



## AGC's PLA Survey - Summary Statistics

President Biden has begun the regulatory process which will require federal prime contractors and subcontractors to engage in negotiation or agree to project labor agreements (PLAs) on federal construction projects valued at \$35 million or more. To inform the federal government and others as to the impact this regulation will have on contractors, AGC of America (AGC) conducted a Project Labor Agreement Survey. This survey was conducted from April 21<sup>st</sup> 2022 until May 5<sup>th</sup> 2022. Nearly 300 AGC member contractors responded to this survey.

Demographic data can be broken out along the following categories: Firms that had previous work experience under a government-mandated PLA, firms that had performed work for federally funded projects, firms that work under a Collective Bargaining Agreement, and firms that had bid or anticipated bidding on projects valued at \$35 million or more.

### What Federal Construction Contractors have to say:

**78%** of respondents selected that they perform, or recently performed, federal construction projects as either a prime contractor or subcontractor. These respondents were separated out and asked what impact E.O. 14063, if any, would have on their willingness and ability to execute federal construction projects.

- **Raise or Lower Cost** – **88%** responded it would **Raise costs**, compared to **0%** responded it would **Lower costs**.
- **Harder or Easier to Subcontract with Small Disadvantaged Businesses** (e.g. VOSB, SDVOSB, SDB, WOSB, HUBZone) – **82%** responded it would be **Harder**, compared to **5%** responded it would be **Easier**.
- **Harder or Easier to find Workers and/or Subcontractors** – **78%** responded it would be **Harder**, compared to **3%** responded it would be **Easier**.
- **Lengthen or Shorten the time to complete projects** – **73%** responded it would **Lengthen**, compared to **1%** responded it would **Shorten**.
- Only **6%** responded **No Impact** and **3%** responded **Unsure** as to whether E.O. 14063 would have an impact on federal construction projects.

### What Contractors that have worked under a Government-Mandated PLA have to say:

**35%** of survey respondents had performed work under a government-mandated PLA. These respondents were separated out and asked whether a government-mandated PLA made it easier or harder for them or their subcontractors to find workers to keep projects on schedule and within budget.

- **67%**, or two-thirds, responded that a government-mandated PLA made it **Harder** to find workers needed to keep their projects on schedule and within budget.



- **10%** responded that a government-mandated PLA make it **Easier**.
- **19%** responded **No Difference**, and **3%** responded **Unsure**.

#### **What Contractors Operating under a Collective Bargaining Agreement have to say:**

**38%** of survey respondents described their company as Sometimes (23%) or Always (16%) operating under a Collective Bargaining Agreement (CBA). These respondents were separated out and asked what effect E.O. 14063 would have on union workforce supply if it were applied on federal construction projects of \$35 million or more.

- **83%** responded the project **Will not** have enough union workers to guarantee on time and on budget delivery because the labor unions are facing shortages among their own ranks.
- **17%** responded the project **Will** have a sufficient number of union workers to guarantee on time and on budget delivery because the labor unions have enough workers ready and available to supply the project.

#### **Additional Highlights from this Survey:**

- **Interest in bidding** – **73%** responded that they are **Not interested** in bidding if there is a government-mandated PLA on a federal construction project, compared to **27%** that responded they are **Still interested** in bidding.
- **Small Businesses** – **41%** responded that their company is a **Small business** under the Small Business Administration's Small Business Size Standard.