



Public Project Labor Agreements

(Adopted by AGC Executive Board June 2009)

The Associated General Contractors of America's (AGC) policy position on project labor agreements for publicly funded construction projects is as follows:

- AGC reaffirms its commitment to free and open competition in all public construction markets.
- Fundamental to this principle is the philosophy that publicly financed contracts are to be awarded without regard to the labor relations policy of the contractor.
- AGC opposes the imposition of project labor agreements by public owners, or their representatives, on any publicly funded construction project. A public owner or its representative should not mandate the use of a project labor agreement that would compel any firm to change its labor policy or practice in order to compete for or to perform work on a publicly financed project.
- AGC believes that the proper parties to negotiate any labor agreement are the employers that employ workers covered by the agreement and the labor organization representing workers covered by the agreement, since those are the parties which form the basis for the employer-employee relationship, have a vested interest in forging a fair and stable employment relationship, and are authorized to enter into such an agreement under the National Labor Relations Act.
- AGC believes that the appropriate mechanism for public owners to ensure that employees are paid fair wages and benefits and that all contractors compete on an equal basis is through the requirement that the contractor pay prevailing wages, and not through the imposition of a project labor agreement.

AGC's policy against preferential procurement based on labor policy is pursued in an even-handed manner. AGC does not favor union or open-shop contracting, but instead believes that the choice should be left to the employers and employees, and that the choice should not be imposed as a condition to competing for, or performing on, a publicly funded project.