

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS_®

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EDWIN D. HILL International President

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September 15, 2005

The Honorable George W. Bush Executive Office of the President 1600 Pennsylvania Avenue, NW Washington, DC 20500

Dear President Bush:

On behalf of the 750,000 members of the International Brotherhood of Electrical Workers (IBEW), I write to protest your suspension of Davis-Bacon wage protections for construction workers employed on Hurricane Katrina rebuilding efforts. I am disappointed that you would use one of the worst natural disasters in our nation's history as an opportunity to reduce the wages of American workers already hard hit by Katrina.

It is a common misconception that Davis-Bacon protects only union construction workers employed on federally financed projects. Study upon study has shown this to be untrue. Your suspension of Davis-Bacon in the affected areas will reduce the wages of all construction workers, regardless of union affiliation, employed on any job in the counties listed as disaster areas. Consider what happened when several western states repealed their state prevailing wage laws in the 1980s:

- Repeal reduced the wages of all construction workers approximately 10%.
- Apprenticeship training fell dramatically, especially for minorities.
- Serious injuries rose over 20%.
- Lower wages lead to lower productivity which, in turn, greatly increased cost overruns, particularly on highway work.
- Lower wages also resulted in lower tax revenues to the states. In fact, any
 potential savings on construction costs were wiped-out by the decrease in
 tax revenues. The net effect of repeal to taxpayers in some states was an
 increase in aggregate costs.

History proves definitively that your suspension of Davis-Bacon will not save the American taxpayer one dime. It's time to show compassion for the victims of Katrina. Rescind your order suspending Davis-Bacon in the counties listed in your proclamation.

Sincerely,

Edwin D. Hill

International President

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