

AGC Chief: EFCA Would Harm Both Union, Non-Union Construction

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Thanks to Sen. Arlen Specter's change of party, prospects are improving for the Employee Free Choice Act, or Card Check.

Democrats expanding majority means passage of "compromise" legislation is significantly more likely. While such a compromise may sound reasonable, there is nothing to stop congressional leaders from reverting back to much of the original Card Check language after that first crucial Senate vote.

Ironically, if Card Check-by-another-name were to pass, one group that stands to be hurt the most is union workers, especially construction workers, in states like Pennsylvania where region-wide collective bargaining is relatively common.

That is because whatever is ultimately enacted is sure to retain requirements that federally-appointed arbitrators set pay and work rules if employees and employers cannot complete a contract within 120 days. While the intent of that provision is to ensure that newly unionized businesses don't delay negotiations, the ramifications for union construction workers are severe.

Having Washington-appointed officials set contract terms for companies would make it harder to maintain collective bargaining through area agreements. Those area agreements set wages, hours, and work rules for union workers for a variety of firms in a given region. The agreements also allow union members to work for different employers during their career because their health and pension benefits remain portable and reliable.

Newly unionized employers forced into arbitration are likely to have wages and benefits different than those in the area agreement. If those are less than what is in the area agreement, the ability to seamlessly

move from one employer to the next will be undermined. Union workers will instead be forced to choose between staying with a single company even when there is no work or reduced wages and disrupted benefits contributions.

A final bill will lead to increases in jurisdictional disputes that delay employment opportunities for union workers. The bill may encourage unions that are successful in organizing workers to claim work on a multi-craft basis. This will inevitably lead to multiple unions at a single job site claiming that particular work, and the pension contributions that come from it, belong to them.

These kinds of disputes traditionally lead to work stoppages that idle union workers and threaten the long term viability of any manner of projects. Worse, because these delays and disputes lead to increased costs in fields like construction, private owners would be more likely to avoid using union contractors with Card Check than they are today, needlessly punishing union construction workers.

Many union leaders and many union firms also are under the mistaken impression that the card check bill will bolster union pension funds. The theory is that if more employees are organized in the industry, there will be more pension contributions made into union funds that will help stabilize them in an uncertain investment environment.

However, employers whose workers are organized under Card Check are likely to maintain their own benefits plans during the negotiations for that first contract. Since there is no guarantee that arbitrators will force employers to contribute to union plans if existing benefit programs are found to be adequate, the legislation may actually weaken union pensions, instead of strengthening them.

Backers of Card Check, or the inevitable



Associated General Contractors of America Chief Executive Officer Steven Sandherr, shown here at the Builders Association's Annual Meeting in 2006, wrote this editorial for the Washington Examiner.

For more on Card Check and to learn what you can do to help the AGC look out for you, visit www.agc.org, click on Advocacy and view the Legislative Action Center.

"compromise," should be careful of what they ask for. The price for a quick boost to national union enrollment is simply too high for construction workers. After all, if new and existing unionized workers get caught in jurisdictional disputes, see new risks to their pension contributions or can't enjoy the benefits of area agreements, no good will come of making it easier to unionize.