



News Release

ABC DENOUNCES EXECUTIVE ORDER THAT DISCRIMINATES AGAINST 84 PERCENT OF THE CONSTRUCTION WORKFORCE

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For Immediate Release
February 6, 2009

WASHINGTON, D.C. – Associated Builders and Contractors (ABC) today denounced an Executive Order signed by President Obama that repeals Executive Order 13202, that prohibited federal agencies and recipients of federal funding from requiring contractors to sign union-only project labor agreements (PLAs) as a condition of performing work on federal and federally funded construction projects.

“Today’s decision to repeal Executive Order 13202 opens the door to waste and discrimination in federal and federally funded construction contracts,” said ABC President and CEO Kirk Pickerel. “This action removes the safeguards that prohibited discrimination based upon union affiliation in the awarding of federal contracts.

“Construction contracts subject to union-only PLAs are designed to be awarded exclusively to unionized contractors and their all-union workforces,” said Pickerel. “Absent the economic benefits of competitive bidding, union-only PLAs are known to increase construction costs between 10 percent and 20 percent and discriminate against minorities, women and qualified construction workers who have traditionally been excluded from union membership.

“Union-only PLAs drive up costs for American taxpayers while unfairly discriminating against 84 percent of U.S. construction workers who choose not to join a labor union,” added Pickerel. “All taxpayers should have the opportunity to compete fairly on any project funded by the federal government.”

A union-only PLA is a contract that requires a federal construction project to be awarded only to contractors and subcontractors that agree to recognize unions as the representatives of their employees on that job; use the union hiring hall to obtain workers; pay union wages and benefits; and obey the union’s restrictive work rules, job classifications and arbitration procedures.

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