



Community Workforce Agreements

What is a Community Workforce Agreement?

Community Workforce Agreements, also called Project Labor Agreements, are legally-binding pre-hire agreements between a contractor and local labor organizations for specified construction projects. The agreements set standards for pay and benefits, quotas for local hiring and incorporate community interests. The Agreements are aimed at addressing specific community needs, some of which include provisions for minority and at-risk hiring as well as obtaining minority business support. The Agreements vary between each project, but most include guaranteeing no-strikes or lockouts, providing alternative dispute resolution procedures, determining worker conditions and hiring through a union referral system or by utilizing apprenticeship programs.

Why are they important?

These agreements are important because they focus on job access and job quality for under-represented communities. The best CWAs set explicit hiring goals and include real accountability and evaluation. The goals usually include a specific percentage of the total workforce from a targeted category of workers and apprenticeship programs. For example, Portland's provisions required at least 80% of the workforce to come from the local population and 30% of the workforce from historically disadvantaged or underrepresented groups. In order to ensure accountability, CWAs include reporting requirements with regularly scheduled evaluations for the duration of the project. Many of the CWAs also establish oversight committees tasked with monitoring the implementation of the hiring targets, such as the Social Justice Committee established by Oakland's MAPLA agreement.

Community Workforce Agreements are centered on creating opportunities for members of the local community. The construction industry is able to offer competitive opportunities to individuals with no formal education because apprenticeship programs are able to develop the skills necessary for the jobs. Furthermore, as CWAs can be negotiated by the construction user, public institutions, such as the city council and school boards can promote socioeconomic goals by leveraging their investments in the project. For example, the influence of the Los Angeles school board resulted in the implementation of school-to-work programs for Los Angeles students. According to the AFL-CIO, CWAs are effective tools to build new career ladders in the building trades by expanding the union markets. Targeted hiring programs change the political environment by creating a channel of new workers who can build a labor-community

partnership.¹ Furthermore, the apprenticeship programs utilized are tools in providing community members with lifetime careers past the duration of the project.

CWAs are beneficial to all of the parties involved. For owners and contractors, CWAs provide a stable, highly trained workforce and reduce uncertainty about the project. CWAs provide a labor management model that produces job efficiency by establishing all the terms and expectations upfront. CWAs also ensure an uninterrupted supply of workers which keeps projects on schedule allowing the parties to more accurately predict labor costs and production timetables. Owners also benefit from direct costs savings by avoiding renegotiations, implementing low-cost works schedules, and holding dispute resolution processes. The joint union-contractor apprenticeship programs save owners money as higher quality workers are less likely to be involved in job-site accidents or make costly mistakes. Many private owners have realized the benefits of the CWAs and have become repeat users of these agreements.² In fact, Toyota has used project labor agreements for all of the construction on its North American manufacturing facilities and has indicated that its costs are one-third less of their competitors.³ For workers, the CWA provides job security as pay rates and benefits are negotiated upfront. Most CWAs require the pay rate to be a family-supporting pay rate, usually a significant percentage above the state's minimum wage. Unlike many construction projects, the CWAs ensure that the workers have health benefits and provide adequate safety training. Some even establish special committees to respond to safety and health concerns.

What do they have to do with the American Recovery and Reinvestment Act?

The ARRA, or the Stimulus Bill, set aside \$787 billion toward job creation and preservation, with a focus on the construction industry. The funds are used in the transportation sector, for energy and technology initiatives, environmental and water infrastructure and to construct federal facilities and public schools. Federal funded projects under the ARRA must meet certain requirements related to (1) wages and benefits; (2) labor unions; (3) equal employment opportunity; and (4) immigration. The ARRA requires employers to pay a prevailing wage and specified benefits. On top of these guidelines, the President has issued four executive orders that provide labor organizations with the tools to increase union participation. The first three orders essentially reversed the Bush administration policies, but the fourth authorizes executive agencies to require employers on large scale construction projects to negotiate a project labor agreement (community workforce agreement) with one or more labor unions.⁴ To further the implementation of the executive order, the Middle Class Task Force organized an Inter-agency PLA (Project Labor Agreement) Working Group to provide technical assistance to agencies on PLAs.

¹AFL-CIO, Community Workforce Agreements: The Pathway to Coalitions Between Labor and Community 8 (2010).

² <http://plaswork.org/Impact/Contractors-Owners-Developers-and-Construction-Use.aspx>

³ Id.

⁴ Littler, An Employment Law Guide for Federal Contractors in the Wake of the American Recovery and Reinvestment Act of 2009, 11, (2009).

What are some examples?

Community Workforce Agreement on Standards and Community Benefits in the Clean Energy Works Portland Pilot Project

The city of Portland assembled a group of stakeholders to create a CWA for the city's Clean Energy Works Portland (CEWP) project which is centered on energy upgrades for homeowners in the city. The Agreement's stated objectives are creating economic opportunities and career pathways for historically disadvantaged or underrepresented people, including people of color and women, and to growing green businesses and a green economy. The agreement's goals are to hire at least 80% from the locality and at least 30% from historically disadvantaged or underrepresented groups, to set the wages at least 180% of the state minimum wage, strive to ensure the employees have access to adequate and affordable health insurance, to obtain at least 20% of business participation from businesses owned by historically disadvantaged or underrepresented people and to make resources for continuing education and certification available. Requirements for contractors include hiring 100% of new workers from a designated training program, allowing collective bargaining representatives and labor organizations, and completion of an approved cultural competency and inclusive harassment-free workplace training. In order to reach the stated goals, the agreement established a contractor pool which scored applications based on a number of attributes indicative of an applicant's commitment to the goals. The agreement also calls for the use of a qualified training program and details the qualities an acceptable program should have: health and safety training, defined partnerships with pre-apprenticeship programs and community organizations that serve historically disadvantaged groups, and mentorship to assure participants stay in the program. The agreement outlines the importance of assistance to the business, contractors; and the training programs lists specific support measures that each of the entities should receive. The Agreement ends with an accountability section that establishes a stakeholder Evaluation and Implementation Committee that set standards, community benefits, accountability strategies and evaluates progress toward the standards. The Committee is required to represent a mix of the stakeholders and to be comprised of at least 50% of historically disadvantaged or underrepresented people.

Los Angeles Unified School District Project Stabilization Agreement- New School Construction and Major Rehabilitation

This Community Workforce Agreement covers over \$20 billion in school upgrades and new construction that is overseen by the Los Angeles school district. The bulk of the agreement deals with union provisions and worker disputes including rules on strikes and dispute resolution processes. While the agreement does not set any guidelines specifically for race or gender, it does focus on hiring a local workforce from apprenticeship programs. The CWA requires 50% of the work hours to be performed by residents of the area's eight school districts. The Agreement does provide a requirement for 10% of workers to come from a "disadvantaged" group which the agreement defines as someone whose income is less than 50% of AMI and faces on these barriers to employment: being homeless, receiving public assistance, having a history of involvement with the criminal justice system, suffering from chronic unemployment, being a

custodial single parent or lacking a GED or high school diploma. The agreement requires the contractor to document all good faith efforts to employ local residents, apprentices and disadvantaged workers. The agreement also has a 30% target for hiring to come from apprenticeship program with an emphasis on recruiting veterans into the trade. The Union and Employers agree to coordinate with the Center of Military Recruitment, Assessment and Veterans Employment to facilitate entry by veterans. The Agreement establishes two committees to monitor compliance with provisions of the Charter and the Administrative Code, including the prevailing wage and requirements of the Charter, Community Area and Local Residents, Disadvantaged Workers, Local Resident Apprentice hiring compliance and the affirmative action provision of the Administrative Code.

The Maritime and Aviation Project Labor Agreement for Modernization of the Port of Oakland (MAPLA)

This CWA began in 2001 and has covered over a billion dollars of large infrastructure projects. The agreement includes targeting hiring components; a requirement that 50% of all construction hours be completed by residents of the Port's local impact area, and a requirement that 20% of all hours completed to be performed by apprentices from the local impact area. The agreement created a Social Justice Committee to implement and monitor the progress of social justice initiatives. The committee is responsible for assessing obstacles for the inclusion of historically disadvantaged workers into construction opportunities and is tasked with recommending solutions to overcome those obstacles. The appointed representatives must include local, minority and family business organizations and community-based organizations. In 2007, over 31% of the work hours had been completed by local residents, and 6.2% of the hours had been completed by apprentices.