



# The Masonry Update

what's happening in the masonry industry in New Jersey

NEWS FLASH: JULY 29, 2021

## CMU Checkoff

**Producers that haven't already registered to vote – do it today!**

Softwood lumber producers, our competition, established their check-off program in 2012. Since then, that industry has experienced 6.3 billion board feet of *NEW DEMAND* and an incremental \$2.4 billion of revenue. A continuation of their check-off was recently overwhelmingly approved and they are now considering an increase to fund even more work!

**[VOTE YES TO PUT BLOCK BACK ON TOP!](#)**

## Why Does a Building Like the Surfside, Florida Condo Suddenly Collapse?

In all, 98 people have been confirmed dead in the devastation of the Surfside, Florida condominium that collapsed on June 24, 2021. The initial death toll was estimated to be higher but as it turned out there were many people that were not in the building at the time.

In a recent article, three Structural Engineers explain why a building might suddenly collapse like the Surfside condos did. Common causes include poor maintenance, eroding soil under a structure's foundation, and overloading the structure.

*"You can have a perfectly designed building, and a perfectly constructed building per the engineer drawings, but if that building doesn't receive proper maintenance, that is an issue,"* Joel Figueroa-Vallines, a structural engineer from Orlando and member of the American Society of Civil Engineers, is quoted as saying . [Read More](#)

## GOVERNMENT NEWS

### Governor Murphy Signs Legislation to Protect NJ Workers, and Employers from Unlawful Misclassification

Masonry Contractors of New Jersey wholly supports efforts to close widely abused loopholes that allow unscrupulous employers to circumvent employment laws and dodge mandatory state and federal taxes. The Association and several of our members have testified before the Commissioner of Labor and a Misclassification Task Force Panel, provided written statements, and sent letters to legislators asking for their help in tackling worker misclassification. Qualified, responsible employers who play by the rules are put at a competitive disadvantage by those bad actors who don't play by the rules.

Misclassification is the practice of illegally and improperly classifying employees as independent contractors. *"Workers who are misclassified as independent contractors miss out on fair wages and benefits,"* said Governor Murphy. On July 8<sup>th</sup>, 2021, Murphy took action on the following legislation in efforts to help protect workers and level the playing field:

- A5891 – Creates "Office of Strategic Enforcement and Compliance" in DOLWD; appropriates \$1 million from the General Fund,
- A5890/S3920 – Concerns enforcement of employee misclassification and stop-work order laws,
- A5892/S3922 – Streamlines identification of employee misclassification,
- A1171/S1260 – Requires Commissioner of Labor and Workforce Development to create Statewide database of certified payroll information for public works projects.

Click [here](#) for the July 8, 2021 Press Release.

## **Securing Our Children's Future Bond Act**

### ***\$317.2 Million in Awards Will be Granted in the Initial Round***

In November 2018, NJ voters approved a general obligation bond issuance of \$500 million for county college CTE (Career and Technical Education) grants in association with the Bond Act. One purpose for the Bond Act is to provide New Jersey county colleges and vo-tech school districts with financial resources to increase their capacity to offer CTE programs. Funds from the Bond Act will be used, with matching grants, to construct and/or expand classrooms, laboratories, libraries, computer facilities, and other academic structures to increase CTE program capacity, which will provide direct benefits to students. [July 2, 2021 Press Release](#)

## **CONSTRUCTION NEWS**

### **Dodge Data & Analytics**

Total construction starts lost 7% in June, slipping to a seasonally adjusted annual rate of \$863.6 billion, as recently reported. [Total Construction Starts Slip in June](#)

The Dodge Momentum Index (DMI) is a monthly measure of the first (or initial) report for non-residential building projects in planning, which has been shown to be a leading indicator to construction spending for nonresidential buildings by a full year. Following six months of consecutive gains, the DMI fell to 165.8 in June, down 5% from the revised May reading of 175.1. [Read More](#)

“[A Mid-Year Outlook for the Construction Industry 2021](#)” by Dodge addresses what's next and what the growth projections are:

- Economic growth is surging and will continue into 2022 as consumers and businesses spend and invest,
- Single family construction to slow after an incredibly robust 2020,
- Multifamily starts to fall this year,
- Commercial construction recovery has begun but is uneven,
- Warehouses, data centers, and renovations are bright spots,
- Outlook for retail, hotels, and traditional offices remain uncertain,
- Manufacturing output is rising as the economy recovers from the pandemic,
- A slower recovery is expected for institutional building construction,
- Healthcare will be the bright spot of the institutional sector.

To access your copy of the e-book report, go to [Dodge Data & Analytics](#) and click download on the lower left image, “A Mid-Year Outlook for the Construction Industry 2021”.

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### **New Jersey's Unemployment Rate Continues to Drop**

Although New Jersey's unemployment rate rose slightly to 7.3% as more residents entered the labor force in search of work, total nonfarm wage and salary employment increased in June by 16,600 to reach 3,935,600, according to preliminary estimates produced by the U.S. Bureau of Labor Statistics.

June marks the sixth consecutive month of job gains in the state's recovering labor market, and a 33,800 gain over the past two months. Six of the nine major private sectors showed employment increase again this month, though construction was not amongst them, having recorded job losses of 1,300.

Since March and April 2020, New Jersey has recovered 423,200 jobs, or about 59 percent, of jobs lost due to the coronavirus pandemic.

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### **Architectural Billings Index (ABI)**

Architecture firms reported an increasing demand for design services in June with new inquiries at a near-record high score of 71.8, compared to 69.2 in May. While the 57.1 ABI Billings score for June was down from 58.5 in May, it remains at an elevated level (any score above 50 indicates an increase). The new design contracts score also remained

positive at 58.9, although down from the 63.2 score in May. [Architectural Billings: Robust Growth Continues](#)

Firms are also reporting their highest backlog in two years, and just under 6 in 10 are having problems filling open architectural staff positions.

Chief Economist Kermit Baker, Hon. AIA, PhD said, “*With the current pace of billings growth near the highest levels ever seen in the history of the index, we’re expecting a sharp upturn in nonresidential building activity later this year and into 2022*”.

## NEW TERM OF OFFICERS

### July 15, 2021 to July 14, 2023 Term

Masonry Contractors of New Jersey is pleased to announce the following individuals, as duly nominated and elected by our Contractor Members, to serve a 2-year term beginning July 15, 2021.

**President**  
**Michael Schmerbeck**  
Back Brook Masonry  
[mike@backbrook.com](mailto:mike@backbrook.com)  
(908) 777-5281

**Vice President**  
**John Slazyk**  
Schnell Contracting Services, LLC  
[jslazyk@schnellcontracting.com](mailto:jslazyk@schnellcontracting.com)  
(732) 845-9801

**Secretary/Treasurer**  
**Joseph Palermo**  
[jpalemomason@comcast.net](mailto:jpalemomason@comcast.net)  
J. Palermo Masonry, Inc.  
(609) 407-5333

**Past President**  
**Ron Atzert**  
[rona@americanmasonrycorp.com](mailto:rona@americanmasonrycorp.com)  
American Masonry Corp.  
(609) 531-2749

Please join us in congratulating all Board Members.

We thank each of them for their continued commitment to serving our industry and the Association.

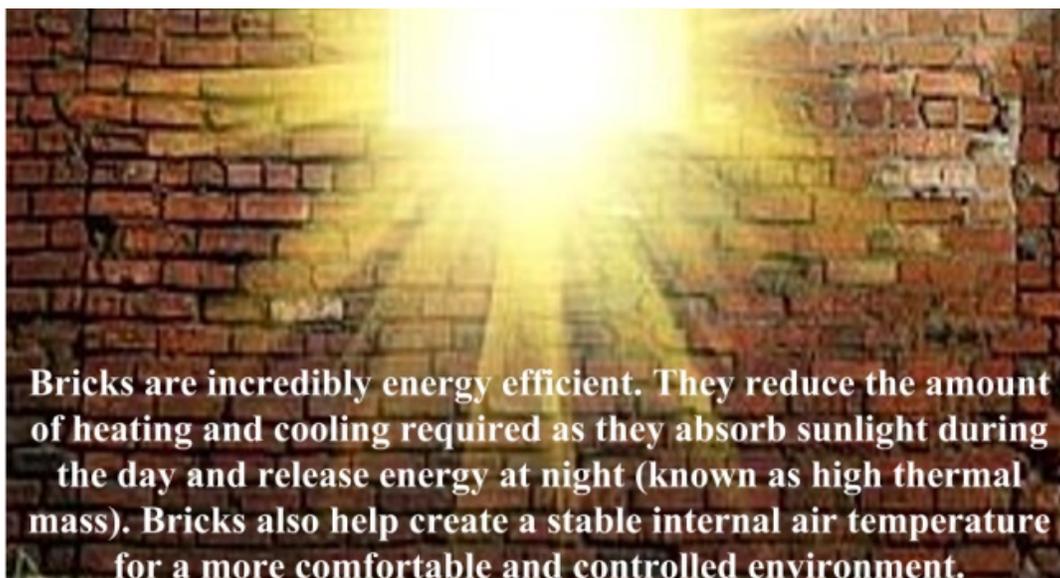
## EARN LU/HSWs



Be sure to check out the [IMI website](#) for upcoming Contractor and AIA Accredited Programs.

## ON THE LIGHTER SIDE

### MASONRY TRIVIA



**Bricks are incredibly energy efficient. They reduce the amount of heating and cooling required as they absorb sunlight during the day and release energy at night (known as high thermal mass). Bricks also help create a stable internal air temperature for a more comfortable and controlled environment.**

**Dedicated to promoting Masonry Design and Union Construction  
throughout the State of New Jersey**

Visit our website [www.mcofnj.org](http://www.mcofnj.org) for more information.

