

PA HOUSE OF REPRESENTATIVES

House Labor and Industry Committee

**Abraham Amorós – PA Legislative Director
*Laborers' International Union of North America***

TESTIMONY

House Bill 1271

August 17, 2011

Good morning, Chairman Miller, Chairman Keller and members of the House Labor and Industry Committee.

Thank you for allowing the Pennsylvania Laborers to present testimony on House Bill 1271. If enacted, this bill would change the definition of maintenance under the Prevailing Wage Act and negatively impact workers wages, health care benefits and pensions in Pennsylvania.

My name is Abe Amorós and I am the PA Legislative Director of the Laborers' International Union of North America. We represent 30,000 members throughout the commonwealth.

As you know, the purpose of the Prevailing Wage Act is to protect workers on public projects by paying them a fair wage based upon experience and training. By protecting workers, the Prevailing Wage Act puts skilled craftsmen to work.

This not only guarantees that the best possible workers are performing highly-skilled work but also protects taxpayers against cost overruns and provides quality craftsmanship and projects – such as highways and bridges – that last longer and are safer to the public.

Prevailing Wage is currently paid on all construction work in Pennsylvania whether it's considered "maintenance" or "construction."

Current wage rates guarantee an honest day's pay for an honest day's work. Even the Commonwealth Court – as recently as last August, agreed that paying Prevailing Wage on maintenance projects was legally binding and upheld a decision rendered by the Pennsylvania Prevailing Wage Appeals Board in a case filed by the Borough of Schuylkill Haven.

In 2008, the Pennsylvania Supreme Court upheld a decision by the Commonwealth Court in the Borough of Youngwood versus the Pennsylvania Prevailing Wage Appeals Board.

The Supreme Court ruled that "maintenance work" is defined as a subset of "repair" which is a component of "public work". Therefore, workers doing repair work should be paid fair wages under the Prevailing Wage Act.

And why should repair work be treated differently? Are repairs considered to be less than less substantial and deserve substandard wages? Of course not. Taxpayers – especially on public construction projects – deserve nothing less than the very best. In the end, the work that skilled craftsmen perform not only saves taxpayers money, but also saves lives.

What House Bill 1271 attempts is to create another law that circumvents an existing one -- that works just fine. It's a law that has been challenged, upheld on several occasions and remains solidly in place. Why keep challenging a law that works?

It doesn't make any sense to intentionally suppress wages for working men and women. You are taking food out of the mouths of children when you do that. Enough is enough with the anti-Prevailing Wage sentiments in Pennsylvania.

House Bill 1271 is based neither in fairness nor sound business practices and is a hostile response to organized labor along with working men and women. Sadly, some of today's business practices have no conscience behind them.

Nothing in this bill helps working people. On the contrary, it sends those skilled workers the message that their work is trivial and that their experience and countless hours in training have very little value. It is a slap in the face to those who work hard every day and put in long hours to support their families.

This bill takes money from people's paychecks and puts in the bank accounts of contractors. It isn't fair. It isn't just and should be viewed for what it is: an effort to hurt workers, weaken labor unions and – ultimately – hurt local economies that benefit from good wages and family-sustaining jobs. You're making your communities poorer. If people cannot afford to stay in their homes, it means less property taxes. School districts cannot function adequately when fewer property taxes are paid. That puts a greater burden on them to raise their taxes to make up for those that they lost. It's a vicious cycle that is also terribly inefficient and near-sighted.

In these perilous times – with unemployment at 7.4 percent in Pennsylvania – we should be working together to support programs that HELP our workers and encourage them to find good jobs.

**House Bill 1271 – undoubtedly – is part of an ongoing effort to suppress wages,
demoralize workers and put unions out of business in Pennsylvania.**

And there is no good that can come out of that, Mr. Chairman.

Thank you.

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