

What Are Project Labor Agreements (PLAs)?

Project Labor Agreements (PLAs) are collective bargaining agreements between building trade unions and contractors. They govern terms and conditions of employment for all craft workers—union and nonunion—on a construction project. PLAs have been used for generations on successful public and private construction projects.

PLAs are designed to benefit everyone involved.

- Union and nonunion workers benefit because their wages and benefits are defined and protected at local standards.
- Union and nonunion contractors benefit from the assurance of a level playing field and a guaranteed skilled workforce.
- Lenders and insurance companies benefit because with skilled workers and protection from delays due to labor disputes, their investments are safer.
- Communities benefit because many PLAs provide recruiting, hiring and training for disadvantaged workers and local residents.
- But construction owners and the taxpayers benefit the most because PLAs eliminate costly delays due to labor conflicts or skilled worker shortages. They ensure a steady flow of highly trained construction labor guaranteed by nationwide referral systems, they include no-strike agreements, and they establish mechanisms for avoiding and resolving disputes. Public and private PLA construction projects are known for coming in on time and on budget.

PLAs have been used successfully for generations.

- PLAs have been used in the public and private sectors for nearly a century.

■ PLAs first were used on the big public works projects of the 1930s. Grand Coulee Dam, Hoover Dam and Shasta Dam all were built using PLAs. Project managers saw the need to avoid a long series of labor negotiations as one contract after another came up for renewal, causing expensive delays and a steady threat of work disruptions. The elegantly simple solution to the problem was to put all workers under a single, umbrella contract providing for uniform hours, holidays and working conditions that applied to all trades throughout the specific project. The Tennessee Valley Authority, the Department of Energy, the Southern Nevada Water Authority and the Los Angeles Unified School District are just some examples of public-sector owners successfully using PLAs for construction projects because they promote efficient and quality construction.

■ Driven primarily by cost efficiency, use of PLAs in the private sector has grown even more than on public projects. Leading Fortune 100 and 500 companies, including Toyota, Walt Disney, ConocoPhillips, Southern Company and the World Trade Center have used PLAs successfully. PLAs have been used in the public and private sectors for so long because they work.

■ For almost 20 years, PLAs have been subject to partisan attacks by Republican presidents and protection by Democratic presidents. President George H.W. Bush issued an Executive Order in 1992 that barred PLAs on federally funded construction projects. President Clinton rescinded that with a 1993 Executive Order, but President George W. Bush reinstated the ban in 2001. In 2009, President Obama restored PLAs for large federal and federally assisted construction projects.

Why PLAs work:

- While protecting workers' wages and working conditions, PLAs ensure that project owners have access to reliable local sources of highly trained, highly skilled construction craft workers.
- Through no-strike agreements and alternative dispute resolution provisions, PLAs prevent delays resulting from labor disputes.
- By harmonizing work rules and schedules, and requiring regular worksite labor-management meetings, PLAs ensure the job proceeds smoothly. All of this reduces costs.
- PLAs support a massive network of labor-management training and apprenticeship programs that enables workers to gain skills they need to get good middle-class jobs—while ensuring a flow of skilled workers into the construction trades. Joint labor-management programs spend about \$800 million a year on private training, supporting more than 1,700 training facilities and 10,000 certified

instructors. These programs account for 80 percent of all graduates from construction apprenticeships.

Why Are PLAs Under Attack?

- Corporate-backed anti-worker politicians hold the majority in our state legislature, and they're attacking our jobs, pay and unions. In fact, they're doing the bidding of the notoriously anti-union Associated Builders and Contractors (ABC) by trying to outlaw Project Labor Agreements. ABC is known for opposing such basic workers' rights as the 40-hour workweek, fair pay measures, prevailing wages, protection from being cheated of overtime pay through misclassification, the Employee Free Choice Act and enforcement of workplace safety laws.
- Corporate-backed legislators are repeating ABC's lies about PLAs. The truth is, contractors that don't want to pay fair wages for skilled labor are behind the attacks.