



Keystone Chapter

Written Testimony/Comments: HOUSE BILLS 50, 51, 52 & 53

Good morning Majority Chairman Miller, Minority Chairman Keller, and members of the House Labor & Industry Committee. Associated Builders and Contractors (ABC) is a construction trade association representing the commercial, industrial, and institutional markets with over 25,000 member companies throughout the country. Together with the Central Chapter, the Keystone Chapter boasts over 1,000 member companies covering the Central, South Central and Northern tier areas of the Commonwealth. We are the only construction association that represents equally the entire construction team. Our mission is to be the leading authority in the construction industry and to promote, protect and defend free enterprise. We take great pride in advocating principled competition, safety, education, training, and “green” construction. Combined with ABC Chapters in Eastern and Western Pennsylvania, there are 1700 ABC member companies employing over 50,000 workers. Those companies provide family-sustaining wages and benefits, training opportunities, retirement plans, and many other benefits for the families of those workers. If asked about the most important asset these companies have, the overwhelming if not unanimous response, is their employees.

Many times at many hearings held before this committee, and others, ABC has been labeled as an organization representing ONLY companies and their owners. We would like to mention that within the ABC family we have countless employees serving on various committees involved in ABC projects and helping to shape ABC policy. To say that that ABC speaks only for companies and

owners is a narrow and wishful statement made by organizations desperate to have a greater voice. We would also like to point out that 73.5% of the construction industry in Pennsylvania is not affiliated with a labor union.¹ In fact, union membership for those employed by the unions in the construction industry throughout the country for 2010 was 13.1%.² While ABC does not claim to speak for every non-union company, we strongly believe that our message is universal for all merit shop companies whether they are counted as members or not.

HOUSE BILLS 50, 51, 52 & 53

House Bills 50, 51, 52 & 53 (hereinafter referred to collectively as the "RTW bills"), respectively authored by Representatives Metcalfe, Rapp, Creighton and Cox, offer a commonsense and fair approach to protect workers' rights and to protect the taxpayers from having to pay for services the costs of which should be borne by the benefitting entity.

The RTW bills remove the power from the unions and give it back to the individual worker. It strips away the mandate that a worker must belong to a union or remain a member of a labor organization as a condition of employment. These bills guarantee the individual choice and freedom of the worker. Many workers choose to be a member of a labor organization. This right is strong and protected and should never be eliminated. An equally strong and protected right must take into account the fact that a worker may choose not to belong or pay dues to a union.

Labor organizations make a big assumption during this debate. They assume that they and they alone are the best entity to bargain for and protect the rights of the individual. Regardless of the whether they are or whether they are not is irrelevant. The choice should remain solely an individual's choice to make. At present, that choice does not exist for everyone.

¹ See www.unionstats.com

² United States Department of Labor, Bureau of Labor Statistics, Economic News Release, Table 3. Union affiliation of employed wage and salary workers by occupation and industry, private sector construction for 2010.

ABC strongly believes that we are the best advocate for merit shop contractors. We strongly believe that the services we provide have high value and benefit all of the non-union construction industry. When we successfully advocate, all of the non-union construction industry benefits from our efforts, yet, as the labor organizations are so quick to point out, we do not have all of the non-union contractors as members. Therefore, should non-union contractors be forced to join ABC or be forced to pay fair share dues because what we do ultimately benefits them? The Pennsylvania Chamber of Commerce and the NFIB does great work for businesses and advocates on behalf of all business. They do not have 100% membership. Should every business be made to join the Chamber and or NFIB because they may receive a benefit from their efforts?

The bottom line is America is about choice and America is about individual freedom. If a labor organization is doing its job and providing a service, people will pay for that service. However, that payment should be voluntary. The question best asked is what are the unions afraid of? Do they fear justifying their existence? Do they think so little of themselves that individuals must be forced to join or pay for services?

ABC strongly supports paycheck protection for all American workers. Employees have a right to know how their union dues are spent and have a right to stop money from being taken out of their pockets that is not used for legitimate collective bargaining purposes. ABC supports any effort to enact stricter disclosure and paycheck protection requirements including the right for employees to be able to reduce their union dues and any payments that cannot clearly be shown as legitimate purposes benefiting employees directly.

The bills under consideration by the committee empower the individual. As hard a concept as it is to grasp by the unions, they do not know what is best for the individual worker who should be free to choose whether to be represented. At the very least, there should be in place an opt-out clause that enables the stopping of payments and or representational activities on an individual's behalf.

Open shop employees represent themselves in negotiations. This may come as a surprise to our friends at the AFL-CIO but a highly skilled, highly trained construction professional has a great deal of bargaining power unfettered by having to speak through others.

The construction industry is a unique and very real example of how the system should and does work. Fifty years ago, the unions dominated the industry. Workers wanted to join unions because they represented workers fairly. They fought hard against companies that were mistreating workers. They gained many of the protections we all enjoy today. Safety, training, reasonable work schedules, child labor laws, etc., are all part of a proud organized labor past. The term past is appropriate because today the membership numbers have shifted. No longer is the worker the focus of labor unions. No longer is the worker's best interest job one. Now, the main goal is collecting dues, maintaining power, enabling a few top union bosses to be paid lots of money while the pensions and retirements of the rank and file members are squandered. The construction industry today is unique because each individual worker is absolutely free to be an open shop worker or to go to the local hiring hall and join a union. The statistics mentioned earlier do not lie. Despite numerous attempts, many lies, coercion, salting tactics, empty promises, etc., the construction industry remains over 70% non-union.

Unions are free to exist. People are free to join unions. People should be equally free to choose not to become or remain a member of a union as a condition of employment.

We urge you to favorably consider these bills and give the power of choice to the individual.

Written testimony submitted by: Stephen M. Swarney, Director of Government Affairs on behalf of ABC Keystone and Central Chapters.