

## Mass. weighs labor agreements on stimulus projects

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BOSTON — Massachusetts is weighing whether to require contractors bidding on certain federally funded stimulus projects to enter into deals with local unions.

The use of so-called "project labor agreements" would require contractors to negotiate with union officials, honor union wages and rules, and generally abide by collective bargaining agreements for a specific project.

In return, unions would agree not to strike or take other actions to slow construction.

The agreements are particularly contentious as billions in federal stimulus dollars flood into the state, pitting labor leaders against nonunion contractors who say the agreements limit competition, drive up costs and force them to act as union shops.

"It just doesn't make sense, especially with stimulus money where you are trying ... to get the biggest bang for the buck," said Greg Beeman, president of Associated Builders and Contractors of Massachusetts, representing nonunion contractors.

"It makes it effectively union only," he said.

Unions say the agreements don't end up costing more, are tied to a specific project and don't require nonunion contractors to hire union workers on future jobs. Most importantly, they say, the deals guarantee that taxpayer-funded projects are built by veteran trades workers.

"You're getting someone who's licensed in those crafts, who has all the requisite training," said Frank Callahan, president of the Massachusetts Building Trades Council, representing 74 local construction unions and about 75,000 workers.

Labor already has scored one big victory. In February, President Barack Obama issued an executive order backing the use of union labor for large-scale federal construction projects.

The order encourages federal agencies to have construction contractors and subcontractors enter project labor agreements. It restores an order issued by fellow Democrat and former President Bill Clinton. The order had been revoked by President George W. Bush, a Republican.

While there's no requirement that states receiving federal stimulus dollars use the project labor agreements, there's also nothing stopping them.

In Massachusetts, Democratic Gov. **Deval Patrick** hasn't decided yet whether to press for the use of the agreements, known as PLAs, on larger stimulus projects although key administration officials aren't ruling it out.

"There are a number of people who are asking us to consider contracting bigger projects in a way that requires PLAs to be used. There are others who are asking us not to," said Jay Gonzalez, Undersecretary of Administration and Finance. "We are considering the request."

Gonzalez, who's helping oversee stimulus spending in the state, said the administration would need the backing of lawmakers for legislation encouraging the use of the agreements.

A stimulus task force appointed by Patrick has also pushed for the use of the agreements.

Although lawmakers couldn't pass a blanket requirement that the agreements be used on all stimulus projects, it could require the state to explore whether they are warranted on specific larger projects.

Projects labor agreements aren't new to Massachusetts.

Two of the largest undertakings in the state's recent history used PLAs: the cleanup of Boston Harbor, including the construction of the Deer Island waste treatment plant; and the Central Artery-Third Harbor Tunnel project, also known as the **Big Dig**.

Both sides point to those projects to make their point.

Labor officials note the harbor cleanup was finished on time and budget, something they credit at least in part to the use of project labor agreements.

But critics say the deals did little to curb the nearly \$15 billion Big Dig's notorious cost overruns, delays and leaks — or even a fatal 2006 ceiling tunnel collapse.

The collapse was ultimately blamed on the kind of epoxy used to install the overhead panels, something union officials say was beyond the scope of the workers.

Still, critics say the problems on the Big Dig show that the agreements aren't a panacea for potential construction troubles.

"The PLA didn't cause the (ceiling tunnel collapse), but it didn't prevent it either," said Paul Bachman, director of research for the Beacon Hill Institute at Suffolk University. "A PLA doesn't ensure the quality of the work."

Bachman said he's studied construction costs of schools in Massachusetts and found that those using project labor agreements added 12 to 20 percent to their price tag. Part of the problem, he said, is the inflexibility of union rules — a carpenter can't necessarily pick up a paint brush if needed.

The wages paid to workers are less of an issue. Federal and state projects already require workers be paid a prevailing wage, whether or not there is a project labor agreement.

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On the Net:

Associated Builders and Contractors of Massachusetts: <http://www.abcma.org/>

Massachusetts Building Trades Council: <http://massbuildingtrades.org/>

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