

# **MEDIA STATEMENT**

**April 25, 2013**

## **CALPASC COMMENDS CALIFORNIA COMMISSIONER'S EFFORTS TO PROTECT THE PUBLIC'S TRUST**

*California Subcontractors Urge Prime Contractors to Be on Alert*

The California Department of Industrial Relations' (DIR) April 25 press release (<http://www.dir.ca.gov/mediaroom.html>) announced settlements totaling \$610,186 in wage assessments and penalties against four general contractors for different public works jobs citing, "failure to pay 31 workers prevailing wages and related labor law violations." The California Professional Association of Specialty Contractors (CALPASC) wholeheartedly agrees with Labor Commissioner Julie A. Su that general contractors cheating on public works projects are violating the public's trust and must be brought to justice.

In response to the release, Brad Diede, Executive Director, CALPASC, issued the following comments:

"We fully agree with the Labor Commissioner and the Director of Industrial Relations focusing on prime contractors who take the lowest bids without consideration of the dire consequences.

"Prime contractors need to think carefully and conduct due diligence before hiring subcontractors or they could be liable for their subcontractors' wrongdoings.

"Sometimes, general contractors squeeze subcontractors for the lowest bid and, unfortunately, some subcontractors succumb to the pressure and skirt the law.

"State enforcement agencies are really stepping up their efforts. Our message to subcontractors AND general contractors is...be on notice!"

The following comment is attributed to Frank Nunes, Executive Director, Wall and Ceiling Alliance:

"In cases like these, everyone loses – employees lose pay, the state loses tax revenue and legitimate general contractors and subcontractors lose work to illegitimate contractors, making it a no-win situation for everyone."

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