



**Associated Builders  
and Contractors, Inc.**

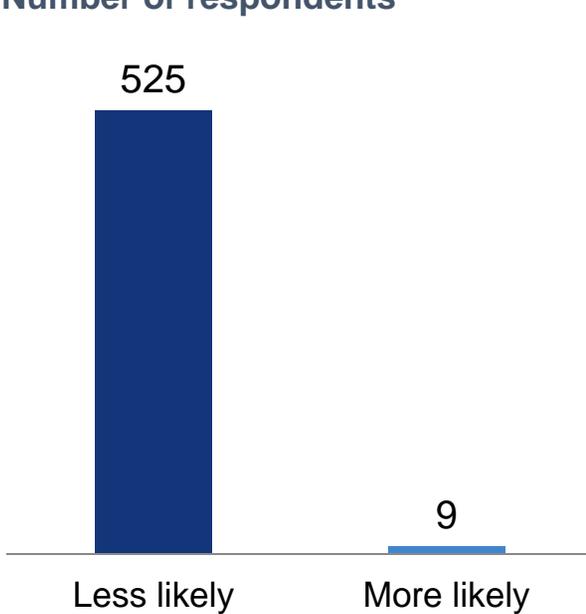
# ABC Member Survey Results: Government-Mandated Project Labor Agreements

Results Published January 30, 2019

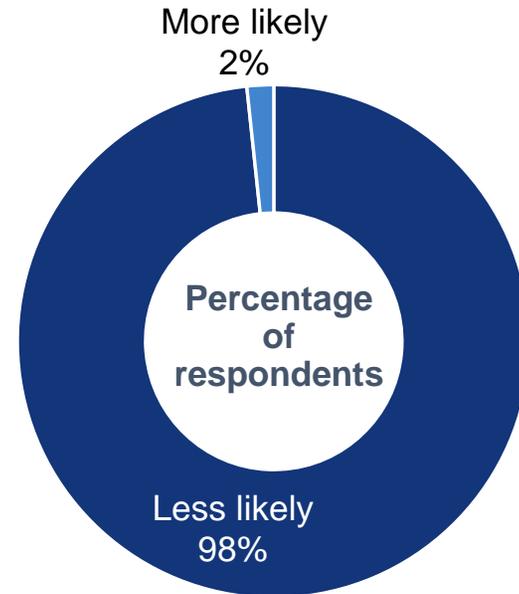


**Q1. If the bid specifications for a construction project contain a requirement that your firm sign a PLA with labor unions in order to win a taxpayer-funded contract and perform the work, would you be more likely to bid or less likely to bid?**

Number of respondents



■ Less likely  
■ More likely

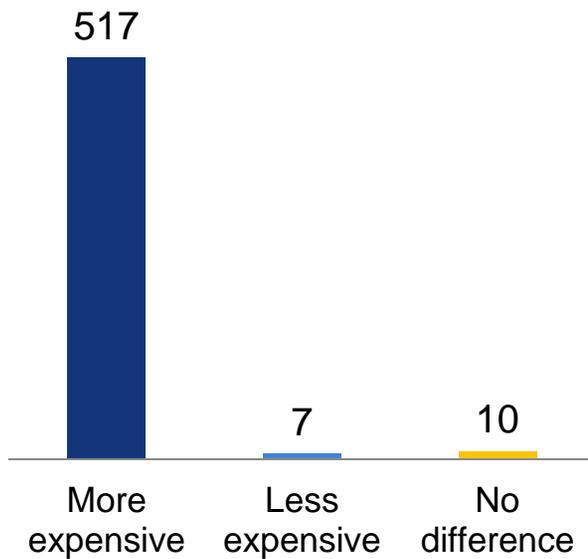


*Contractors' should be evaluated by government agencies based on their ability to complete a job safely, on time and on budget based on their track record and proposal submission. In a fair and free market, there is no place for political patronage and government coercion that forces otherwise qualified firms to choose between signing a union agreement or losing a taxpayer-funded contract."*

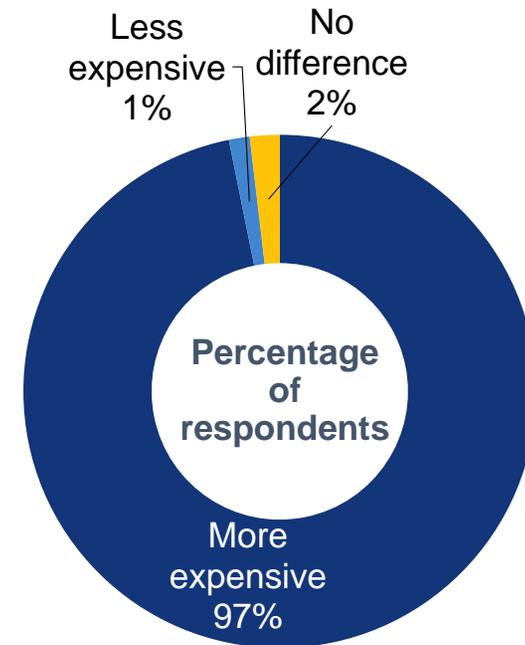


## Q2. Would construction contracts subject to a government-mandated PLA be more expensive, less expensive or the same cost as contracts procured via fair and open competition free from PLA mandates?

Number of respondents



■ More expensive  
■ Less expensive  
■ No difference

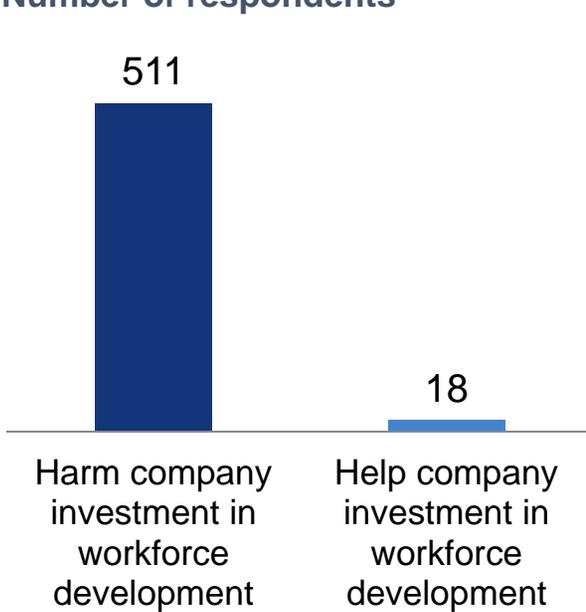


*We would expect costs to increase by almost 20 percent, even on prevailing wage jobs, because of the risk and uncertainty associated with a PLA's union hiring hall requirements, union work rules, mandatory fringe benefit contributions into union plans and reduced competition from quality subcontractors discouraged by PLA mandates."*

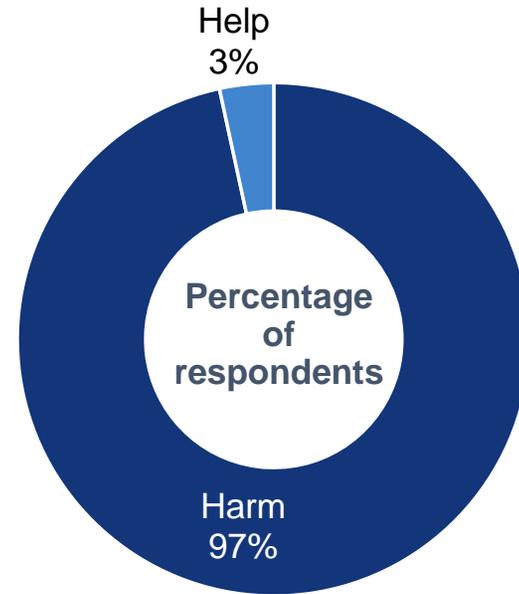


**Q3. If a PLA required your firm to hire most or all of your company's apprentices from only union apprenticeship programs, would that harm or help your company's investment in workforce development programs to address the industry's skilled workforce shortage?**

Number of respondents



■ Harm investment  
■ Help investment



*If a PLA forced us to hire apprentices through union apprenticeship programs, it would undermine our firm's investment in workforce development. Our employees undergo regular classroom and on-the-job training to ensure safety and quality performance and our apprentices participate in government recognized apprenticeship programs not affiliated with unions. We would not be able to use them on PLAs and would be replacing our people with strangers from union halls and apprenticeship programs who may not meet our high standards of integrity, quality, performance and excellence."*



**Q4. If a PLA required your firm to make fringe benefit contributions into union pension and benefit programs on behalf of employees working on the PLA project instead of existing company benefit plans, would that help or harm employees?**

Number of respondents

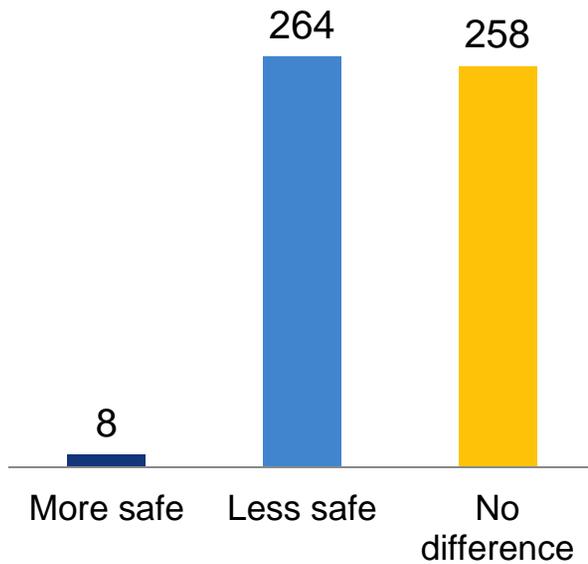


*We provide fully paid health insurance, dental, vision, vacation, holiday, 401K and training to our employees. The PLA would force us to pay these fringe benefits to the union plans for the project resulting in a doubling of those costs. The employees would never receive any of those benefits because they are not part of the union and would be hurt by PLA scams."*

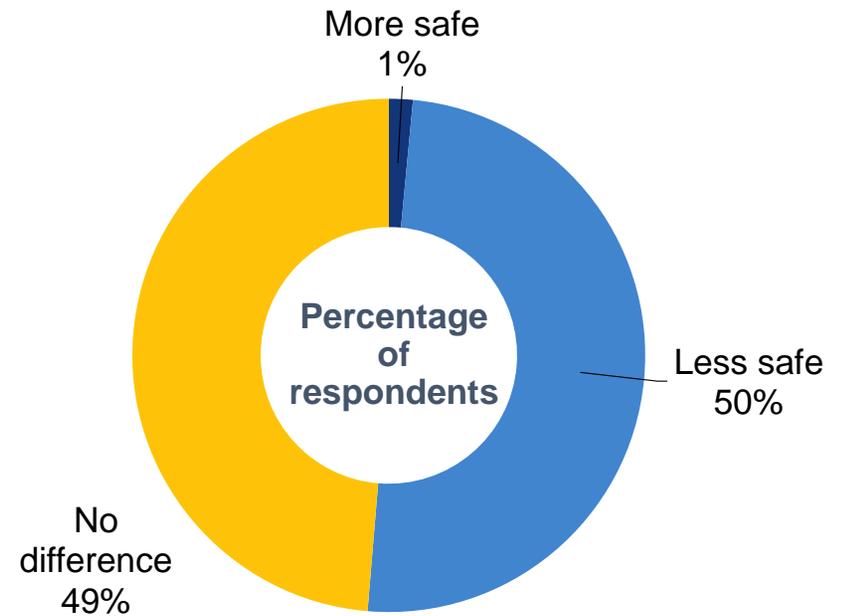


**Q5. If a PLA required your firm to hire most or all of your employees from union hiring halls and union apprenticeship programs, would that make your company's performance on that PLA project more safe or less safe?**

Number of respondents



■ More safe  
■ Less safe  
■ No difference

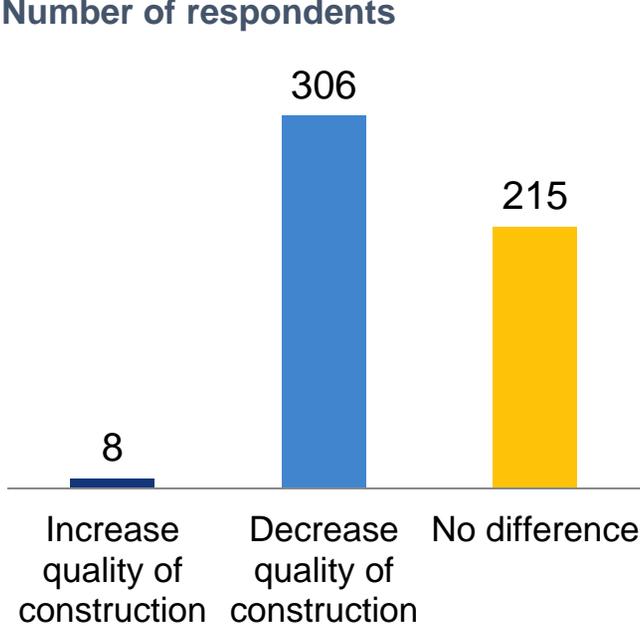


*I am not aware of any credible evidence suggesting that PLAs result in better jobsite safety. Safety programs are successful when a company and its employees share the same safety culture. Hiring employees from a union hiring hall would present new and unknown employees that may or may not share the company safety culture thereby making the project less safe.”*

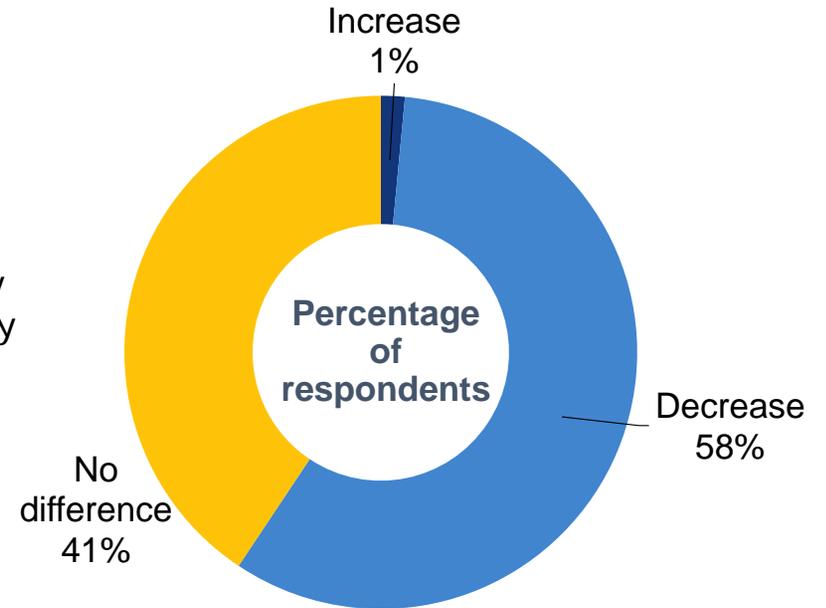


**Q6. If a PLA required your firm to hire most or all of your employees from union hiring halls and union apprenticeship programs, would that increase or decrease the quality of construction on that PLA project?**

Number of respondents



■ Increase quality  
■ Decrease quality  
■ No difference



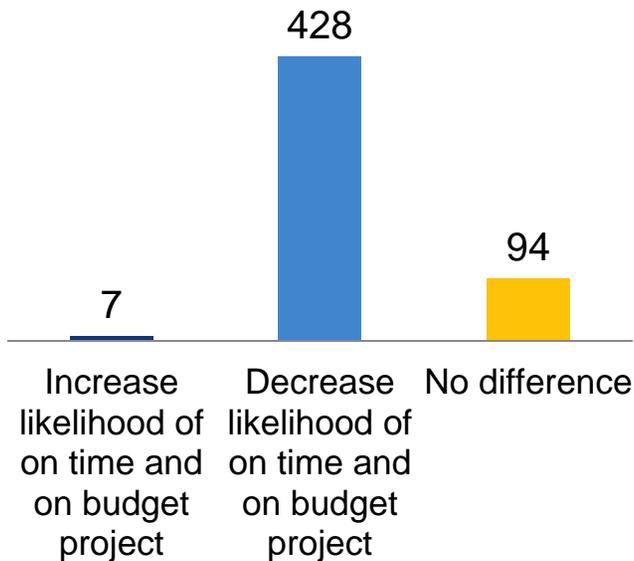
*"We have established a culture of putting work in place safely and efficiently. Beginning a project with mostly and/or all new employees who have zero experience with our means and methods would decrease the quality of that project."*

*"No difference. The quality of a project is not dependent on a PLA or lack thereof."*

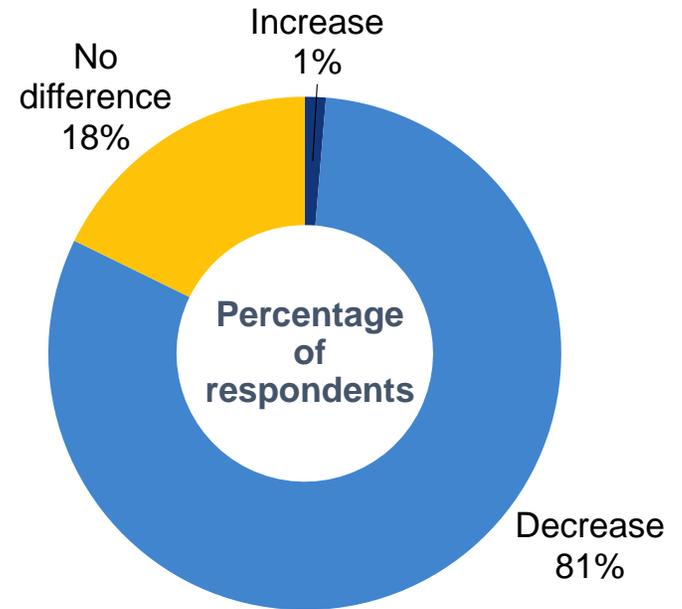


### Q7. If a PLA required your firm to hire most or all of your employees from union hiring halls and union apprenticeship programs, would that increase or decrease the likelihood of the PLA project being built on time and on budget?

Number of respondents



■ Increase likelihood  
■ Decrease likelihood  
■ No difference



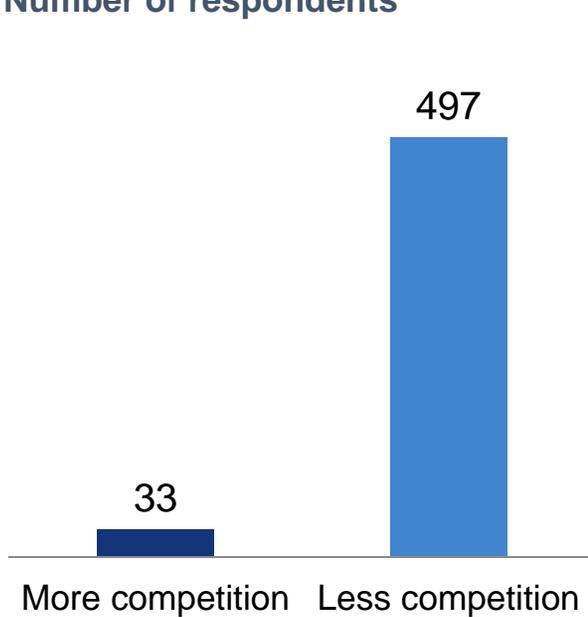
*The budget would be higher to begin with, and we would take potential for delays into consideration from the onset. However, we feel that there is a higher likelihood of unnecessary disputes and delays with this type of forced arrangement and don't see PLAs adding any value."*

*"We would never compete for a PLA job, but if we did, it would make no difference because we would price into our bid the negative impact of a PLA mandate on a job's cost and schedule."*

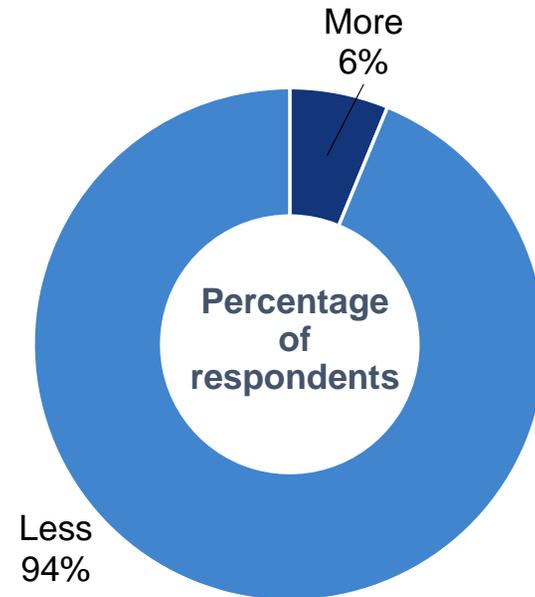


### Q8. Would you anticipate more competition or less competition from subcontractors for construction contracts subject to a government-mandated PLA?

Number of respondents



■ More competition  
■ Less competition

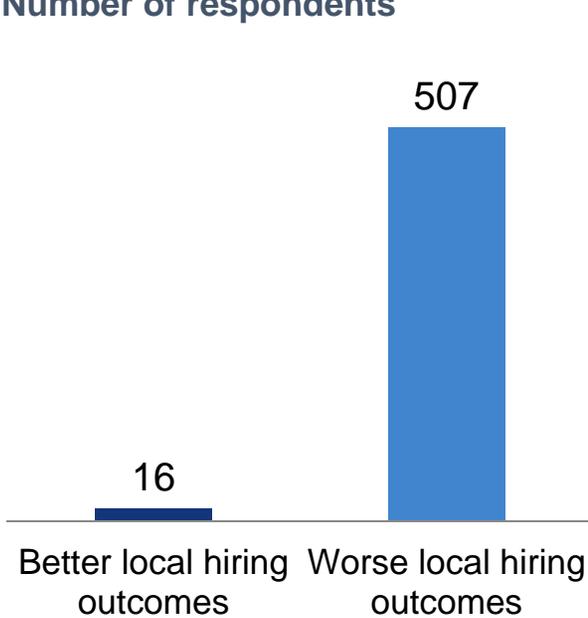


*In my experience as a general contractor, no merit shop subcontractors who self-perform work want to deal with PLAs because they box out their existing employees and 86 percent of the construction workforce and require inefficient union work rules that kills productivity. If you have less subcontractors bidding, you have less competition. Less competition equals higher prices for ownership.”*

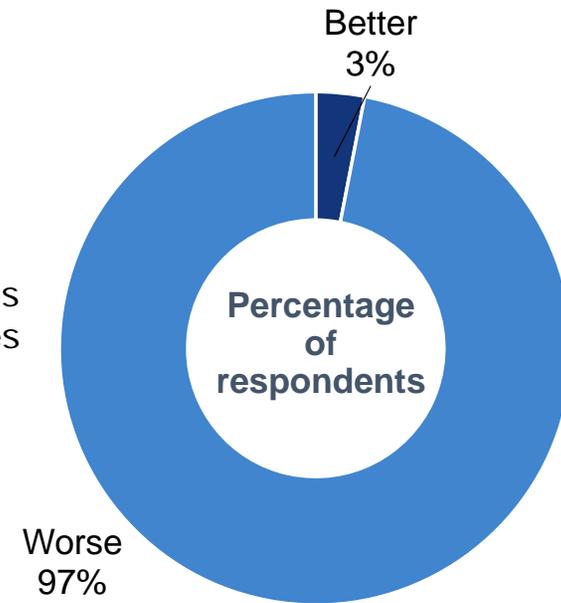


### Q9. In your opinion, would a government-mandated PLA result in better or worse local hiring outcomes on a PLA project?

Number of respondents



■ Better local hiring outcomes  
■ Worse local hiring outcomes

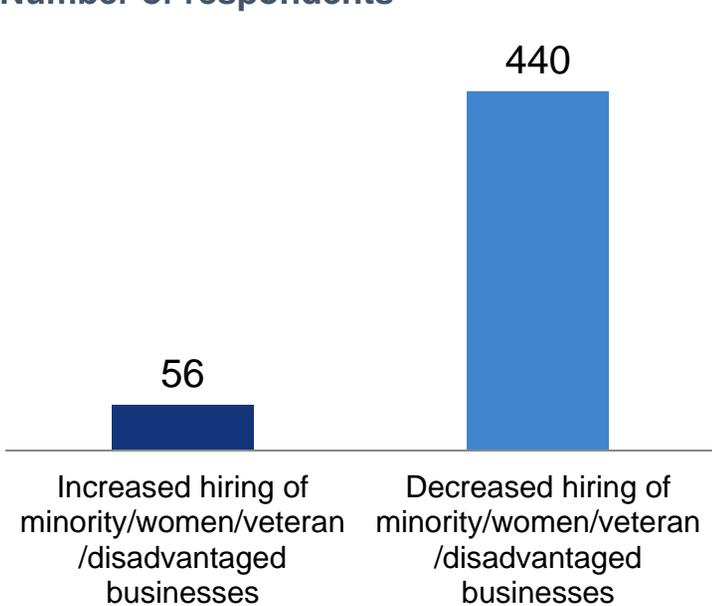


*With labor shortages in the union hiring halls, they will pull from other pools in different parts of the state or out of state. Meanwhile, we would not be able to use our existing local employees under a PLA because they are not affiliated with a union.”*

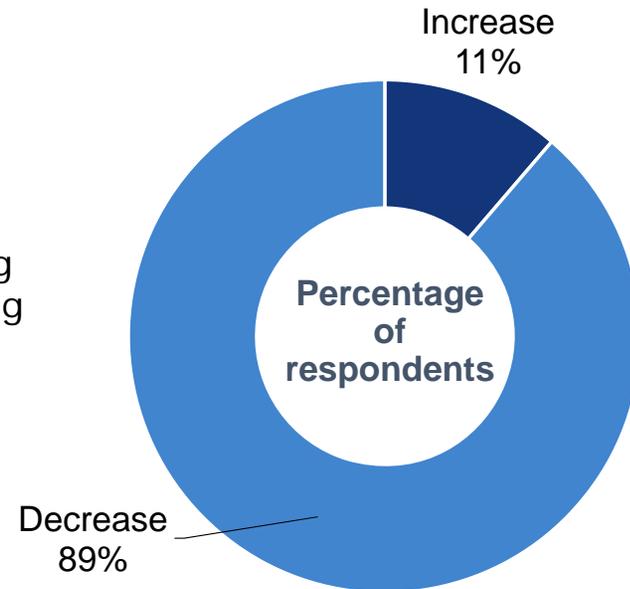


### Q10. Would a government-mandated PLA result in increased or decreased hiring of minority, women, veteran and disadvantaged business enterprises?

Number of respondents



■ Increased hiring  
■ Decreased hiring

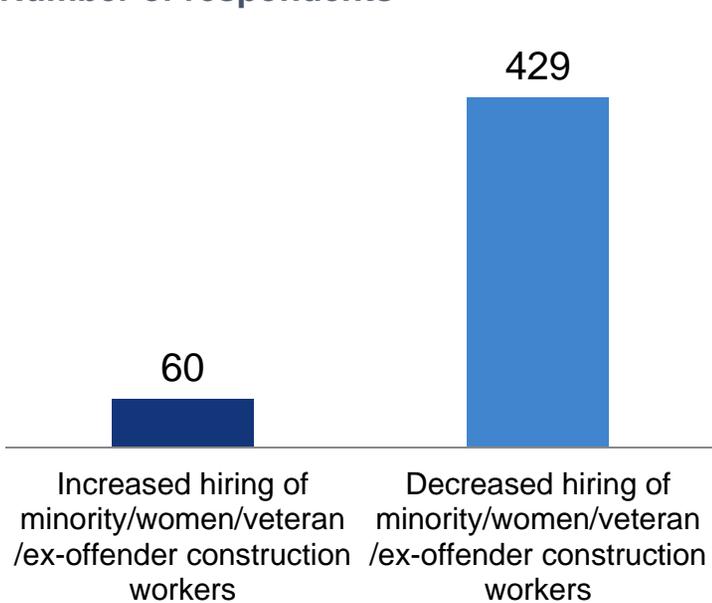


*This is one of the largest negative impacts there is with PLAs: the local, small, minority and disadvantaged businesses are hurt the worst. The PLA won't help these firms. The best solution would be to setup the project with MDWBE goals independent of the PLA, which is a common practice with many public owners."*

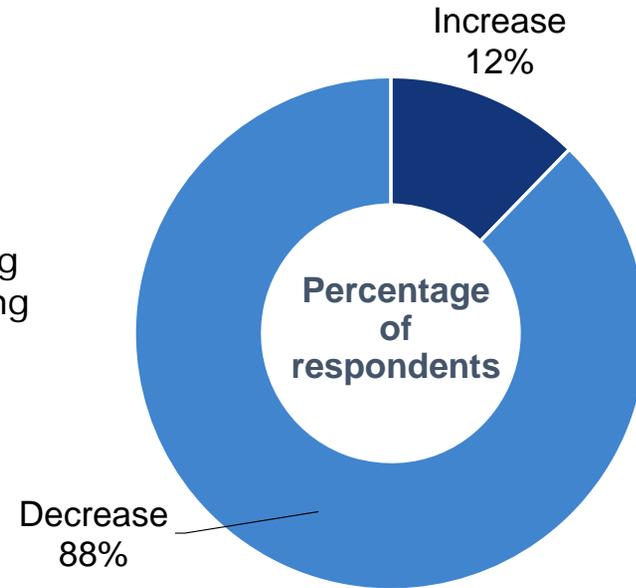


### Q11. Would a government-mandated PLA result in increased or decreased hiring of minority, women, veteran and ex-offender construction workers?

Number of respondents



■ Increased hiring  
■ Decreased hiring

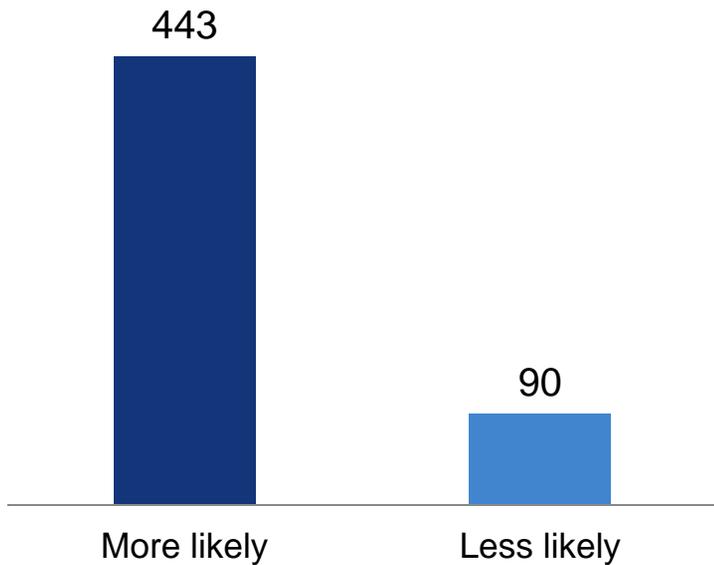


*It depends on the union and its recruitment programs. But in general, a PLA would decrease or make no impact on minority, women, veteran or ex-offender workforce hiring because PLAs reduce competition from nonunion firms that have diverse hiring programs which recruit talent based on merit and are more likely to employ these groups.”*

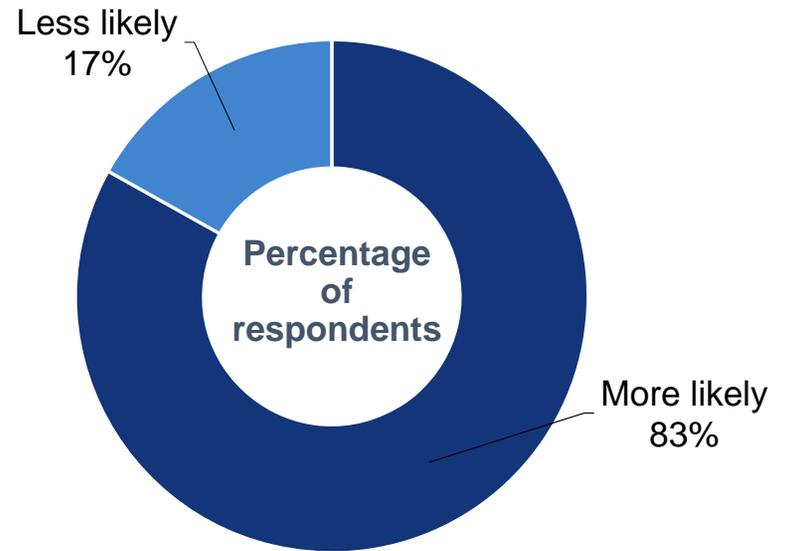


**Q12. Would you be more likely or less likely to support a lawmaker who supports policies ensuring fair and open competition on taxpayer-funded construction projects by restricting government-mandated PLAs?**

Number of respondents



■ More likely  
■ Less likely



*I would support a lawmaker who champions an inclusive policy so all Americans and all qualified companies can fairly compete to rebuild America's infrastructure. Eliminating government-mandated PLAs and ensuring fair and open competition would be a win-win for taxpayers and the U.S. economy."*

*"I would be less likely to support and would likely work against lawmakers who promote PLA mandates and harm free enterprise."*



## Contractors sound off on government-mandated PLAs on taxpayer-financed construction projects

**“Competition is constructive.** Governments would be wise to do all they can to attract quality companies to compete to offer the best product at the lowest price.

**Government-mandated PLAs are the antithesis of this philosophy.”**

“We were asked by a general contractor to submit two proposals for electrical work on a federal job: One proposal subject to a PLA and one without a PLA. **The PLA proposal was nearly 22 percent more expensive than the non-PLA proposal.”**

**“The argument that nonunion employees are better off under a PLA is a farce.** PLAs allow unions to steal their fringe benefits unless workers join a union. PLAs also undermine our company’s existing safety culture, labor productivity and investments in workforce development. PLAs would destroy the successful teambuilding that makes us a high performing contractor.”

“Project Labor Agreements require drawing a workforce from a shrinking entity and don’t foster a team approach for day-to-day construction activities. They will cause **decreased efficiencies, increased costs, and diminish safety awareness.”**

“Shouldn’t the government be creating opportunities for all Americans to compete on a level playing field **instead of using PLAs to steer contracts to their political cronies?**”

“Contractors’ should be evaluated by government agencies by their ability to complete a job safely, on time and on budget based on their track record and proposal submission. In a fair and free market, **there is no place for political patronage and government coercion** that forces otherwise qualified firms to choose between signing a union agreement or losing a taxpayer-funded contract.”

“PLAs create **advantages for unions and disadvantages for high quality companies.** We do 90% government work and have seen a total waste in tax dollars due to PLA requirements.”

“Government-mandated PLAs are **harmful to local businesses, restrict open & fair competition, and are not beneficial to the public or construction industry.** Prevailing wage or Davis-Bacon rates typically set at union scale are already in place on federally funded projects with or without a PLA, so there should be no concern about workers not being paid a living wage when there is no PLA.”

**“The negative impact of PLA mandates on minority, women, veteran and small businesses and employees cannot be understated.** They are typically not affiliated with unions in my market and a PLA would harm them disproportionately.”

**“Our children suffer** when governments build four schools for the price of five **because of a PLA’s added cost.”**