

## 22.503 Policy.

(a) Executive Order (E.O.) 14063, Use of *Project Labor Agreements* for Federal Construction Projects, requires agencies to use *project labor agreements* in *large-scale construction projects* to promote economy and efficiency in the administration and completion of Federal construction projects.

(b) When awarding a contract in connection with a *large-scale construction project* (see [22.502](#)), agencies *shall* require use of *project labor agreements* for contractors and subcontractors engaged in *construction* on the project, unless an exception at [22.504](#)(d) applies.

(c) An agency *may* require the use of a *project labor agreement* on projects where the total cost to the Federal Government is less than that for a *large-scale construction project*, if appropriate.

(1) An agency *may*, if appropriate, require that every contractor and subcontractor engaged in *construction* on the project agree, for that project, to negotiate or become a party to a *project labor agreement* with one or more *labor organizations* if the agency decides that the use of *project labor agreements* will—

(i) Advance the Federal Government's interest in achieving economy and efficiency in Federal *procurement*, producing labor-management stability, and ensuring compliance with laws and regulations governing safety and health, equal employment opportunity, labor and employment standards, and other matters; and

(ii) Be consistent with law.

(2) Agencies *may* consider the following factors in deciding whether the use of a *project labor agreement* is appropriate for a *construction project* where the total cost to the Federal Government is less than that for a *large-scale construction project*:

(i) The project will require multiple *construction* contractors and/or subcontractors employing workers in multiple crafts or trades.

(ii) There is a shortage of skilled labor in the region in which the *construction project* will be sited.

(iii) Completion of the project will require an extended period of time.

(iv) *Project labor agreements* have been used on comparable projects undertaken by Federal, State, municipal, or private entities in the geographic area of the project.

(v) A *project labor agreement* will promote the agency's long term program interests, such as facilitating the training of a skilled workforce to meet the agency's future *construction* needs.

(vi) Any other factors that the agency decides are appropriate.

(d) For indefinite-delivery indefinite-quantity (IDIQ) contracts the use of a *project labor agreement* *may* be required on an order-by-order basis rather than for the entire contract. For an order at or above \$35 million an agency *shall* require the use of a *project labor agreement* unless an exception applies. See [22.504](#)(d)(3) and [22.505](#)(b)(3).

**Parent topic:** [Subpart 22.5 - Use of Project Labor Agreements for Federal Construction Projects](#)