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UNDER CONSTRUCTION

The Boston Globe

Protecting monopoly

March 26, 2009

IN HIS op-ed defending project labor agreements ("<u>Unions a stabilizing force</u>," March 22), Mark Erlich claims that that our first 2003 study of school building projects had to be "completely revised" following "a stinging critique of the data, methodology, and conclusions." The fact is that we updated that study when several additional months of investigation permitted us to double the number of schools in our sample. In the second study, we found that PLAs added 14 percent to the minimum project bid, rather than 17 percent, as in our original study. Somehow, Erlich did not feel compelled to recognize that finding, or our finding, in subsequent studies that, for school building projects in Connecticut and New York, PLAs increased bids by 15 percent and 20 percent, respectively.

PLAs and the Prevailing Wage Law are aimed at protecting the union monopoly over the minority of construction workers who belong to unions. The effect of that monopoly is to limit the number of construction projects that can be undertaken and to limit the number of construction workers who can be hired - a result that gives the lie to Erlich's hypocritical expression of sympathy for blue-collar workers.

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