



# SUBCONTRACTORS NEWS

Serving the Greater New York Metropolitan Area

March 2008

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## PLAs Are Essential To Growth Opportunities For Union Sector

By Edward J. Malloy, President  
Building and Construction Trades Council of Greater New York

**39TH ANNUAL  
CONSTRUCTION  
AWARDS DINNER &  
CASINO NIGHT**

**SATURDAY, MAY 3, 2008**  
..... See page 13



**COMMISSIONER  
LANCASTER TO  
ADDRESS STA  
MARCH 26, 2008**

**BUILDINGS COMMISSIONER  
PATRICIA LANCASTER TO  
ADDRESS STA GENERAL  
MEMBERSHIP MEETING**  
DOB Commissioner Patricia Lancaster will address STA's March 26 General Membership Meeting on new Building Code changes and how they will impact your construction operations.  
Call STA at 212.398.6220 to register.

The BCTC consists of local affiliates of 15 national and international unions representing 100,000 working men and women in New York City.

PROJECT LABOR AGREEMENTS ARE WELL INTO THEIR SECOND DECADE OF USE IN NEW YORK. Of course, they have been around since the New Deal era, with major public works projects like the Grand Coulee Dam and later the Cape Canaveral Space Center being built under PLAs.

In the New York City market, their application in the public sector has provided important gains to save taxpayers hundreds of millions of dollars while promoting the use of the best trained and skilled workers.

Perhaps the best example of this trend is the historic PLA with the School Construction Authority, where \$488 million of savings are being generated on more than \$6.7 billion of improvements to existing educational facilities.

With substantial capital commitments slated in coming years for educational, transportation, environmental and other public infrastructure, it is essential that we renew the current program-wide PLA on school construction to continue the record of safety and productivity there. We must further explore expanding the benefits of

PLAs to other public owners in city and state government.

PLAs have also been widely used in the private sector to successfully complete projects for some of the best run businesses in the world. Walt Disney World was built under a PLA and still utilizes union agreements for its capital construction and maintenance needs. Toyota, the most profitable automobile manufacturer in the world, has built 24 facilities in the United States – with a 25th underway covering \$1.3 billion of work – using PLAs that have generated 45 million hours of union work.

To create growth opportunities in the union sector, PLAs are the most valuable tool we have to offer the quality, safety and efficiency that both public and private owners increasingly demand in an industry where cost factors – land, material, insurance, etc. – are rising at rates that impose significant pressure to contain other costs.

We must have the support of union contractors and subcontractors in aggressively touting the value of PLAs to both public and private owners. It is

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**JOIN US FOR A MEETING WOMEN  
CAN'T AFFORD TO MISS**



*The Changing Legislative Agenda  
for Women in Construction*

*Jointly presented by the Greater New York Chapter  
of NAWIC and the Women Builders Council*

**Presenters:**

Sandra Wilkin, President, Women Builders Council  
Walter McCaffrey, President, The McCaffrey Group Limited

**When:**

**Monday, April 21, 2008**, networking starting at  
5:30pm with presentation at 6:00pm

**Cost:**

Complimentary

**Where:**

Thelen Reid Brown Raysman & Steiner LLP,  
875 Third Avenue, New York, NY (corner of East 53rd St.)

**RSVP:**

mandry@thelen.com, with more info at  
www.nawicnyc.org and www.wbcnyc.org

**39TH ANNUAL CONSTRUCTION  
AWARDS DINNER & CASINO NIGHT  
STA Annual 2008 Construction Industry Awards**

**Russo's on the Bay**

162-45 Cross Bay Blvd., Howard Beach, NY 11414

**SATURDAY, MAY 3, 2008**

CELEBRATE WITH US AND HONOR THE ACCOMPLISHMENTS  
OF OUR 2008 INDUSTRY LEADERS

**Silver Shovel Award / Developer of the Year**

Design & Construction Team, Brookfield Properties'

**Builder of the Year**

Pat A. DiFilippo  
Turner Construction

**Public Official of the Year**

Sharon Greenberger,  
NYC School Construction Authority

**Subcontractor of the Year**

Raquel Nuñez, Nuñez Electric

**Michael Mazzucca Lifetime  
Achievement Award**

Gilbert Rivera,  
Park Avenue Building & Roofing Supplies,  
*Posthumously*

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**WHO TO CONTACT**

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**PLAs Are Essential To Growth Opportunities For Union Sector**

particularly important that the best businesses in our industry stake their claim as the legitimate voice of business in our industry. The irresponsible views of interests representing the worst businesses cannot be allowed to be accepted as representative of all or even most businesses. Letting these views advance not only harms union labor, but also employers hiring union labor.

We must continue to use PLAs on major commercial and signature projects to maintain the strong relationship we have with premiere members of the development community. **These PLAs, which typically involve modest adjustments on issues other than wages and supplements, can reap huge rewards for the union sector of the industry**

by assuring that all work from start to finish - including tenant build-outs - will be done union.

**We must address our shrinking share of the residential market**, particularly in the affordable and low-rise segments, but quite frankly, in the market rate and high-rise segments as well. On the latter front, efforts already underway which are not changing traditional wages and supplements, are proving that union labor, contractors and subcontractors can compete and win.

In the affordable and low-rise segments, however, we must acknowledge that there are very few projects where union labor, contractors and subcontractors are competitive. We can, and therefore must, adopt a

more aggressive package of wages and supplements to address this sector of work and prevent a further slide of standards that will eventually seep into other segments if unchecked. We must also address contractor and subcontractor capacity issues to assure that enough unionized firms are actively pursuing work.

With genuine cooperation between labor and management in our industry, the same cooperation that routinely gets the most complex and difficult projects in the world built on-time and under-budget in the most complex and difficult environment in the world - we can and will meet these challenges successfully. ●