



December 2024

# Project Labor Agreements: Best Practices for Both Project Success and Increasing Inclusion of Women in Construction Trades

## Overview

With historic levels of public investment in infrastructure over the next ten years involving many large-scale construction projects, Project Labor Agreements present an opportunity to achieve multiple goals. PLAs can both 1) foster project success by, among other factors, connecting project owners to a skilled workforce and robust existing training infrastructure, and 2) increase opportunities for underrepresented and economically marginalized populations to access high-quality construction trades jobs. **This brief examines best practices, illustrated with examples, for how PLAs can include terms that effectively support both goals, with an emphasis on strategies that improve workforce access and success for women in construction trades.**

## About Project Labor Agreements

**A project labor agreement (PLA) is a type of collective bargaining agreement in the construction industry most commonly used in large-scale projects.**<sup>1</sup> PLAs are generally negotiated before construction begins and are intended to provide a legally binding and enforceable contract primarily related to labor conditions and labor-management relations. Negotiations for PLAs generally occur between one or more labor unions and a project owner/manager. Contractors working on the project typically abide by the terms of the PLA.

**PLAs have numerous benefits proven to contribute to project success and quality jobs.** PLAs are an effective tool to ensure the efficiency, quality, and timeliness of large-scale construction projects. They typically bind all contractors and subcontractors to no-strike/no-lockout clauses and detail arbitration and grievance procedures. PLAs normally specify wages and fringe

---

<sup>1</sup> Project Labor Agreement Resource Guide, U.S. Department of Labor: <https://www.dol.gov/general/good-jobs/project-labor-agreement-resource-guide>

benefits for all workers on a project and may include requirements regarding health and safety, hiring registered apprentices, and hiring from union halls.

## PLAs and Building an Inclusive Construction Workforce

**PLAs can set in motion effective strategies to create access to good-quality jobs for underrepresented populations on the project.** Attracting and retaining individuals from communities that are historically and significantly underrepresented in construction is a strategy to avoid workforce shortages. It is simultaneously a strategy towards translating infrastructure investments into shared economic benefits.

**Women are one demographic group that has long been significantly underrepresented in the construction trades.**<sup>2</sup> Women made up only 4.3 percent of construction and extraction occupations in 2023. Progress to increase women’s representation has been slow: 4.3 represents roughly 50 percent growth since 2003.<sup>3</sup> Women are also underrepresented among construction trades apprentices. Most women joining construction trades apprenticeship programs do so through union apprenticeship programs.<sup>4</sup> The vast majority of strategies to increase inclusion of women in the construction trades can also effectively increase opportunity for numerous underrepresented demographic groups and economically marginalized populations, including people of color, veterans, people with disabilities, residents of disadvantaged communities, people who have been incarcerated, and other underserved communities. Additionally, these strategies can be used for other types of negotiated workforce agreements, including community benefits agreements and community workforce agreements.

## Best Practices and Key Provisions to Foster Project Success and Increase Workforce Opportunities for Underrepresented Populations in the Construction Workforce

The Departments of Commerce and Transportation have identified the following best practices and key provisions for contractors and unions to consider in developing PLAs.

### 1. Identify shared goals for the use of PLAs, such as:

- Expediting the construction process and otherwise minimizing disruption to the project.

---

<sup>2</sup> “Building for the Future: Advancing Equal Employment Opportunity In the Construction Industry,” U.S. Equal Employment Opportunity Commission, May 2023: <https://www.eeoc.gov/building-future-advancing-equal-employment-opportunity-construction-industry>

<sup>3</sup> Data are from 2003 and 2023 versions of Current Population Survey, table 11 (Employed persons by detailed occupation, sex, race, and Hispanic or Latino ethnicity” See: <https://www.bls.gov/cps/aa2003/cpsaat11.pdf> and <https://www.bls.gov/cps/cpsaat11.pdf>

<sup>4</sup> “Building for the Future: Advancing Equal Employment Opportunity In the Construction Industry,” U.S. Equal Employment Opportunity Commission, May 2023.

- Providing for the efficient, safe, high-quality, and timely completion of the project.
- Avoiding costly delays from labor unrest and promoting labor harmony for the duration of the project.
- Standardizing certain terms and conditions governing the employment of labor for the project.
- Maximizing safety conditions.
- Ensuring intentional steps are taken to create inclusive opportunities for underrepresented populations to access construction trades jobs on the project.

**2. Include terms that focus on inclusive pathways to jobs through intentional recruitment, hiring, and retention practices, such as:**

- Setting aspirational goals for hiring workers from economically disadvantaged or underserved communities.
- To the extent permitted by the Bipartisan Infrastructure Law and other federal, state, and local laws, implementing geographical or economic hiring preferences on projects assisted by the U.S. Department of Transportation.
  - Hiring preferences are one way to advance the Biden-Harris Administration’s Justice40 initiative, a whole-of-government initiative that directs 40 percent of benefits from covered programs to flow to disadvantaged communities (DACs).<sup>5</sup> Hiring preferences can set a goal that 40 percent of all labor hours or of apprentice labor hours should go to residents of disadvantaged communities.
- Reaffirming compliance with Executive Order 11246, which requires contractors on federal and federally assisted construction to engage in efforts to broaden the pool of qualified candidates to include people of color and women.
- Setting an apprenticeship utilization goal by trade (e.g. 10 to 20 percent labor hours to be performed by registered apprentices).
- Supporting pre-apprenticeship programs that provide critical on-ramps to registered apprenticeships, and establishing goals for hiring registered apprentices on projects. For example:
  - Making investments into pre-apprenticeship programs to assist individuals from historically underrepresented and underserved communities in establishing careers in the construction industry (e.g. investing a few cents per labor hour of work on the project in pre-apprenticeship programs).
  - Establishing a goal that 10 to 15 percent of total apprentice labor hours are performed by apprentices who have completed a pre-apprenticeship program, including programs that serve women and other underrepresented populations.

---

<sup>5</sup> OMB’s Interim Implementation Guidance defines a disadvantaged community as either: (1) Geographic: a group of individuals living in geographic proximity (such as census tract), or (2) Common condition: a geographically dispersed set of individuals (such as migrant workers or Native Americans), where either type of group experiences common conditions.

- Establishing an Access and Opportunity Committee to implement and monitor the progress of hiring goals and equal employment opportunity provisions. See [this resource](#) from the Department of Labor.
- Ensuring that funds are dedicated to—or partnerships are built to support—supportive services, such as childcare, housing, transportation, and equipment fees.
- Setting terms that focus on safety, health, and working conditions, such as:
  - Requiring accessible, clean, and secure spaces (e.g., restrooms) for all workers.
  - Requiring appropriate personal protective equipment and tools in a range of sizes.
  - Allowing job modifications for pregnant workers and providing secure and sanitary places to pump for nursing workers. For information on Fair Labor Standards Act (FLSA) protections to pump at work, see [this resource](#) from the Department of Labor. The Pregnant Workers Fairness Act (PWFA) and the PUMP for Nursing Mothers Act further extend workplace protections for pregnant and nursing workers.
  - Incorporating policies and training to prevent and address discrimination as well as gender-based violence and harassment, bullying, and workplace violence. This should include procedures for an independent and confidential reporting process, investigating and adjudicating complaints, an anti-retaliation policy, and training requirements for all workers, including managers and supervisors. This could include engagement of an ombudsperson.
  - Incorporating harassment, bullying, and workplace violence policies into safety and health provisions.

## Examples of Projects using PLAs to Avoid Workforce Shortages and to Support Inclusion of Women in the Construction Workforce

### Transportation-Related Project Examples

The San Diego Association of Governments has an existing community benefits agreement that includes registered apprenticeship utilization requirements along with hiring goals for individuals from economically disadvantaged communities and for those who have historically experienced significant barriers to employment. The Workforce Opportunities for Rising Careers pre-apprenticeship program provides priority to “disadvantaged and targeted workers” (as defined in the CBA) to receive first consideration for hiring on projects as part of the community benefits agreement.<sup>6</sup>

The City of Seattle, the Seattle Building and Construction Trades Council, and the Northwest National Construction Alliance II established a community workforce agreement (CWA) that includes priority hire for residents in economically distressed ZIP codes. Also, Seattle has a preferred entry provision in its CWA (Article XV) to preference hiring from the pre-

---

<sup>6</sup> SANDAG, “Community Benefits Agreement,” <https://www.sandag.org/about/work-with-us/community-benefits-agreement>

apprenticeship programs and requires they make up at least 20 percent of apprentices on projects.<sup>7</sup>

## Semiconductor Manufacturing Related Examples

In February 2024, the U.S. Department of Commerce announced \$1.5 billion in proposed direct funding for GlobalFoundries (GF), headquartered in Malta, New York. The proposed funding would support three projects, including expansion of manufacturing capacity at GF's New York facility and the modernization of GF's Vermont facility. GF plans to undertake the construction and modernization work under PLAs, which include goals for participation of women and minority-owned businesses/suppliers as contractors and for their placement directly within the workforce as well.

In April 2024, the U.S. Department of Commerce announced up to \$6.14 billion in proposed direct funding for Micron Technology's semiconductor construction projects in Clay, New York and Boise, Idaho. The projects will operate under PLAs, both of which emphasize workforce training through registered apprenticeships and hiring veterans and local workers. For example, the New York PLA includes a partnership with a local pre-apprenticeship program, Pathways to Apprenticeship, including a payment to the program for each craft hour worked on the project.

## Federal Government Resources

[Building for the Future: Advancing Equal Employment Opportunity in the Construction Industry](#) (U.S. Equal Employment Opportunity Commission; May 2023): The report begins with a brief overview of construction careers and the underrepresentation of women and certain racial and ethnic groups in the industry, both generally and in the higher-paid, higher-skilled construction trades. It then discusses employment discrimination based on race, sex, and national origin in the construction industry through the lens of the EEOC's publicly resolved cases over the past decade. The report concludes with strategies for more effectively advancing equal employment opportunity in construction.

[Project Labor Agreements as Tools for Equity](#) (U.S. Department of Labor): This resource, from the Good Jobs Initiative, discusses ways that PLAs can include unique terms to help parties achieve their desired objectives, including establishing and maintaining diverse workforces and partnerships.

[Million Women in Construction Initiative](#) (U.S. Department of Commerce): Learn about the Mission Women in Construction Initiative, announced by U.S. Secretary of Commerce Gina Raimondo, that aims to help build a new inclusive American workforce by bringing more women into the construction industry.

---

<sup>7</sup> City of Seattle with Seattle Building and Construction Trades Council and the Northwest National Construction Alliance II, "Community Workforce Agreement," September 30, 2021: <https://seattle.gov/documents/Departments/FAS/PurchasingAndContracting/Labor/fully-executed-2021-city-of-seattle-CWA.pdf>

[About Community Benefit Plans](#) (U.S. Department of Energy): The Department of Energy (DOE) requires community benefits plans (CBPs) as part of all Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) funding opportunity announcements (FOAs) and loan applications. This FAQ details numerous strategies that applicants can use to demonstrate in their CBPs steps to increase participation of women, economically disadvantaged individuals, and/or local workers in the construction component of the project.

[Investing In America: Best Practices to Expand Access to Jobs and Economic Opportunity Through Transportation Infrastructure Investments](#) (U.S. Department of Transportation): This report includes detailed recommendations on how state and local transportation agencies can expand access to jobs and opportunity for several underrepresented groups, including women, young people, justice-involved individuals, and people of color. The report also explains how DOT has been successful in getting more transportation agencies to include workforce plans for their projects and to make use of tools such as local and economic hiring preferences.

[Project Labor Agreements: A Best Practice for Clean Energy Projects Seeking to Meet IRA Wage and Apprenticeship Standards](#) (U.S. Department of the Treasury): This article provides an overview of final rules from the Treasury Department and the Internal Revenue Service for implementing key provisions of the IRA so the jobs created in the clean energy economy are good-paying, high-quality jobs and support a robust, diverse pipeline of highly-skilled and trained workers. Specifically, the final rules encourage developers to consider use of project labor agreements to help projects comply with the prevailing wage and registered apprenticeship (PWA) provisions of several clean energy-related tax programs.