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Building and Construction Trades Department

AMERICAN FEDERATION OF LABOR—CONGRESS OF INDUSTRIAL ORGANIZATIONS
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May 1, 2008

Secretaries and Chief Executive Officers
All State and Local Building and Construction
Trades Councils – United States Only

Dear Brothers and Sisters:

The Department has periodically issued letters to Building and Construction Trades Councils explaining the Department's mandatory approval process for project labor agreements negotiated by Building and Construction Trades Councils. In addition, the Department has provided guidance for negotiating project labor agreements. We last distributed "Guidelines for Public Entities Considering Using a PLA on a Public Works Project" in 2002. These guidelines remain viable today. Moreover, in the ensuing years it has become increasingly clear that many of the same principles apply in negotiating PLAs for privately owned construction projects. In light of the increased scrutiny of PLAs, we thought it would be useful to update the guidance, and to point out general rules for use in both the private and public sectors. Such guidance is enclosed with this letter.

The Department's Governing Board of Presidents has become increasingly concerned over the failure of Building and Construction Trades Councils to comply with the Department's policy requiring submission of Council PLAs to the Department for approval. The most effective way to maintain solidarity and to protect the historical trade jurisdiction of each of the Building Trades is to ensure that PLAs contain the Department's mandatory provisions and are approved by the Department. Language negotiated in one area impacts PLA negotiations in other areas of the country. For this reason, it is important that PLAs be reviewed and approved by the Department.

We have streamlined the approval process. You no longer need prior approval before negotiating a PLA. The new procedure is as follows:

1. At the outset of negotiations, the Council must advise the project/construction manager, general contractor or other entity with which it is negotiating that the agreement will become effective only upon approval by the Department.

2. The PLA must contain the following five articles from the Department's model PLA, which is enclosed with this letter:

- | | | |
|----|---|--------------|
| a) | Clearly defined scope | Article II |
| b) | Dispute and grievance resolution procedures | Article VI |
| c) | Resolution of jurisdictional disputes (Plan language) | Article VII |
| d) | Subcontracting language | Article VIII |
| e) | Helmets to Hardhats language | Article IX |

All other provisions are to be negotiated locally.

3. Once negotiations conclude, and before it is signed, the Council must submit the agreement to the Department for approval.

The PLA will be expeditiously reviewed and approved, provided it meets the Department's basic criteria, and returned to the Council for signatures. You are not authorized to sign a PLA that has not been approved by the Department. To reiterate the importance the Governing Board has placed on adherence to this approval policy, the President of each of the Department's affiliated National and International Union has signed this letter. In addition, each President will be sending a letter to his Local Unions advising that they will be held responsible for abiding by the Department's PLA policies. If you have any questions, please contact the Department's Director of Field Services, Giz Kaczorowski.

With kind personal regards, I am

Sincerely and fraternally,



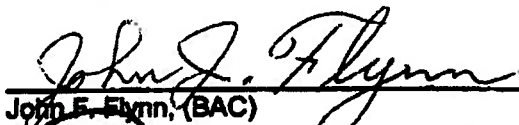
Mark H. Ayers
President

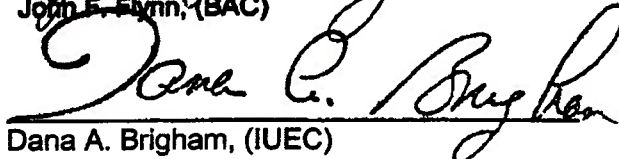
Enclosures

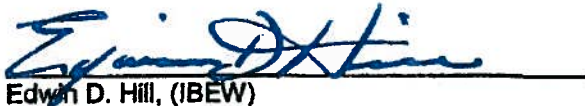
Endorsed By:

Signatures of Presidents

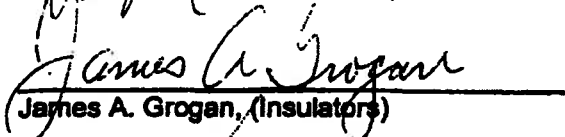

Michael J. Sullivan, (SMWIA)


John F. Flynn, (BAC)

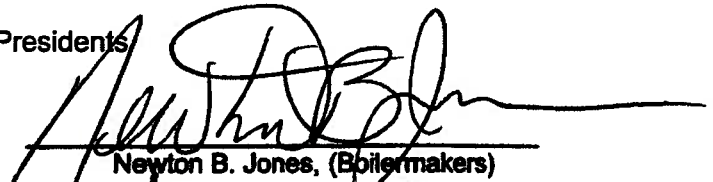

Dana A. Brigham, (IUEC)

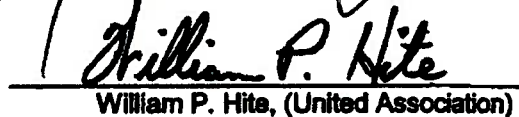

Edwin D. Hill, (IBEW)

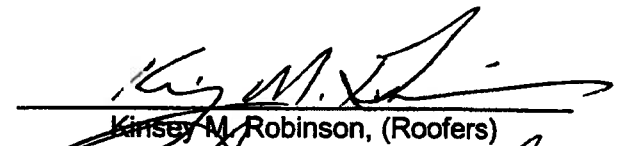

Joseph J. Hunt, (Iron Workers)

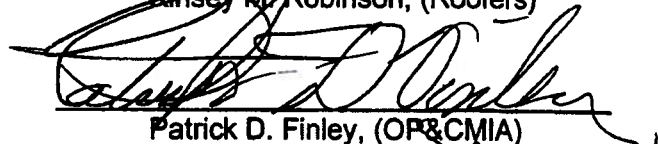

James A. Grogan, (Insulators)

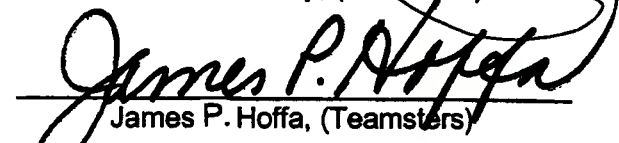

James A. Williams, (Painters & Allied Trades)

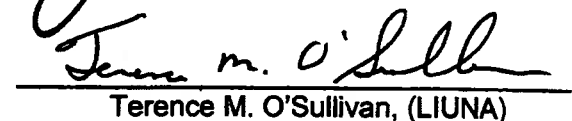

Newton B. Jones, (Boilermakers)


William P. Hite, (United Association)


Kinsey M. Robinson, (Roofers)


Patrick D. Finley, (OP&CMIA)


James P. Hoffa, (Teamsters)


Terence M. O'Sullivan, (LIUNA)