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Prevailing Wage Repeal Gets Hot Reception In House

A House committee kicked off hearings today on repealing the state's prevailing wage law amid the muddled chants of hundreds of construction workers shut outside the committee doors.

Union laborers said afterward they are genuinely concerned the House will move a prevailing wage law repeal. There's good reason.

House Speaker Jase BOLGER (R-Marshall) told MIRS this afternoon he's serious about moving a Rep. Bradford JACOBSEN (R-Oxford) bill to eliminate the 1965 law ("Unions Knock Doors Against Prevailing Wage Bill," 2/16/11).

"But I respect that the Legislature is a partner in this and will set its agenda," Snyder said.

"I hope what this says is that we're serious about making Michigan a competitive place to provide a job," Bolger said.

Inside the committee room, Chris FISHER of the Associated Builders and Contractors (ABC) and the Mackinac Center's director of labor policy, Paul KERSEY, told the House Oversight, Reform and Ethics Committee, Michigan could save \$250 million in local, state and school construction costs by eliminating what they called the "artificially inflated wage mandates" on public projects.

As laborers chanted, "Let us speak" outside, Fisher and Kersey argued inside that 42 other states either don't have prevailing wage laws or have laws much weaker than Michigan's. They claimed Michigan could save 10 to 15 percent off public infrastructure projects by following suit.



Hundreds of union members gathered in and around the Anderson House Office Building for a hearing on the prevailing wage.

"Act now and save," Fisher said.

He found a predictably sympathetic ear in Chair Tom MC-MILLIN (R-Rochester), who saw a prevailing wage repeal as a job creator.

"Immediately, we'd put more people to work with the same dollars," McMillin said.

Under the state's 45-year-old Prevailing Wage Act, workers on public construction projects are required to make at least

the average union salary pulled in by similar workers in a similar field in that particular region.

Rep. Lisa BROWN (D-West Bloomfield) challenged the findings of the surveys Fisher and Kersey produced, quoting a University of Utah study written by Peter PHILLIPS that concludes worker training goes out the window when prevailing wage is eliminated and contractors engage in "cut-throat" bidding.

The results, his study found, was that accidents is 25 percent lower in state with prevailing wage laws and 35 percent lower in states with the strongest and best-enforced prevailing wage law.

Kersey argued that the Phillips study is "on an island" and that accidents and worker safety issues are the responsibility of occupational and worker safety programs and have nothing to do with prevailing wage.

"It's a silly use of funds at a time when the state is having a terrible time balancing its budget," Kersey said.

Still, Brown walked out of today's hour-long meeting un-

impressed. Testimony cards were presented from some 200 union laborers, but none were called to testify. McMillin made it clear that there were no bills before the committee. When there were, he would let anyone speak to them. The purpose of today's hearing was to get "background on the issue."

"I think it's a shame that all these people drove all this way and they weren't allowed to speak," Brown said said.

Asked if she thought today's testimony changed anyone's mind on the issue, Brown grinned before saying, "I don't think so."

Regardless, the laborers from all of the state's 15 internationally recognized trade unions made sure their voices were heard. About 30 minutes into the meeting, those who weren't able to get into the cramped 3rd floor room at the House Office Building began chanting, "Let us speak."

McMillin ordered the committee door closed, which only made the folks in the hall chant louder. Somehow,

the laborers found their way into the hallway the legislators use to enter and exit the committee room so the muddled chant could be heard in stereo.

Inside the committee room, outside of the occasional snickers and snide comments that the Mackinac Center's work was "bullshit," the laborers were well behaved, only needing to be gaveled down for one outburst in support of a Brown comment.

If he were given a chance to talk, Pat DEVLIN, secretary treasurer of the Michigan Building Trades, said his message would have been simple.

"Skilled labor doesn't come cheap and cheap labor doesn't come skilled," Devlin said. "What we heard today was nothing but B.S."

Eliminating the prevailing wage law will lead to cheap work done by unskilled and possibly undocumented workers, he said.