

PROJECT LABOR AGREEMENTS

Not What We Need, Not What We Deserve



1. Project labor agreements (PLAs) could keep a majority of construction workers from going back to work (:22). Learn about wasteful and discriminatory PLA mandates at www.TheTruthAboutPLAs.com.



6. PLAs mean higher costs for taxpayers (1:13). Labor costs increase under typical PLAs due to inefficient union work rules and double benefit payments into union and existing nonunion

pension and benefit plans. PLA mandates also make submitting a bid more expensive due to higher legal and administrative costs for contractors unfamiliar with operating under these union collective bargaining agreements. Finally, because PLAs discourage competition from qualified contractors, overall bid prices increase when there is less competition from a smaller pool of qualified competitors.



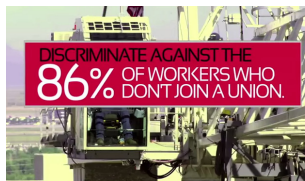
2. PLAs almost always require workers to be hired from union halls, leaving skilled merit shop workers without work (:56). Review the terms and conditions of an actual PLA at

TheTruthAboutPLAs.com, [Project Labor Agreement Basics: What Is a PLA?](#)



3. PLAs force companies to follow outdated work rules and require contractors to pay into union pension and benefit programs (1:06). An October 2009 report, *The Discriminatory Impact of*

Union Fringe Benefit Requirements on Nonunion Workers Under Government-Mandated Project Labor Agreements, conservatively estimates employees of nonunion contractors who are forced to perform under government-mandated PLAs suffer a 20 percent reduction in their take-home pay. PLAs force employers to pay employee benefits into union-managed funds, but employees will never see those benefits unless they join a union and become vested in its plans. Employers that offer their own benefits often continue to pay for existing programs as well as into union programs under a PLA—resulting in nonunion contractors paying in excess of 25 percent in benefit costs above and beyond existing prevailing wage laws. See www.TheTruthAboutPLAs.com, [New Report Finds PLA Pension Requirements Steal From Employee Paychecks, Harm Employers and Taxpayers](#).



7. PLAs discriminate against the 86 percent of American construction workers who choose not to join a union (1:20). See BLS' Jan. 27, 2012, [Union Members Summary](#). The Union Membership and Coverage

Database (www.unionstats.com) also provides state and local private and public sector labor union membership, coverage and density estimates.



8. PLAs drive up costs for construction project by as much as 18 percent (1:36). The cost of PLA mandates vary based on the type of project, location, economy and agreement. See

www.TheCostOfPLAs.com, [Union-Only Project Labor Agreements on Federal Construction Projects: A Costly Solution in Search of a Problem](#) (August 2009) and [Measuring the Cost of Project Labor Agreements on School Construction in California](#) (July 2011). This research and additional reports are available at www.abc.org/plastudies.



4. PLAs eliminate competition (1:10). See www.TheTruthAboutPLAs.com, [Reduced Competition Increases Costs](#).



5. PLAs mean fewer jobs (1:11). As of May 29, the construction unemployment rate stands at 14.5 percent, according to the U.S. Bureau of Labor Statistics (BLS), www.bls.gov/iag/tgs/iag23.htm.