



NEWS from U.S. Senator Bob Dole

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DOLE SAYS DAVIS-BACON ACT LIKE LABOR MAXIMUM WAGE ACT

WASHINGTON, D.C. -- "At a time when President Carter's wage-price guidelines say wages must not go over 7%, we have also heard the Administration say that it will veto any legislation that would revise or repeal the Davis-Bacon Act, an act that has cost the American taxpayer unnecessary millions in the construction industry", Senator Bob Dole (R.-Kansas) said today.

Based on a recent GAO report and yesterday's testimony by Comptroller Elmer Staats before the Senate Banking Committee's housing and urban affairs subcommittee, which call for the repeal of the Davis-Bacon Act, Senator Dole said, "an Administration which professes to be serious about fighting inflation ought to put an end to laws like Davis-Bacon."

"When we are presented with evidence that a housing project can be constructed between 15 and 20 percent cheaper without Davis-Bacon and that highway costs will reach a 38 percent increase over the next five years in my home state of Kansas, I think it is time to seriously consider the termination of this accomplice in cost and price excesses in the construction industry," Dole said.

Based on a Congressional Joint Economic Committee report published in 1977, Dole said, "In addition to Davis-Bacon being an obvious accomplice to inflation, it also harms minority and young workers." These kind of workers are likely to be employed by nonunion builders, and that Davis-Bacon discourages them from bidding for federal work.

"The time has arrived for repeal of the Davis-Bacon Act. This country can no longer afford such an outdated, poorly administered and inflationary federal law," Dole said.