**Project Labor Agreement Facts**

PLAs require construction unions to be the source of all labor for a construction project. PLAs are pre-hire, binding agreements added later as part of the construction contract for the project.

For decades, every Massachusetts PLA has included the following language:

* Union recognition and employment

The Contractor recognizes the union as the sole and exclusive bargaining representative of all craft employees working within the scope of this agreement.

All applicants for various classifications covered under the agreement required by the contractor shall be referred to the contractor by the local union.

According to federal Bureau of Labor Statistics data for 2024 analyzed by unionstats.com, [83.4 percent](http://unionstats.com/) of the Massachusetts construction workforce chooses not to affiliate with a union.

* Fewer bidders mean less competition and higher costs
  + The Springfield Water and Sewer Commission’s own consultant said using a PLA would increase the construction cost of a Westfield Water Treatment Plant by about $15.5 million. The authority went ahead with the PLA, but when it was dropped after a court injunction and open-shop contractors joined the bidding, the winning electrical bid alone was $15 million below the lowest union subcontractor.
  + In August 2021, the RAND Corporation published research on the effects of PLAs on the production of affordable housing following Los Angeles proposition HHH. This report found a 14.5 percent increase in construction costs and an 8 percent increase in overall per unit costs for projects subject to the PLA, and that in the absence of the PLA, approximately 800 additional units of housing could have been produced with the same funding, an increase of approximately 11 percent of the total number of housing units currently in the HHH pipeline.
  + In 2023, Maine Gov. Janet Mills (D) vetoed legislation that put PLAs on offshore wind projects, saying “Most Maine workers in the construction industry – in fact, more than 90 percent – are not unionized, which means that adding a PLA requirement creates a chilling effect for these companies and their workers... this could stifle competition, which could cut out thousands of workers and employee-owned businesses…”
  + In 2024, California Gov. Gavin Newsom (D) vetoed a bill that would have imposed PLAs on a group of state university projects, writing, “The new requirements proposed in this bill could result in additional cost pressures that were not accounted for in this year’s budget.”
* PLAs are particularly bad for **minority contractors**, who tend to be smaller and overwhelmingly open shop
  + In a letter to the MA Senate,The Black Economic Council of Massachusetts (BECMA) wrote: “We are deeply concerned about the historical exclusionary effect that PLAs have had on Black. Latinx, Asian, Indigenous, immigrant women and LGBT workers and construction firms. (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.”
  + BECMA added: “Our members have expressed frustration at being shut out time and time again from participating in construction projects that have PLA due to these restrictive provisions.”
* Another claim is that union workers are better trained. But all contractors, union and open shop alike, are subject to the same DCAMM certification and local prequalification.
* Some say PLAs ensure that workers earn fair wages. But the reality is that public construction projects are already covered by state and federal prevailing wage laws that guarantee union-scale wages for all workers, regardless of labor affiliation.
* In May 2024, the Hampden County Superior Court issued an injun*c*tion preventing the Springfield Water and Sewer Commission from imposing a PLA on the $325 million construction of the West Parish Water Treatment Plant. In the decision (*Wayne J. Griffin Electric, Inc et al vs. Springfield Water and Sewer Commission*), the court underscored the barriers a PLA creates for open shop contractors and minority and women-owned business enterprises, emphasizing that “the PLA poses such a significant disadvantage to open shops as to render a competitive bid impossible…. the PLA excludes open shops from bidding, as it essentially requires bidders to execute an agreement to use union laborers on the Project.” As the court noted, “the public benefits from an open, fair, competitive, and robust bidding process. The PLA requirement unnecessarily curtails that without legal justification.”
* Both *The Boston Globe* and *Springfield Republican* weighed in with editorials during the Springfield case, and the *Globe* wrote another editorial in response to an executive order Gov. Maura Healey issued earlier this year instructing state agencies to conduct an analysis of whether a PLA would be appropriate on projects valued at $35 million or more.