

Closed shop costs jobs

By Greg Beeman | Thursday, April 8, 2010

Responding to a recent Herald report about work on stimulus-funded Massachusetts construction projects going to out-of-state companies, Gov. **Deval Patrick** said he wants the work done by people in the communities where the jobs are happening. Construction union leader Francis X. Callahan declared that the money was supposed to stimulate the economy in Massachusetts.

Callahan and the governor say they want construction work performed by local residents, but the policies they support would make that almost impossible.

According to unionstats.com, 80 percent of Massachusetts construction workers don't belong to a union. But in a speech last month before the construction unions, Patrick bragged that 80 percent of construction spending controlled by his administration is being carried out by union workers. He noted that the number is 96 percent on the commonwealth's largest current project, at Worcester State Hospital.

Locking out the local non-union majority will only serve to increase interest among out-of-state union firms. This happened on the **Big Dig**, and it's no surprise that almost all the out-of-state contractors working on Massachusetts projects in the Herald report are union.

In his speech, Patrick endorsed the use of project labor agreements (PLAs) on future state construction. That would make the problem even worse. PLAs require unions to be the sole and exclusive source of all job-site labor.

The governor implied that his proposed casinos would be among the projects built under a PLA, saying, "That's why we push so hard for destination resort casinos, with union jobs at union wages and benefits during construction and operation alike."

He added that the commonwealth would use a PLA on the new \$150 million science facility and other capital improvements at the UMass-Boston campus. He identified the Salem State College library, a courthouse in Lowell, a UMass-Amherst academic building and the second phase of restoration of the Longfellow Bridge, which connects Boston and Cambridge, as additional PLA candidates.

Seemingly lost in the rush toward PLAs is the fact that the Massachusetts Supreme Judicial Court has placed strict limits on their use. Philadelphia Mayor Michael Nutter said it best when he described project labor agreements as "creating an environment of economic apartheid."

Patrick also failed to mention the predictable result of barring 80 percent of the marketplace from bidding on state projects. Research from the Beacon Hill Institute at Suffolk University shows that PLAs increase construction costs by 12 percent to 20 percent - hardly a premium we can afford with Massachusetts in the third year of a deep fiscal crisis.

The administration may not be concerned about the added cost of union-only construction, but taxpayers are. When asked in a Suffolk University/7 News poll if private contractors should be compelled to hire all their workers through unions, respondents said no by a resounding 69 percent to 24 percent margin.

Last year alone, Massachusetts lost 18 percent of its construction jobs. Union-only construction would accelerate job losses and result in out-of-state contractors and workers reaping even more of the benefits from Massachusetts projects. If we want to keep more construction jobs local, let's not adopt policies that discriminate against most of the local industry.

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