

Congress of the United States

Washington, DC 20515

May 11, 1998

"OPEN SHOPS NEED NOT APPLY?"

Dear Republican Colleague:


I commend to your attention the article below. As the *Wall Street Journal* details, the Vice President has made good on his longstanding threat to reserve most transportation contracts for union companies. This signals a very troubling shift away from fair and open competition. Additionally, we are very concerned that this effort may have more to do with the 2000 Presidential race than with building quality roads at a reasonable cost.

For many years, Republicans have worked to make the federal procurement process fair, open and competitive. This new policy would destroy these efforts. Further, both union and open shop contractors oppose these coercive new rules. If you are concerned about this disturbing announcement, please join us in a letter to the Vice President. If you would like more information about mandatory Project Labor Agreements, please contact Danielle Doane 5-5015 (Miller) or Patrick Wilson 5-2865(Snowbarger).

Thank you for your attention.

Sincerely,


Vance Snowbarger
Member of Congress (KS-3)


Dan Miller
Member of Congress (FL-13)

Wall Street Journal 04/23/98

Clinton Revives Controversial Plan For Project Labor

By GLENN BURKINS

Staff Reporter of The Wall Street Journal.
WASHINGTON — Fulfilling a pledge to organized labor, the Clinton administration has revived a plan to encourage the use of project labor agreements on federal construction projects.

In a speech to the AFL-CIO's Building and Construction Trades Department, Vice President Al Gore said that Transportation Department agencies would be told to "aggressively pursue" opportunities to use the agreements, which generally reserve projects for employers that use union labor. The affected agencies include the Federal Highway Administration and the Federal Aviation Administration.

President Clinton last year proposed requiring federal agencies, whenever possible, to consider project labor pacts. But he withdrew the plan after Senate Republicans threatened to block Labor Secretary Alexis Herman's confirmation unless the administration backed down.

Yesterday's announcement could mean lucrative contracts for union workers. Each year, the Transportation Department spends about \$40 billion on highway, transit and airport construction projects. A department official said the directive also would apply to the six-year, \$219 billion highway bill now before Congress.

The U.S. Chamber of Commerce, which fought to kill the administration's proposal last year, vowed to battle this one. Thomas J. Donohue, president and chief executive, called it "a clear breach" of the agreement between Republicans and the administration.

"This is an affront to the nonunion workers in the construction, design and maintenance business in the country," he said. He added that it would "significantly increase the cost of building" roads and bridges.

But project labor agreements can save money because they spell out upfront such terms as wages, work rules and dispute resolution, said John Leiber, DOT's acting assistant secretary for policy.