LiUNA!
MID-ATLANTIC REGION
Feel the Power

At a Glance: PROJECT LABOR AGREEMENTS

Project Labor Agreements or PLAs are collective bargaining agreements that set wages, benefits and dispute resolution processes for a specific construction project for the duration of that project.

- Both public/government and private sector projects may use PLAs.
- The entity or company seeking the work enters into a PLA with unions or a trade council before seeking bids.
- All bidders must abide by the PLA in their hiring and compensation of workers.

UPHOLD COMMUNITY STANDARDS: PLAs require contractors to pay the prevailing wage in a community, ensuring that jobs benefit local residents.

SAVE TAXPAYER MONEY: Contractors and workers set ground rules that prevent disputes and work stoppages. PLAs ensure a steady supply of skilled, experienced workers, minimizing costly change orders that projects and bust budgets.

SAFEGUARD AGAINST FRAUD: PLAs discourage dishonest contractors from artificially inflating profits, lowballing bids, cutting corners and cheating workers.

ESTABLISH SAFETY PARAMETERS: By setting standards for training, health and safety, PLAs protect workers and the community from harm and encourage quality.

But the critics ask…don't they increase costs?

"The project labor agreement has saved us millions of dollars. The PLA has played a significant role in keeping us on schedule ... and I think it has been instrumental in our stellar safety record." - Michael Curto, chairman of the Metropolitan Washington Airports Authority, on Phase 1 of Washington Metro Silver Line construction

Case Studies: PROJECT LABOR AGREEMENTS ON THE JOB

ON TIME (ACTUALLY EARLY) & ON BUDGET

In Virginia, the I-495 high-occupancy toll (HOT) lanes opened one month early and logged 5 million safe work hours without a lost time incident. The I-95 HOT lanes opened ahead of schedule and earned an national safety award. The I-395 extension came in on time and on budget. In total, these projects created xxxx good paying jobs with benefits.

PRIVATE SECTOR REAPS BENEFITS FROM PLA

Builders of the $4 billion Cove Point Liquified Natural Gas Plant opted for a PLA as they embarked on the largest construction project in Maryland history. The offshore LNG shipping terminal was completed on time and on budget.

Case Studies: NON-PLA PROJECTS SPIN OUT OF CONTROL

5 YEARS LATE, SHOCKINGLY OVER BUDGET

Builders of Maryland's Silver Spring Transit Center rejected a PLA. As a result, unqualified workers on the job led to shoddy construction and $50 million in change orders. Ultimately, the project cost $140 million – more than 50% over budget – and came in five years late. Montgomery County was forced to sue the contractors to recover more than $25 million spent to fix the problems.

A WORKER DEAD, $82M IN COST OVERRUNS

Contractors on the Virginia DOT's I-66 HOT lanes project opted out of a PLA. The project is plagued with safety issues, including one incident that resulted in the tragic death of a worker. Change orders now account for $82 million in unplanned costs. The project, due for completion in December 2022, is months behind schedule.

LiUNA!
MID-ATLANTIC REGION
Feel the Power

Top 10 Benefits of Project Labor Agreements

1. Provide uniform wages, benefits, overtime pay, and hours
2. Establish clear and enforceable rules on worksites
3. Guarantee a qualified labor supply that enables projects to come in on time/on budget
4. Guard against labor strife by barring strikes and lockouts
5. Create procedures to resolve disputes
6. Make big projects easier to manage with all unions and trades under one contract
7. Encourage diversity, equity and inclusivity by requiring contractors to offer apprenticeship and training programs for underrepresented groups
8. Reduce misclassification of workers and underpayment of payroll taxes
9. Keep a larger percentage of construction wages in state
10. Improve worker safety by setting project safety standards