

120 signatures

Congress of the United States
House of Representatives
Washington, DC 20515

May 19, 1998

The Honorable Bud Shuster
Chairman
House Committee on Transportation
2165 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Shuster:

We are writing to express our support for open and fair competition in awarding federal construction projects to qualified bidders, regardless of whether they are closed (union) or open (non-union) shops. We respectfully request that you include language in the conference report to protect our nation's long-standing federal policy of awarding federal projects on the basis of the contractors' quality of work, experience, and cost, not the bidders' collective bargaining status.

As you know, Vice President Al Gore stated on April 23, 1998 that the Administration will "aggressively pursue" linking federal contracts in BESTEA to unionized companies. This is of grave concern to all of us because conservative estimates suggest that union-only agreements could cost the American taxpayers \$4.8 billion annually or reduce the amount of construction by 30 percent.

Polls overwhelmingly indicate that Americans reject the notion that only union companies should bid on federal contracts. In fact, a recent poll found that 72 percent of the public, and 64 percent of *union members*, oppose union-only agreements on federal construction projects. Even in the Northeast, the most pro-union region of the country, 70 percent oppose union-only agreements. Furthermore, 60 percent of Americans would be more inclined to vote **against** any candidate who supports union-only contracting. They rightly believe that bidding for contracts should be open and fair.

It is not only non-union contractors who oppose the monopolization of federal construction projects; union contractors are also united against union-only agreements. Union-only agreements deny union contractors the right to negotiate collective bargaining agreements and require wage rates or fringe benefits that exceed prevailing market rates. These agreements often establish damaging precedents because they typically prohibit lockouts, which may encourage unions to strike projects in the same area or otherwise disrupt collective bargaining agreements.

Chairman Shuster

May 19, 1998

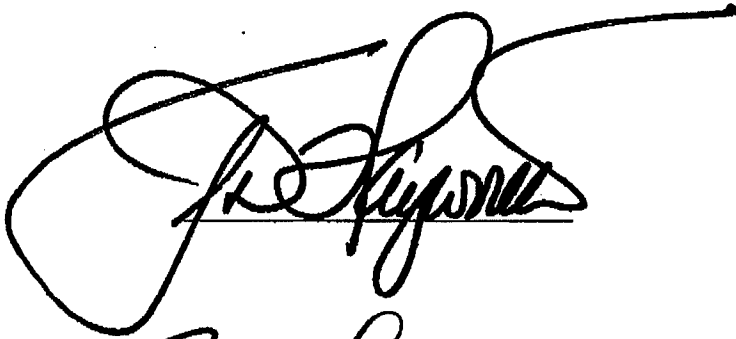
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As only 18.5 percent of construction workers are union members, only a small minority of American workers would benefit from union-only agreements, while more than four out of five would be adversely impacted as a consequence of such discrimination in the award of nearly \$40 billion in federal contracts.

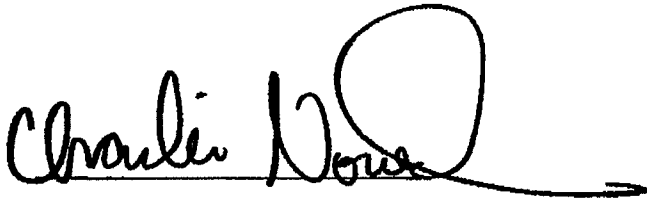
America prides itself on competition; however, this attempt by the Administration thwarts competition in every way imaginable. We therefore urge you to protect union and non-union contractors, as well as the American taxpayers, by including language in the BESTEA conference report that will prohibit the Administration from awarding federal construction contracts solely based on the contractors' collective bargaining status.

Thank you for your consideration of this important matter.


Sincerely,

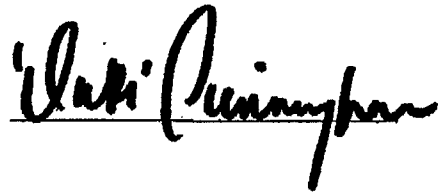


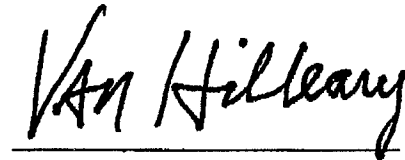












cc: Senate and House conferees