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## **The Iowa Chapter of Associated Builders and Contractors Denounces Executive Order 22 as Wasteful**

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Des Moines, IA - The Iowa Chapter of Associated Builders and Contractors (ABC) today denounced Executive Order 22 issued by Governor Chet Culver, which encourages the use of project labor agreements (PLAs) on large-scale construction projects.

“Construction contracts subject to government-mandated PLAs are designed to be awarded exclusively to unionized contractors and their all-union workforces,” said Mike McCoy, ABC of Iowa Chairman. “PLAs drive up construction costs by as much as 18 percent and discriminate against 8 out of 10 Iowa construction workers who have chosen not to join a construction labor union.”

"In the face of sagging poll numbers, Governor Culver issued an order that is nothing more than a political handout to Big Labor at the expense of taxpayers," McCoy continued. "There is no question that PLAs increase construction costs. Studies conducted on a project here in Iowa found PLAs to be an unnecessary burden on local workers and taxpayers. The only reason for Governor Culver to issue this order is to satisfy Big Labor after Democrats failed to repeal Iowa's Right to Work law in 2007 and enact burdensome construction wage requirements in 2008 and 2009."

A PLA is a contract that requires a construction project to be awarded only to contractors and subcontractors that agree to recognize unions as the representatives of their employees on that job; use the union hiring hall to obtain workers; pay union wages and benefits; and obey the union's restrictive work rules, job classifications and arbitration procedures.

PLAs have been hotly contested because they discriminate against nonunion workers. President Obama signed controversial Executive Order 13502 to encourage PLAs for use on federal construction projects over \$25 million. The order is under government review and is expected to be implemented.

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ABC of Iowa is a statewide association representing approximately 550 merit shop construction and construction related firms. For more information visit [www.abciowa.org](http://www.abciowa.org)