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ABC PA Denounces Discriminatory Project Labor Agreement by PennDOT

(HARRISBURG, PA.) For the first time, the Pennsylvania Department of Transportation has decided to actively exclude nearly 90% of the construction workforce in a pre-hire agreement known as a project labor agreement (PLA) on the anticipated reconstruction of Markley Street (US 202) in Norristown, Pennsylvania. The $25 million road transportation project was publicly posted for potential bidders today, including a union-only clause that prevents open shop contractors from employing their own workers. The Associated Builders & Contractors (ABC) of Pennsylvania, which is collectively comprised of five chapters in Pennsylvania, strongly denounced the discriminatory use of a project labor agreement on this taxpayer-funded project.

Project Labor Agreements are pre-hire addenda to construction contracts that frequently spell out working conditions and terms, most often prohibiting work stoppages and addressing potential grievances. These PLAs do so by mandating that potential bidders utilize labor from selected building trade union halls, which have pre-negotiated their involvement in the project with the project owner.

"In this case, the Commonwealth of Pennsylvania has pre-negotiated the use of union-only labor on this project behind closed doors. Once again, taxpayers had neither a voice in or knowledge of this activity," said G. David Sload, Interim President of the Keystone Chapter of the Associated Builders & Contractors.

"Time and time again, PennDOT Secretary Leslie Richards has defended this exclusionary and discriminatory practice with flimsy evidence, not only to members of the Pennsylvania legislature, but to hard-working Pennsylvanian taxpayers. PLAs have routinely been demonstrated to increase project budgets, extend project schedules, and exclude local labor. I don't see how this waste of taxpayer dollars is government that works. This is another hand-out to organized labor, plain and simple," said Joe Perpiglia, President & CEO of the Eastern Pennsylvania chapter of ABC. A recent Bureau of Labor Statistics (BLS) study showed that less than 14% of the construction workforce nationally is unionized.

The failure of project labor agreements has been consistently documented by ABC at www.thetruthaboutplas.org and has rarely shown that these discriminatory agreements achieve their desired result. Most recently, the Delaware River Joint Toll Bridge Commission included a PLA on the reconstruction of the Scudder Falls bridge, which traverses the Delaware River between Pennsylvania and New Jersey. The project was budgeted at $325 million, however, the PLA attracted a single bid of $396 million – more than $70 million over the budgeted amount.

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"I wish I could be optimistic, but the evidence is clear," said Perpiglia. "Why the Secretary would openly cater to such a small percentage of the workforce and hand over taxpayer dollars while turning her back on an overwhelming majority of Pennsylvanians is not only puzzling, but frustrating. This is the first time that PennDOT has ever openly discriminated against contractors who routinely deliver high-quality, under-budget, safe projects."

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Within Pennsylvania, ABC PA is comprised of five chapters that offer construction related skills training and advocate for free enterprise and the merit shop philosophy throughout the Commonwealth. Founded on the merit shop philosophy, ABC and its 70 chapters nationally help members win work and deliver that work safely, ethically, and profitably for the betterment of the communities in which they work. Visit us at www.abckeystone.org*.*

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