

# Five ways Project 2025 would harm construction workers

Donald Trump's Project 2025 includes a long list of proposals that would lower wages, cut benefits, limit job opportunities, and increase risks of workplace injuries, discrimination, and wage theft for construction workers. Here are just five of the ways Project 2025 hurts construction workers.

### Driving down wages and benefits

Project 2025 proposes slashing construction worker wages and benefits by repealing the Davis-Bacon Act (p. 604). Since 1931, this important law has ensured workers on federally funded construction projects are paid at least the local prevailing wage, including benefits. In a highly competitive industry rife with wage theft and illegal misclassification of workers, Davis-Bacon prevailing wage rules are key to ensuring workers on major federal infrastructure projects are paid fair wages while simultaneously ensuring that public investments yield high-quality work. The system also helps stabilize construction wage rates across regional labor markets, so that even when not employed on a federally funded project, all construction workers benefit from the "ripple effect" of prevailing wage standards when applied in their communities.

### Weakening apprenticeship training and limiting job opportunities

Project 2025 directly attacks U.S. Department of Labor standards for apprenticeship training programs that provide reliable <u>pathways to living-wage jobs in construction</u>. These standards provide essential quality control over training curriculum and instruction, helping guarantee that apprentices gain the skills and safety training necessary to attain complex jobs in hazardous occupations. Federal standards also guarantee that apprenticeship graduates earn a fully portable, nationally recognized credential that opens doors to employment across regions and job sites.

Project 2025 proposes allowing employers to make up their own rules on what counts as an "apprenticeship" under a system where "industry associations" or "religious organizations" could get federal approval (and even federal funding) to run their own training programs without adopting tested federal training standards (p. 594-595). This would incentivize unscrupulous contractors to pad profits by

EPI ACTION

1225 Eye St. NW, Suite 600, Washington, DC 20005

cutting corners on training and creating a supply of cheap, short-term labor rather than investing in the development of skilled, career construction workers qualified to work on a wide range of jobs.

## Making it harder for women and workers of color to pursue skilled trades jobs

Labor unions and partners across the country are making unprecedented progress in promoting opportunities for women and workers of color to join apprenticeship training programs in skilled construction trades. Project 2025 would stop this progress in its tracks, ending oversight of federal contractors who discriminate on the basis of race or gender in hiring, and sanctioning a return to outdated industry norms that have long excluded women and workers of color in construction labor markets (p. 584).

### Taxing health insurance and other workplace benefits

Project 2025 would impose a tax on any workplace benefits worth more than \$12,000 per year, incentivizing employers to cut back on health insurance, retirement, and other benefits (p. 697). This proposal would tax the benefits of an estimated 15 million workers and disproportionately impact unionized construction workers who typically negotiate high-quality health insurance and retirement benefits that help contractors recruit and retain skilled workers.

### Eliminating project labor agreements on federal projects

Project 2025 proposes ending all requirements for project labor agreements (PLAs) on federal construction projects (p. 604). PLAs are widely used in the construction industry to establish minimum standards for employment and to prevent work stoppages, improving efficiency and quality outcomes on large projects. On some major federal projects, the Biden-Harris administration has required PLAs to ensure that taxpayer-funded infrastructure projects generate good jobs, and because PLAs are effective mechanisms to control costs and ensure timely project completion. Ending PLA requirements will remove any guarantee that major federal infrastructure investments result in good jobs and quality construction, while increasing the likelihood that large federal contracts could be awarded to contractors who cut corners on training, wages and benefits, safety, and quality.