



nerej

Chair. message: Construction issues are all the talk lately

May 19, 2010 - Construction Design & Engineering

It all began with Mass. gubernatorial candidate Charlie Baker unveiling his "Bakers' Dozen" reforms for Mass. The first reform he listed speaks to the benefit of having open competition on construction projects where companies are awarded work based on their merits and not solely on their political or labor affiliation. These are principles that ABC has fought hard for seeing it finally start to matter in a political race encourages us to continue the battle for your company and your merit shop employees.

The text of this proposal appears below:

1. Reduce construction costs by increasing competition - Between \$75 million to \$100 million in savings

Public construction projects should be open to all bidders. Competition is important to ensure the best deal for the taxpayers. Only 20% of the construction industry is comprised of union workers, therefore project labor agreements exclude 80% of the market from bidding on projects. Several studies estimate that PLAs add at least 12% to overall project costs. This is significant considering that the state spends nearly \$1 billion per year on capital construction projects plus another \$600 million in municipal aid for the School Building Assistance program.

Soon after, governor Deval Patrick appeared on Jim Braude and Margery Egan's radio show where he was confronted with Baker's assertion that the state requires union construction workers on public projects. Patrick's reply was that Baker "makes up a lot of stuff."

It is unusual for issues pertaining to the construction industry to be a point of contention amongst candidates for statewide office. When, if ever, do you recall a candidate talking about reducing the overall costs for public construction? In fairness, construction has never been a wedge issue that candidates could use to differentiate themselves from one another. Simply put, the issues of contractors and construction workers rarely grab headlines. That is, until our industry was decimated by a recession and both union and nonunion workers suddenly faced the prospect that they could be out of work for months at a time.

Many people in the construction industry, myself included, feel that it's about time that candidates begin to candidly discuss issues that impact the construction industry - how to reduce the overall costs to taxpayers and get people back to work being chief among them. If this early exchange between Patrick and Baker is any indication, both the Mass. construction industry and taxpayers will benefit from the debate.

Pundits and talking heads everywhere are saying that these are volatile political times; incumbents are in danger of losing their seats and the public is ready for change. While all this may turn out to be true, here's hoping that candidates everywhere can continue to pleasantly surprise us by talking candidly about the Mass. construction industry and the many reforms that are needed. Once elected to office, let's hope they have the political will to follow through.

Kyle Reagan is the 2010 president of the ABC-Mass. Chapter, Burlington and is with DECCO, Inc., Brookline, NH.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540