



North America's **Building Trades** Unions

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Special Assistant to  
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# North America's Building Trades

- NABTU represents more than 3 million skilled crafts professionals.
- 14 International Construction Unions.
- Over 330 Provincial, State, and local building trades councils.
  - Councils are composed of our affiliated International's local unions.

# What is a Project Labor Agreement

- Pre-hire agreement negotiated between one or more labor organizations and a project owner or general contractor to establish certain labor standards on a construction project.
- PLAs are specific to projects.
- Typically, there are model PLAs for industry sectors and geographical sectors.

# Frequently Asked Questions About PLAs

**Q- Are non-union contractors allowed to bid on construction projects when the PLA is required by the Executive Order?**

A- Yes, non-union contractors can choose to bid on the project with a PLA and do so without having to sign any local or national union Collective Bargaining Agreement.

**Q- How is a PLA Negotiated?**

A-PLAs are negotiated with the project contractor, whether a general contractor, engineering, procurement and construction (EPC) contractor or construction manager and all subcontractors of any tier are then bound to the PLA as a condition of working on the project.

# North Carolina PLA

- Executive Order PLA
  - The model agreement that is being used and accepted by General Contractors has provisions to ensure competition and allows for growth and comfort for the local construction industry. While meeting the requirements for the Executive Order.
  - This model agreement is being used in North Carolina and other states in the Southeastern United States.
  - Variations depending on job-specific requirements and market.

# How does this PLA work?

- Every contractor must sign a letter of assent.
  - Letter of Assent A
    - For union contractors
    - Contractors that are deemed “habitual bad actors”
    - Nonunion contractors awarded work bidding against union contractors, and the bid was within a certain percentage.
  - Letter of Assent B
    - For nonunion Contractors.
      - Awarded work when no contractor is willing to sign letter of assent “A” or all bids from letter of Assent “A” contractors are over a certain percentage.
    - Nonunion SBA Certified contractor awarded work by Prime contractor under a certain amount of work.



# Letter of Assent A

- Union Contractors
  - Follow CBA for hiring and “Core Employees”
  - Follow rules of the CBA unless superseded by the PLA
- Non-Union Contractors
  - Follow the “Core Employee” provision in the PLA
    - May vary by agreement
      - 1 employee, 1 union, 4 employees, then 1 to 1 until the contractor has placed 30.
        - Foreman and Supervisors do not count toward number.
  - Have to pay Collective Bargaining Agreement Rates
  - Have to follow rules of CBA unless superseded by the PLA

# Letter of Assent B

- Do not have to hire from the union halls
- Have to pay Collective Bargaining Rates
- Only employ independent contractors with prior approval.
- Submit written proof of compliance
- Comply with Work stoppages and lockouts, to guarantee against strikes\*
- Comply with the Disputes and Grievances section of PLA\*
- Comply with Safety and Health, and labor management cooperation\*
- Comply with General Savings Clause\*



# Labor Management Relations FAQ

**Q- How can non-union contractors proactively build relationships with unions?**

A—Non-union subcontractors should be proactive and contact the local union representing employees working in their craft before solicitations, learn about the benefits that union can provide the contractor, including the local building trades council and/or North America’s Building Trades Unions.

**Q- Do unions have staff to answer questions from non-union contractors and small businesses?**

A- Local unions in the building trades have staff and business representatives who can assist non-union contractors. Non-union subcontractors can contact the local union representing employees working in their craft.

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