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For information: David D'Hondt
Executive Vice President
206- 812-4847

AGC CHARGES 17 LOCAL UNIONS WITH UNFAIR LABOR PRACTICES

Seattle – The Associated General Contractors of Washington (AGCW) today filed an unfair labor practice charge against 17 building and construction unions with the Region 19 National Labor Relations Board in Seattle, Washington.

The charge stems from a Community Workforce Agreement (CWA) the unions negotiated with the Washington State Department of Transportation (WSDOT) as a part of the bid specifications for the recently awarded SR-520 Montlake to Lake Washington Interchange and Bridge Replacement Project.

The terms of that agreement were developed entirely between WSDOT and those unions, with no input from or consideration of contractors or subcontractors who would actually employ the workers to complete the project.

Fundamentally, the CWA begins with a fatal flaw: the government is dictating the terms of a private labor agreement between contractors and their employees without the contractors having a say in the negotiation of the labor agreement. From that faulty premise come less competition (and likely higher costs) for public construction projects, decreased competitiveness for small and minority businesses and discrimination against non-union employees of both large and small firms.

The AGCW said this CWA was imposed on all bidders as a bid specification. It forces non-union and union contractors to involuntarily recognize various local unions and forces their employees to join unions after 7 days or be discharged. Further, the CWA discriminates against non-union employees by providing that only 3 employees of an open-shop contractor's workforce could be employed on the project. The CWA imposes specific conditions such as union security, deductions of union dues, hiring halls and grievance procedures, all of which are ordinarily subjects of collective bargaining between employers and employees.

These conditions of the CWA violate provisions of Sections 7 and 8 of the National Labor Relations Act. WSDOT is not an employer in the construction industry and has no standing under the law to negotiate a CWA. Moreover, the Unions do not represent WSDOT employees, and therefore the CWA was not bargained in context of a collective bargaining relationship. In addition, the agreement restrains an employee's rights to self-organization and to join or not join a union. The CWA violates the letter, spirit, and policy of the Act.

"Awarding a $455 million construction contract with these kinds of onerous un-negotiated specifications is likely one of the reasons that all three bidders exceeded WSDOT's estimated cost range," said David D'Hondt, Executive Vice President of AGC of Washington. "WSDOT and the 17 unions have far exceeded their authority under the National Labor Relations Act."

AGC reaffirms its commitment to free and open competition in all public construction markets. In recent years, project labor agreements on public works projects where the agreement was initiated by employers or employees and negotiated directly by those parties have met objectives of enhancing competition, ensuring labor peace, providing opportunities for disadvantaged workers and minority businesses, and assuring government agencies achieve project budgets.

Region 19 of the National Labor Relations Board (NLRB) will investigate the charge. This involves a Region 19 investigator taking evidence and testimony to determine factually what has occurred. Region 19 will then decide whether the conduct by the Unions violates the Act. Upon such a finding, the NLRB's General Counsel will issue a complaint against the Unions. The matter will be set for an evidentiary hearing before an NLRB Administrative Law Judge who will issue a decision after the hearing. The parties have a right to have the Administrative Law Judge's decision reviewed by the NLRB in Washington, DC.