

# Granite Staters Resist Union-Only PLA Scheme

## *Obama Labor Department Now Discerns Need to 'Evaluate the Issues'*

Facing passionate public opposition and mounting legal concerns about its plan to impose a union-only "project labor agreement," or PLA, on a \$35 million, federal taxpayer-funded construction project in Manchester, N.H., the Obama Administration has taken a step back.

In a cancellation notice sent out November 10, the Obama Labor Department tersely allowed that it was "in the public interest for the department to further evaluate the issues involved in the PLA requirement."

The agency indicated that it would launch a second bid solicitation for the construction of a 160,000-square-foot Job Corps Center in Manchester. As this month's Newsletter goes to press, it remains unclear whether or not the second solicitation will include a PLA mandate.

But union-free hardhats and independent construction firms in the Granite State have scored at least a temporary victory.

In the ongoing national recession, small construction firms and their employees have been hit especially hard in many states, including New Hampshire.

For that reason, many local employees awaited the launch of the Manchester Job Corps Center project with bated breath.

Then, in September, the Obama Labor Department sent out a hope-crushing notice to small, New Hampshire-based construction firms that had intended to submit bids on the project.

### **Workers to Be Forced to Contribute to Big Labor-Manipulated Pension Funds**

Enforcing an executive order issued by President Obama on February 6, just a couple of weeks after he took office, the Labor Department let it be known that contractors would have to submit to a union-only PLA in order to be allowed to bid on the project.

Since the project was limited to firms that have done no more than \$33.5 million in annual business, and very few if any small Granite State firms are unionized, the PLA would likely have prevented any New Hampshire-based firm from participating in the Job Corps Center project.

"While the Labor Department's move to reconsider this particular PLA is a

positive development, Barack Obama's PLA executive order [E.O.13502] remains a grave threat to union-free contractors and hardhats nationwide," commented Doug Stafford, vice president of the National Right to Work Committee.

"Under E.O.13502, to participate in public works using \$25 million or more in federal funds, nonunion companies will have to consent to impose union monopoly bargaining on their employees and hire new workers through discriminatory union hiring halls.

"Independent workers who already have their own retirement funds will nevertheless be forced to contribute to Big Labor-manipulated pension funds.

"Rather than compromise the freedom of their employees and the efficiency of their operations, most independent construction firms will, in all probability, simply refuse to submit bids on large federal projects.


"And sharply reducing the number of bidders will surely jack up taxpayers' bills. The nonpartisan, Boston-based Beacon Hill Institute estimates that construction costs will be inflated by 12% to 18% on every project that uses a PLA as a result of E.O.13502."

This July, attorneys for the Committee's sister organization, the National Right to Work Legal Defense Foundation, joined in a federal court case challenging the power of public agencies to systematically impose PLAs on taxpayer-funded construction.

### **Obama Executive Order Raises Serious Legal Concerns**

Foundation attorneys filed a brief supporting a group of nonunion construction apprentices now effectively blacklisted from over 50 taxpayer-funded projects by a PLA in California.

"If the Foundation's arguments prevail in the *Rancho Santiago* case, it will heighten serious questions about exactly how the Obama Labor Department could legally implement E.O.13502," said Mr. Stafford.

"I suspect that both an unexpectedly strong public backlash in New Hampshire and growing legal concerns entered into the Obama Administration's decision to reevaluate its pro-PLA policies this fall. Right to Work supporters must keep turning up the pressure on both fronts." 



**Independent hardhats and their employers are dismayed by a Barack Obama executive order forcing them to**

**submit to Big Labor monopoly-bargaining control in order to participate in federal taxpayer-funded projects.**