Unions, contractors at odds on project labor agreements by Jeff Newman Staff writer

A debate between local union officials and business executives on the merits of project labor agreements dominated a 90-minute roundtable Wednesday afternoon at the Charles County government building.

While contractors decried PLAs — collective bargaining agreements that apply to individual construction projects — as job-killing arrangements that discriminate against the majority of construction workers who don’t belong to a union, labor representatives hailed them for ensuring that projects are completed on time and on budget while guaranteeing workers fair wages and safe environments.

“We are all part of the labor market, regardless of affiliation,” said Larry Greenhill, vice president and political director for the International Brotherhood of Electrical Workers Local 26. “We just happen to be union, and that’s a choice.”

A member of the Maryland State Pipe Trades Association, La Plata plumber and gas fitter Jeff Guido said PLAs “protect taxpayers and its constituents from the race-to-the-bottom practices of some unscrupulous contractors,” making sure to note that he wasn’t referring to any of those in the room.

PLAs give taxpayers assurance that public projects will be finished within their preset deadline and budget by highly skilled laborers earning a fair wage, Guido said.

“A government-funded project should provide local employment, fair wages and support the local economy,” he said. “Cheap labor doesn’t come skilled, and skilled labor doesn’t come cheap.”

Locked-in labor costs and project deadlines convinced Dominion, an energy company based in Richmond, Va., to attach a PLA to the expansion of its Cove Point LNG plant in Lusby, said Carolyn Moss, managing director of Dominion’s state and local affairs for the mid-Atlantic region.

The project, estimated to cost between $3.5 and $3.8 billion, would make the plant, currently an import-only facility, the first natural-gas export terminal on the East Coast. The PLA, a company first, guarantees the largest project in Dominion’s history will have the requisite skilled labor, Moss said.

As a “merit shop,” or non-union contractor, La Plata-based Facchina Construction Co., generally doesn’t bid on projects carrying a PLA, company director of business development George R. Nash Jr. said.

“We don’t want to be discriminated against, so therefore we don’t,” he added.

Because the company was not required to sign the project’s PLA, Nash said Facchina is working on the Silver Line extension bringing Washington Metro service to Dulles International Airport and Tysons Corner, Va.

Gambrills-based Reliable Contracting Co., which has an office in White Plains, does not bid on projects that carry a PLA because “We want our employees to work for us,” company President Jay Baldwin said. “We want them to have the company’s best interests in mind, and in return we’ve got their best interests in mind.”

Baldwin said his company will bid on projects that require workers to be paid prevailing wages — which are set by government agencies for public projects — because his employees are already paid as much or more. In Maryland, prevailing wage rates are assigned to projects with a price tag of $500,000 or more.

PLAs force contractors to hire primarily from union halls and nonunion workers to pay union dues, which discourages bidding on their projects and drives up costs, said Ben Brubeck, director of federal procurement and labor affairs for Associated Builders and Contractors, a national trade association based in Arlington, Va., with 22,000 members from merit-shop firms. Brubeck said ABC estimates that PLAs increase project costs between 12 and 18 percent.

Greenhill said that PLAs do not prohibit nonunion workers, but merely those who do not agree to its terms.

“There are nonunion contractors that do it the right way, and we love those folks,” said Vance Ayers, executive secretary-
treasurer of the Washington, D.C., Building and Construction Trades Council. “We’re not trying to make everyone union. We want everyone on a level playing field.”

A former newspaper guild shop steward, Charles County Commissioner Ken Robinson (D) said that if all companies paid fair wages, “we would have no need for unions.”

“But the reality is it’s not across the board, and having unions keeping corporate America honest is important,” he said.

Greenhill also said that industry concerns over labor strikes are overblown, particularly when it comes to the IBEW, which has a strict no-strike policy.

“We do not strike, at any cost,” he said.

Human relations consultant and labor activist Susan Cooksey didn’t see why there was such disagreement over PLAs.

“Both sides kind of stand for the same thing. You both claim to offer fair wages and benefits and things like that, so I’m really trying to hear what is the difference,” she said. “I think that any employment that can offer people a fair wage and at the same time assure them that they’re going to have the benefits that they deserve, I don’t think that’s too much to ask for working people to get that.”

Del. Peter F. Murphy (D-Charles) agreed, and was able to call on his experiences as a former court mediator in urging labor and industry to work together to achieve their goals.

“If you really listen to all of the conversation today, there’s much more in common than not,” he said.

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