

Responsible Contractors

By our definition, a responsible contractor pays a fair wage and PROVIDES benefits to their employees. There is a difference between providing benefits and offering them. While many construction companies offer health care plans, along with 401 k's, a good share of employees cannot afford the plans because of bottom dollar wages. This allows contractors to skate on their responsibilities of providing benefits, and in effect is a drain on social programs. This is an example of corporate welfare that the State of Vermont cannot afford and should not be a party too. Responsible contractors provide defined benefits that are employer paid including Health Care, pension plans, and Annuity's to ensure saving for the future.

As the State Prevailing Wage stands now, it only reflects wages, with no benefits. This has become an obstacle for "responsible" contractors who would like to bid on state funded projects as they cannot compete with contractors who only "offer" benefits.

A recent example is the Waterbury State office complex. I was unable to get responsible contractors (General Contractors and Subcontractors) to bid this project because they could not compete with the Wages set by the State. Again, with no benefits included in the wage determinations, their chances of winning contracts are not worth the cost of estimating and bidding. Essentially, the state prevailing wage prevents responsible contractors from bidding state projects.

As a responsible employer, the State should lead by example and understand that the constructing projects we all pay for are done by Local workers that are fairly compensated, well trained and will use their incomes in the Vermont economy.

Vermont currently has the weakest Prevailing wage law in the Northeast. New York and Massachusetts both determine State prevailing wage by mirroring the Negotiated

contracts of its Labor Unions. This ensures that all state funded projects are done responsibly, with contractors who pay benefits and fair wages to all employees.

I would like to note that while Vermont has a decent rate on wage determination surveys, the wage only information is only part of a responsible contractors obligation to its workforce. All workers deserve a fair wage and benefit package that allows them to provide for the families today and in the future.