevada

“When I worked for Hutchins Drywall, I had a boss who was corrupt and did not have any feelings or respect for the workers. When I went to get my check at the end of the week, I had to give a kickback of \$150 to the foreman. When I went to the office to complain, they started threatening that I would lose my job. Finally the day came when he asked me to get up on top of this big ladder, and I fell and hurt my shoulder. Now I have pins in my shoulder and it hurts. I went to the foreman and told him I’d tell everybody about all the money he’d stolen. I was fired and the foreman stole two months of pay. In about a week, I’m going to get surgery on my shoulder. I hope that the religious people do something about this situation.”

Unfortunately, these stories are just the beginning. Workers who build homes for Pulte Homes told religious leaders about a whole host of problems in the workplace, including dangerous working conditions, long hours, nonpayment of overtime, low wages, and inadequate health insurance.

Dangerous working conditions

Workers reported a number of serious problems in the health and safety practices (or lack thereof) of Pulte’s contractors.

Use of stilts. Workers who hang and tape drywall often have to work on stilts in order to hang and tape drywall on ceilings and the upper sections of walls. A number of drywall workers told the delegations that they were forced to engage in extremely unsafe practices on their stilts:

- Cobbling two sets of stilts together (strapping the bottom of one set to the top of the other) in order to reach particularly high ceilings and walls
- Wearing stilts on top of scaffolding in order to reach high ceilings and walls
- Using stilts without OSHA-required training on fall protection and housekeeping (i.e. keeping the ground free of debris that could cause stilts to slip). In fact, most workers told us that they were not provided with any training at all on the use of stilts by Pulte’s contractors.

Use of scaffolds. Workers who hang drywall often must get up on scaffolds in order to install drywall, especially in the parts of the homes (such as in the foyer and adjacent to staircases) in which the walls extend up two stories. Workers who worked for Hutchins Drywall in Las Vegas told religious leaders that they were given no scaffold training and forced to construct makeshift scaffolds up to 20 feet high using buckets, planks, and ladders. This is probably the most dangerous thing that the fact-finding delegations encountered; a fall from that height would likely result in catastrophic injury or death.



Lack of safety training. The Occupational Safety and Health Act requires contractors to train workers in a number of areas of safety and health. Workers have to be trained on protecting themselves from falling from ladders, off scaffolds, and off of partially constructed floors (drywall workers often work on floors that have holes cut in them for stairways that have not yet been built). Companies have to provide workers with detailed information on the potential harm that can be done by any chemicals that workers have to handle. Workers are required to be trained on the use of safety equipment. Many of the workers that the delegations talked with had not received the legally required training in one or more of those areas.

Lack of safety equipment. Painters and drywall workers use paint and solvents that contain harsh and potentially dangerous chemicals, but some workers told the delegation that they were not provided with gloves, masks, or information on the potential affects of these chemicals. Some were not given masks, some were given masks that were clearly inadequate to the amount of dust they were breathing, and one sander talked about spitting up blood in the morning. At a Pulte development in Las Vegas, representatives of IWJ observed Hutchins Drywall workers working with sheetrock without hardhats and nailing without glasses.

Injuries and lack of workers' compensation

As a result of these conditions, a number of workers reported serious injuries. Some workers told stories of getting injured and not receiving pay for the days and even months they missed due to their injuries. Workers also reported that they did not feel like they could file for workers' compensation because they feared retribution. One twenty six year old worker talked about falling off his stilts and hurting his back. A year later, he still has back pain.

Long hours, low wages, and nonpayment of overtime

Workers described a variety of payment arrangements at the six Pulte Homes contractors, none of which were adequate. Most of the workers that the delegations interviewed reported that they were paid "piece rates." Under "piece rate" arrangements, workers are paid per unit of work that they complete, e.g. workers earn between 8 and 11 cents per square foot of drywall they hang or \$800 per house they paint. While hours worked varied widely according to day and season, workers reported often working 50-70 hours per week and receiving only \$8-\$13 per hour. They also gave accounts of being pressured to do the work so quickly that they often had to cut corners, even though they knew it would lead to lower home quality.

The law is very clear. When non-exempt workers such as construction workers work more than 40 hours in a week, employers must pay 1.5 times the normal hourly pay for each hour worked over 40. There are two common exceptions: "exempt" employees whose work is executive, administrative, or professional; and independent contractors who have substantial control over their own work hours and working conditions. The workers employed by Pulte's contractors fit into none of these categories.

Even though most workers interviewed by the delegations reported frequently putting in more than 40 hours per work week, none of them were paid overtime for their overtime hours.

Workers from Bean Drywall, Hutchins Drywall, Metro Valley Painting, and Pete King Drywall have all filed class action lawsuits against those contractors and against Pulte Homes for nonpayment of overtime. These lawsuits are currently pending in the U.S. District Courts of Arizona and Nevada.

The details of the lawsuits tell a sad story of deceit and exploitation by Pulte Homes and its contractors:

- The lawsuit against Hutchins Drywall claims that the company paid workers per house or per square foot and did not keep accurate records of hours worked. Then, the lawsuit continues, the company paid workers on the basis of the amount of work completed rather than the number of hours worked. Workers reported routinely working more than forty hours per week, which means that they were owed 1.5 times their normal hourly pay for each hour they worked over forty. Hutchins management, however, reportedly misled workers into believing they were independent contractors and thus not eligible for overtime benefits.
- The lawsuit against Pete King Nevada states that the company paid workers on the basis of the number of homes completed rather than the number of hours worked. According to the lawsuit, workers worked an average of fifty to eighty hours per week but were not given overtime pay for hours worked over forty. In addition, the lawsuit states that the company did not keep accurate records of the number of hours that workers worked, but rather asked workers to falsify their timesheets by recording only forty hours even when management knew that workers were working far longer hours.
- According to the lawsuit against Bean Drywall, workers worked 5-6 days per week, 9-13 hours per day. The lawsuit alleges that Bean paid crew leaders on a piece rate basis with no additional compensation for hours worked above forty, while crew members were paid on a per-day rate without overtime compensation. Bean, too, failed to keep accurate records of hours worked, according to the lawsuit.
- The lawsuit against Burnham Painting and Drywall (along with Centennial Drywall Systems, a Burnham subcontractor) reports that workers routinely worked more than forty hours per week. Burnham did not keep any records of hours worked, according to the lawsuit, and workers were not paid overtime. In addition, the lawsuit states that managers sometimes removed work completed from payroll documents so that workers would be denied payment for some of the work they had done.
- Similarly, the lawsuit against Metro Valley Painting reports that Metro Valley workers routinely worked 5-7 days per week, from 9-13 hours per day, but that the company paid workers purely on a piece rate system with no overtime compensation and that the company did not even pay workers for all of the units of work that they completed.

Pulte Homes is named as a codefendant the lawsuits against Hutchins Drywall, Pete King Nevada, and Burnham Painting and Drywall. The workers believe that Pulte is a “joint employer” because Pulte Homes is ultimately responsible for the work conducted on the homes that Pulte is building.

Lack of health insurance and other benefits

The workers interviewed by the delegations reported that they either were not eligible for health insurance or the health insurance was not affordable on their meager wages. A worker from Metro Valley Painting reported that she would have to pay \$100 per week for health insurance. Workers at other contractors reported similar numbers.

Workers also reported that they receive little in the way of other benefits. Most of the workers interviewed by the delegations said that they lacked sick days, vacation days, and pension plans.

Harassment and intimidation

A number of workers reported harassment and intimidation when they attempted to talk to the contractors about improving conditions. One worker reported being fired for wearing a union t-shirt. Others told the delegations that they were fired after complaining about working conditions. According to workers, foremen often responded to workers' complaints with the common refrain, "If you don't like it here, go somewhere else. There's another Mexican coming across the border who will do the work."

In a number of instances, workers picketing Pulte construction sites were sprayed repeatedly by high-power water trucks. A video of the workers getting sprayed in two of those instances can be found at <http://www.youtube.com/watch?v=Ml00gVWhSGY>. The video shows the truck pulling up to the public sidewalk where workers were picketing and spraying workers with a high-pressure blast, as workers brace themselves against the obviously painful spray and attempt to stand their ground. The truck sprays the entire picket line, stops, and then backs up to spray the workers again and again. Some of the religious leaders involved in the delegations expressed shock and dismay because these incidents brought back memories of police repression of peaceful protest during the Civil Rights Movement.

In another incident reported to the delegation, workers in Las Vegas were on a public sidewalk picketing the office of Pulte contractor Hutchins Drywall. The company reportedly set up a truck to spray the workers with a deer lure used in hunting that is actually made from the urine of mule deer.

Pulte Homes and the Residential Construction Industry

In addition to hearing workers' stories, IWJ obtained other relevant information during the course of these fact-finding delegations.

Executive compensation

While workers are forced to work long hours in dangerous conditions for low wages, the company's leadership is doing quite well. In 2006 – the most recent year for which executive compensation is available – Pulte's four top executives earned a combined \$45 million.

2006 Executive Compensation⁴

William Pulte, Chairman of the Board	\$10,767,789
Richard Dugas, President and Chief Executive Officer	\$15,694,373
Roger A. Cregg, Executive Vice President and Chief Financial Officer	\$ 7,314,944
Steven C. Petruska, Executive Vice President and Chief Operating Officer	\$11,514,312
Total compensation of the top 4 executives	\$45,291,307

Home defects

Although consumer issues were not a part of Interfaith Worker Justice’s investigation, it is worth noting that many of the workers reported that the speed at which they were forced to work made it impossible to deliver a quality product. It is IWJ’s observation that the same companies that sacrifice workers’ rights in the interest of maximizing profits often sacrifice quality and consumer satisfaction, as well.

The AFL-CIO has surveyed homeowners in Arizona and confirmed that many Pulte homeowners report significant defects, which the company allegedly refuses to address. Fifty-nine percent of the respondents to a union survey of Pulte homeowners in Arizona reported significant defects. Many of these homeowners attempted to get Pulte to address these defects but found Pulte’s response to be unacceptable. More information on homeowners’ experiences of defects is available online at <http://www.poorlybuiltbypulte.info>.

Pulte’s responsibility

The union leaders who addressed the fact-finding delegations described the workers’ attempts to improve conditions by holding contractors accountable for better wages, benefits, and working conditions. However, without cooperation from the home building companies that hire them, it would be nearly impossible for contractors to do this. If home building companies like Pulte continue to choose contractors based primarily on price considerations, any contractor who improves wages and conditions is likely to lose business to lower bids.

While people of faith and conscience can all agree on the responsibility of companies that shape conditions of work even when they are not directly in charge of workers, the Catholic tradition is particularly explicit on this principle. Pope John Paul II’s encyclical on labor, *Laborem Exercens* (On Human Work), distinguishes between the “direct employer” and the “indirect employer.” He defined the “direct employer” as “the person or institution with whom the worker enters directly into a work contract,” while the “indirect employer” includes “many different factors, other than the direct employer, that exercise a determining influence on the shaping both of the work contract and, consequently, of just or unjust relationships in the field of human labour.”

According to John Paul, “The responsibility of the indirect employer differs from that of the direct employer-the term itself indicates that the responsibility is less direct-but it remains a true responsibility: the indirect employer substantially determines one or other facet of the labour relationship, thus conditioning the conduct of the direct employer when the latter determines in concrete terms the actual work contract and labour relations.”

Pulte Homes has the responsibility to ensure that the workers who build the company's homes are treated with respect and dignity. Pulte decides which contractors will be paid to build Pulte homes. Based on the reports that religious leaders heard from workers on these two fact-finding delegations, Pulte appears to be awarding contracts with no regard to wages, benefits, and working conditions.

What about the housing market downturn?

A question that sometimes comes up is, "Can Pulte really afford to do better for workers?" As people of faith, we believe that a better question is, "Can Pulte afford not to do better?" Nevertheless, it is reasonable to ask how the current housing market problems affect Pulte Homes. The homebuilding industry performed very poorly in 2007, and Pulte lost \$2.3 billion.⁵ However, this loss should be seen in the context of years of unprecedented profits. Pulte's profits climbed steadily from \$178 million in 1999 to \$453 million in 2002 (the first full year in which Pulte's profit total included profits from Del Webb, which the company acquired in 2001) to an incredible \$1.49 billion in 2005 before going down to a mere \$687 million in 2006. As a result of the company's profitability from 1999 to 2006, the company ended 2007 with significant assets – \$1.1 billion in cash and an inventory of unsold homes valued at \$2.5 billion.⁶

When one looks at the long-term financial situation for Pulte and the compensation that the top leadership provides for itself, it is clear that the company has both the capability and the responsibility to share its prosperity with the workers who build Pulte's homes and help make the company's profits.

Union organizing efforts

Workers at Hutchins Drywall, Burnham Painting and Drywall, Pete King, Bean, Chas Roberts, and Metro Valley Painting are attempting to organize unions with the International Union of Painters and Allied Trades (IUPAT) and the Sheet Metal Workers International Association (SMWIA). Interfaith Worker Justice believes that the problems workers discussed – unsafe working conditions, long hours, low wages, nonpayment of overtime, and lack of health care – are all best addressed by union representation and a collective bargaining agreement.



Conclusions

The information that IWJ has gathered through these fact-finding delegations in Phoenix and Las Vegas points to a clear pattern of injustice and abuse that leads to the doorstep of Pulte Homes. These practices are unacceptable and must stop.

As people of faith, we believe that all people were created in the image of God and thus deserve the highest dignity and respect. All working people, including the lowest-paid clerks, janitors,

and construction workers, are contributing to society's productive efforts and deserve to earn enough for life's basic necessities. We are inspired by the values of our faith to stand up for a just society in which all workers earn living wages and family-sustaining benefits.

Powerful corporations such as Pulte Homes must be held accountable not just for their financial bottom line but also the moral bottom line of how their behavior affects the most vulnerable in our society. Unfortunately, Pulte Homes is not treating the workers who build its homes with respect and dignity. The workers who build homes for Pulte Homes are not receiving just compensation for their labor. They work in unsafe conditions, and Pulte's contractors issue reprisals when workers complain.

Interfaith Worker Justice believes that a higher standard is both possible and necessary. IWJ believes that all workers in the home construction industry deserve:

- Living wages
- Affordable health care
- Safe working conditions
- Payment for every hour worked
- Overtime pay for hours worked over 40
- Sick days and vacation days
- Improved training
- A voice on the job and the ability to participate in workplace decisions

Recommendations:

Based on the information gathered in these delegations, Interfaith Worker Justice recommends the following steps to promote justice for the workers who build homes for Pulte Homes:

1. Pulte Homes should develop and enforce an ethical contracting policy in order to ensure that its contractors provide workers with living wages, decent benefits, safe working conditions, and the right to organize.
2. Pulte's Las Vegas and Phoenix contractors should increase wages, provide more affordable health insurance, pay overtime to workers when they work more than 40 hours per week as required by the law, improve workplace safety practices, and respect workers' right to organize unions.

Other companies in the home construction industry should follow suit with similar improvements in wages and working conditions.

What concerned people of faith can do:

- Pray for the workers who build homes for Pulte.
- Contact the CEO of Pulte Homes and express your concern for these workers. Pulte CEO Richard Dugas can be reached at the following address:

Richard Dugas
Chief Executive Officer
Pulte Homes
100 Bloomfield Homes Parkway
Bloomfield Hills, MI 48304

Forward a copy of your letter to:

Will Tanzman
Interfaith Worker Justice
1020 W. Bryn Mawr Ave.
Chicago, IL 60660

- Participate in prayer vigils and public actions in support of the workers who build homes for Pulte. Contact Will Tanzman at 773-728-8400 x16 for more information.
- Volunteer at an IWJ-affiliated workers' center that supports workers in residential construction. Centers are located in the following areas: northwest Arkansas, San Francisco, CA, Chicago, IL, South Bend, IN, New Orleans, LA, Ann Arbor, MI, Twin Cities, MN, Morton, MS, New Brunswick, NJ, Albany, NY, Greensboro, NC, western North Carolina, Cincinnati, OH, Austin, TX, Houston, TX, Madison, WI, and Milwaukee, WI. For workers' center contact info, go to www.iwj.org.

Appendix: Checklist for Safe Construction Sites

The following are minimum protections required at all construction sites according to the Occupational Safety and Health Standards:

Fall Protection

All workers who work six feet or more above a landing surface are required to be trained in the fall protection requirements of OSHA to be able to recognize and control their exposures to fall hazards. Also, workers who use ladders, stairways and scaffolds are required to be trained according to OSHA standards.

Use of Stilts

Workers who have to use stilts in order to do painting and drywall on high walls and ceilings are required to have fall protection training. If there are guardrails protecting workers from falling off partially constructed stairs, balconies or other edges, those guardrails must be extended up the same height as the stilts. Workers are not permitted to attach two sets of stilts together in order to reach extra-high walls and ceilings.

Scaffolding

All workers who use, erect or dismantle scaffolds are required to be trained to know all of the OSHA regulations related to their work. Scaffolding should always be constructed according to OSHA requirements. Scaffolds made with planks sitting on top of buckets are unacceptable.

Information on Hazardous Chemicals

Workers must be given full information on all of the potentially hazardous chemicals that they are handling, including information on the health effects of paint fumes, drywall dust, solvents and other potentially toxic chemicals and materials. They must be trained on how to protect themselves from the hazardous chemicals. This information must be provided even if those chemicals are present in concentrations below the maximum allowed by law and must be provided in language(s) workers can understand.

Protective Equipment

Workers must be provided with appropriate protective equipment by their employers. Workers who hammer nails or use nail guns must wear eye protection. Workers exposed to falling object hazards must wear hardhats. Workers exposed to dangerous chemicals must wear masks.

Endnotes

¹U.S. Department of Labor Bureau of Labor Statistics, “Construction,” available at <http://www.bls.gov/oco/cg/cgs003.htm> (downloaded May 1, 2008).

² U.S. Department of Labor Bureau of Labor Statistics Occupational Employment and Wage Estimates, available at www.bls.gov, 2006.

³ AFL-CIO, “Immigrant Workers at Risk,” p. 4, available at http://www.aflcio.org/aboutus/laborday/upload/immigrant_risk.pdf, 2005

⁴ Pulte Homes, Form DEF 14A, “Official notification to shareholders of matters to be brought to a vote” (downloaded from http://phx.corporate-ir.net/phoenix.zhtml?c=77968&p=irol-sec&secCat01Enhanced.1_rs=51&secCat01Enhanced.1_rc=10 February 13, 2008).

⁵ Pulte Homes press release January 30, 2008, “Pulte Homes Reports Fourth Quarter and Full Year 2007 Financial Results,” online at <http://phx.corporate-ir.net/phoenix.zhtml?c=77968&p=irol-newsArticle&ID=1102448&highlight=>. Profit statistics are from Pulte’s 2003 and 2006 annual reports.