

GOOD JOBS INITIATIVE

PROJECT LABOR AGREEMENTS AS TOOLS FOR EQUITY

[Project Labor Agreements \(PLAs\)](#) are pre-hire collective bargaining agreements used in the construction industry, negotiated between one or more construction unions and one or more construction employers that establish the terms and conditions of employment for a specific construction project.

PLAs can include any number of unique terms to help parties achieve their desired objectives. Essential elements of PLAs include:

- provisions that bind all contractors and subcontractors to the agreement;
- no-strike, no-lockout clauses;
- grievance/arbitration procedures;
- the wages and fringe benefits for all workers on a project; and
- a requirement for contractors to hire workers for the project through a union hiring hall that is responsible for supplying skilled labor.

Because PLAs can include any number of unique terms to help parties achieve their objectives, they can be used to ensure equal employment opportunity, create policies that uplift underserved workers, and redress historic and current inequities where the parties agree to do so. PLAs can effectively establish and maintain diverse workforces and partnerships by:

- including goals for hiring local community members, economically disadvantaged workers on projects (such as single custodial parents, individuals experiencing homelessness, individuals receiving public assistance), or workers from other underrepresented communities;
- instituting equity plans;
- implementing strategic recruitment policies for workers from underserved communities;
- requiring participation of small, green, and/or diverse business enterprises;
- [establishing](#) monitoring bodies, employing enforcement mechanisms where appropriate, and requiring the public release of workforce diversity data.

In any agreement, the parties must ensure that their hiring efforts and initiatives comply with anti-discrimination protections for workers and any other relevant laws.

A [recent report](#) on “Diversity, Equity, and Inclusion Initiatives in the Construction Trades” found that frameworks like project labor and community workforce agreements are a common element of successful equity initiatives.

Community Workforce Agreements

Community Workforce Agreements (CWAs) are a type of PLA that includes community-oriented commitments related to equitable workforce development, social justice, small business support, or other issues. Communities around the country have used these types of agreements to ensure that construction projects are effectively completed with a skilled workforce drawing on workers from all backgrounds.

Examples

- In **Boston, Massachusetts**, through a partnership with the Boston Building Trades, a PLA was signed for a large development at Suffolk Downs which permitted direct employment of graduates from the [Building Pathways](#) pre-apprenticeship program, [in which](#) 90% of enrollees are people of color and 43% are women. That PLA also committed to working with minority- and women-owned businesses, created a committee to track and monitor progress of retaining and supporting women and workers of color on the jobsite, and funded efforts to ensure access to affordable childcare for the project workers.



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- In **Los Angeles, California**, through a partnership with Destination Crenshaw, PCL Construction, and the Los Angeles and Orange Counties Building and Construction Trades Council, a PLA was signed for the construction of a 1.3-mile-long outdoor art and culture space. In identifying the components of their efforts to achieve diversity objectives, the PLA creates a reporting mechanism to show recruitment efforts and hiring results and a dedicated outreach and representation strategy to increase the number of underrepresented workers on the project.
- In **Cleveland, Ohio**, the University Hospital entered into a CWA with the Cleveland Building Trades Council that ensured residents of the City would make up 20% of the workforce and utilized a pre-apprenticeship program connected to a vocational high school.
- In **Chicago, Illinois**, the City of Chicago Multi-Project PLA (signed in 2011) set forth partnership expectations between union training programs and Chicago Public Schools. The [PLA](#) established a talent pipeline where unions committed to employing Chicago Public School graduates in “[a]t least 25% of [their] apprenticeships, interns[hips], or other construction-related work opportunities.” This agreement further required “each and every union” to “promptly examine its processes, including but not limited to, its application and testing procedures and locations” to ensure that Chicago Public School graduates could access the apprenticeship opportunities. Under the agreement, all Joint Apprenticeship Training Committees had to make yearly reports about the total number of apprenticeship applications received, the number of Chicago Public School apprenticeship applications received, and other relevant indicators of success in building the applicant pool to meet the objectives of the PLA.
- In **Seattle, Washington**, the City of Seattle, the Seattle Building and Construction Trades Council, and the Northwest National Construction Alliance II established a CWA that includes a priority hire agreement for residents in economically distressed ZIP codes, people of color, and women. After eight years, half of all priority hire apprentices and almost a quarter of journey workers [have been](#) people of color.
- The City of **Portland, Oregon** adopted a CWA for a project centered on clean energy upgrades for homeowners designed to support and grow green businesses and businesses owned by historically disadvantaged or underrepresented groups.



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