

TESTIMONY Pg. 1 – LABOR COMMITTEE – February 24, 2015 Middletown City Hall 6 p.m.

Re: S.B. 113 – An Act Exempting Certain Municipal Projects from Prevailing Wage Requirements and H.B. 5071 AAC Modernization of the Prevailing Wage Laws (plus S.B.180, 181, 182, and H.B. 5072,5073, 5074,5075,5076,5078,5079,5208,5209,5440,5441,5510,5511,5515,5516,5613,6250,6251,6650 , and 6666)

Submitted by: Joyce A. Wojtas, Mechanical Contractors Association of Connecticut

The Mechanical Contractors Association strongly opposes all Prevailing Wage Bills listed on the agenda that make any changes to the state's existing prevailing wage laws. Connecticut has some of the highest prevailing wage thresholds in the country and yet, year after year, attempts are made to increase thresholds or exempt certain contracts from compliance based on false information that great savings on projects will materialize by enacting these changes. The facts are: (1) labor costs (wages) on most construction contracts represent about 27 – 30 percent of the cost of the project, and (2) material costs represent the remaining 70 – 73 percent of the project cost. The cost of materials provides practically no wiggle room for price reductions. To realize any savings, (such as the 30% mentioned repeatedly by certain proponents of these bills) drastic cuts to wages would have to be made to the pay checks of the construction workers. Other important facts are:

THE PREVAILING WAGE LAW BENEFITS BOTH UNION AND NON-UNION WORKERS AND PROMOTES:

A QUALITY STANDARD OF LIVING WITH HEALTH AND PENSION BENEFITS FOR CONSTRUCTION WORKERS AND THEIR FAMILIES

FAIR AND COST-EFFECTIVE STATE AND MUNICIPAL CONTRACTING WITH ADHERENCE TO FREE MARKET PRINCIPLES

PRODUCTIVITY IN THE CONSTRUCTION INDUSTRY – A SKILLED CONSTRUCTION LABOR FORCE RESULTING IN SAFER WORK SITES AND QUALITY INFRASTRUCTURE AND OPPORTUNITY FOR A CAREER IN THIS VOLATILE INDUSTRY

QUALITY APPRENTICESHIP TRAINING PROGRAMS – BOTH THE CONSTRUCTION UNIONS AND THE UNION CONTRACTORS PAY FOR TRAINING THEIR APPRENTICES. NEITHER THE STATE OR ANY MUNICIPALITY PAYS FOR THESE APPRENTICESHIP TRAINING PROGRAMS

OVERALL ECONOMIC BENEFITS FOR FAMILIES, THEIR COMMUNITIES AND THE STATE

Many talk about prevailing wages as though they are the evil of all evils and that they alone drive up the cost of all public construction projects. In actuality, prevailing wage laws, both federal and state, have raised the standards of the construction industry considerably and reduced overall costs of construction in the long run. **Prior to enactment of prevailing wage laws, construction was an industry plagued with an unskilled-transient workforce subjected to injury and death throughout history on construction of many of the highways, bridges, dams, and public building across this country.**

Most contracts for public works projects are competitively bid and a contract is awarded to the lowest, responsible, qualified bidder. **Without mandatory prevailing wages, competitive bids would depress the wages of the workforce and in turn discourage the workforce efficiency, productivity, skill and imagination that we have today in the construction industry. More qualified people (both union and non-**

union) are attracted to this high-risk, safety-sensitive industry today, mainly due to the prevailing wage laws. The industry offers well-paying jobs and good benefits for the physically demanding and high-skilled jobs in today's world. Construction today is not the "pick and shovel industry" of yesteryear.

Higher thresholds in the prevailing wage law are certain to attract more out of state contractors who can underbid most resident contractors on the smaller, short-term jobs. Lower wages attract an inexperienced, transient workforce which could result in lesser quality work and more injuries on the job.

In addition, most construction workers do not have the privilege of working 52 weeks a year. Any reduction to construction sector income would cause hardship for many, would reduce demand for local products and services in the workers' communities and reduce state income in taxes paid by those workers. A reduction and/or elimination of health and pension benefits will increase costs to the state and municipalities in the long term. Remember, these workers are your neighbors and friends who will be at risk of losing jobs to out of state workers or receiving drastic pay cuts if changes are made.

WE ASK FOR YOUR CONTINUED SUPPORT FOR CONNECTICUT'S PREVAILING WAGE LAWS!!!

REJECT ALL THE PREVAILING WAGE BILLS ON TODAY'S AGENDA AND ANY OTHER ATTEMPTS TO TAKE THE BREAD AND BUTTER OFF THE TABLES OF CONNECTICUT'S CONSTRUCTION WORKERS.

THANK YOU FOR YOU CONSIDERATION OF OUR POSITION ON THESE BILLS.

For additional information contact: Joyce Wojtas, Mechanical Contractors Association of CT.

joyce.wojtas@outlook.com Cell 860-280-4623