



Pennsylvania Council
of General Contractors
Suite 403
800 North Third St.
Harrisburg, PA 17102

Phone: 717-920-0180 - Fax: 717-232-7005 - Cell: 717-330-4574
www.penncgc.org - E-Mail: hank@penncgc.org

WRITTEN TESTIMONY IN SUPPORT OF HB 2010

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Hank Butler, Executive Director, PennCGC

The Pennsylvania Council of General Contractors (PennCGC) is thankful for the opportunity to submit written testimony in support for HB 2010.

PennCGC is a newly formed organization of General Contractors throughout the Commonwealth, who believe in the principles of fair, efficient, and competitive construction (bidding, awarding, and building).

HB 2010 prohibits the state of Pennsylvania from enacting union-only project labor agreements (PLAs), which are negotiated work rules that regulate the hiring and use of employees to the discretion of the building trade unions who sign these agreements. The building trade unions aggressively pursue PLAs for large projects making the promises that PLAs will help complete projects within budget, on time, create a safe work environment, and prohibit labor unrest.

What is concerning is that these promises are truly empty commitments with no accountability from the signers of these agreements. In the past, PLA projects (examples: SCI Forest, David L. Lawrence Convention Center - Pittsburgh, "Big Dig in Boston) have been signed with these promises, and yet, the projects have been completed late, significantly over budget, subjected to workforce injuries, and in some cases, employee (union employee) unrest. It is wrong for the building trade unions to give unaccountable commitments to enable them to control the labor force on these projects. Without accountability, Principles entering into PLAs have no legal recourse to problems and are subjected to "the blame game" for their projects being increased in cost, delayed, and unwarranted workplace unrest.

What is also concerning is that PLAs are negotiated with only a small segment of the construction industry and these agreements are mandated on the worksite for all to obey. Negotiating the work rules for a project labor agreement are typically between the Principle and the local construction unions (only 20% of the construction workforce in Pennsylvania). These negotiations are private and secretive and once completed, the rules are released to the public as a sign, binding contract.

Construction companies (companies who are signatory to a union and those who companies who are not signatory and have their own trained and skilled workers) are given the signed work rules and are mandated for compliance or be rejected from bidding and winning the work. These are construction companies who need to be financially responsible (bonded) for the work, legally responsible for activities occurring on the construction site, and responsible for the safety of the workers and the quality of work performed on the job site; yet, with a PLA, these companies are prohibited from partaking in the development of the work rules for the project.

In essence, those not accountable for the work are negotiating work rules and forcing compliance upon companies who are accountable and financially/ legally responsible for the construction work.

HB 2010 removes the secretive practice of negotiating work rules with an unaccountable group representing a small portion of the construction workforce. HB 2010 eliminates the development of secretive, obstructive work rules and maintains a construction environment in which both the contractors and the workforce can work together regardless of their labor affiliation to bid, work, and build in Pennsylvania.

I wish to thank the Pennsylvania House of Representative Republican Policy Committee for the opportunity to submit this testimony.