



CELEBRATING
55 YEARS

nerej

Infrastructure work should be open to all constructors and workers

October 21, 2022 - Construction Design & Engineering



John Cruz

The bipartisan infrastructure bill President Biden signed earlier this year is good news for our country. Unfortunately, the way the law is being implemented will limit the number of Americans who can share in the law's benefits and worsen our stubborn inflation problem.

The President signed an executive order that mandates the use of project labor agreements on large-scale federal construction contracts that will hike construction costs by 12-20%. PLAs also exacerbate the industry's skilled labor shortage by excluding workers who choose to not join a union. This effectively prevents 79% of the Commonwealth's construction workers from working on these jobs.

Among those most affected are minority contractors and workers. In a letter to the State Senate last year, the Black Economic Council of Massachusetts (BECMA) wrote, "[A PLA] prohibits construction firms owned by Black people and other people of color – which are overwhelmingly open shop enterprises – from using their own workforce that they have hired, trained, developed, and retained, and that are drawn largely from communities of color."

Building without restrictive PLAs drives down costs by increasing competition, and promotes inclusion and diversity by welcoming participation by minority contractors, the vast majority of whom are not signatory to a union. In Massachusetts and across the country, the overwhelming majority of government construction is successfully completed without PLAs, with no restrictions on competition and using a mix of union and non-union contractors and labor.

We don't have to look far to see the impact of all-union construction on diversity. A city of Boston diversity study found that the city let nearly \$1 billion in construction contracts between 2014 and 2019, nearly all of it to union contractors. Just over 1 percent of the contracts went to companies owned by Black or Brown people. Meanwhile, two open shop jobs each spent as much on minority contractors as all the city of Boston projects had spent in five years.

Many of you have relationships with state legislators in your communities. In the coming weeks and months, I hope you'll make a point to remind them that state and local projects should be open to all qualified contractors and construction workers, not just those who choose to join a union.

John Cruz is the chairman of Associated Builders and Contractors Inc.-Mass. Chapter and president & CEO of The Cruz Cos., Roxbury, Mass.

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