



An Overview of Oregon's Prevailing Wage Rate Law and the Prevailing Wage Construction Survey

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A Brief History of Oregon's Prevailing Wage Rate Law

1959

Oregon enacts a state prevailing wage rate law that applies to the construction of public works by state and local agencies that are not covered by federal Davis-Bacon regulations.

The law:

- Modeled on federal law.
- Requires contractors on public works projects to pay their workers wage rates that reflect the wage standard for the area where the project will be built.
- Requires the public agency awarding the public works contract to establish the wage rates for the project.

A Brief History of Oregon's Prevailing Wage Rate Law

1967

- Oregon's prevailing wage rate law is amended to require the state's Labor Commissioner to annually determine and publish the prevailing wage rates.
- Law permits the Commissioner to consider prevailing wage rates established by the U.S. Department of Labor and collectively bargained wage rates for particular trades in a locality.

1969

- Oregon's prevailing wage rate law is amended to include fringe benefits.

1995

- Threshold for coverage under the prevailing wage rate law increases from \$10,000 to \$25,000.
- Prevailing wage fee is added to the law, payable by contractors who contract directly with a public agency.
- Fees are to be used to pay the costs of state-conducted prevailing wage rate surveys along with educational programs and investigation and enforcement of the prevailing wage rate law.

A Brief History of Oregon's Prevailing Wage Rate Law

1997

- Prevailing wage rate law is amended to require that the Bureau of Labor and Industries (BOLI) rely on an annual independent wage survey in determining prevailing wage rates. It allows the commissioner to consider additional information if it appears that the data derived from the wage survey alone is insufficient to establish the prevailing wage rates.

2005

- Threshold for coverage under the prevailing wage rate law increases from \$25,000 to \$50,000. Contractors must pay the higher of state or federal rates on projects subject to both the state prevailing wage rate law and the federal Davis-Bacon Act.

2007

- Definition of “public works” is substantially modified to include projects that use funds of a private entity and \$750,000 or more of funds of a public agency and projects that use funds of a private entity and in which 25 percent or more of the square footage of the completed project will be occupied or used by a public agency.

Oregon Prevailing Wage Rate Law and the Federal Davis-Bacon Act

Oregon

- Applies to construction projects carried out or contracted for by public agencies; projects using \$750,000 or more of public funds; and projects in which 25 percent or more of the square footage will be occupied by a public agency.
- Exempts projects costing \$50,000 or less.
- Requires contractors to pay workers no less than the applicable prevailing rate of wage for the type of work they perform.
- Directs BOLI to establish prevailing wage rates using data collected from an annual survey and to consider other types of information if the survey does not provide sufficient information to set the rates.

Federal

- Applies to federal contracts and federally funded or assisted contracts for the construction, alteration, or repair (including painting and decorating) of public buildings or public works.
- Exempts projects costing \$2,000 or less.
- Requires contractors to pay workers no less than the applicable prevailing rate of wage for the type of work they perform.
- Requires that local prevailing wage rates be established, based on voluntary submission of wage rate data by contractors, contractors' associations, labor organizations, and other interested parties.

Oregon Prevailing Wage Rate Law and the Federal Davis-Bacon Act

Oregon

- Defines the prevailing wage as the rate of hourly wage, including all fringe benefits, paid in the locality to the majority of workers employed on projects of similar character in the same trade or occupation.
- If it is determined that there is not a majority in the same trade or occupation paid at the same rate, the average hourly wage – including fringe benefits paid in the locality to workers in the same trade or occupation – is the prevailing wage.

Federal

- Defines the prevailing wage as the wage paid to the majority (more than 50 percent) of the laborers or mechanics in the classification on similar projects in the area during the period in question.
- If the same wage is not paid to a majority of those employed in the classification, the prevailing wage shall be the average of the wages paid, weighted by the total employed in the classification.

Construction Industry Wage Survey

- Thirty states have prevailing wage rate laws, with various threshold amounts and methods for establishing wage rates.
- Since 1996, BOLI has contracted with the Oregon Employment Department to conduct an annual prevailing wage survey, which it uses to set the prevailing wage rates for public works projects subject to state law.
- Over the years, the survey methodology has been reviewed and changed in an effort to increase data validity and to minimize the burden on construction contractors participating in the survey.

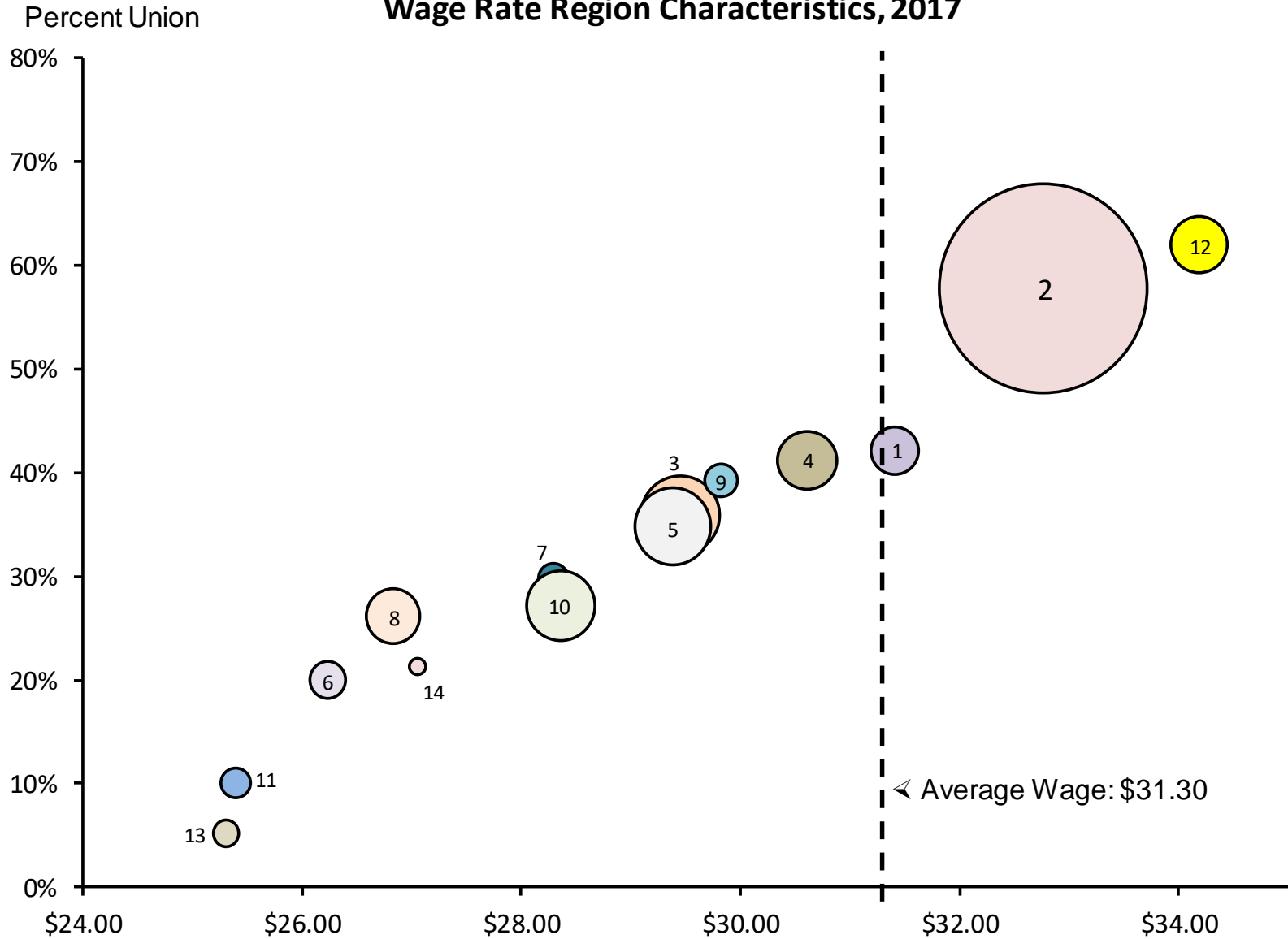
Oregon Employment Department Workforce and Economic Research Division

- Oregon Employment Department's Workforce and Economic Research Division has the mission of providing quality labor market information to Oregonians so they can make informed economic choices.
- Part of that mission includes having staff who specialize in designing, conducting and analyzing original labor market surveys.

Construction Industry Occupational Wage Survey

- Construction Industry Occupational Wage Survey is an annual survey that collects relevant Labor Market Information used by the Bureau of Labor and Industries in their process to determine state prevailing wage rates.
- Federal Davis Bacon Survey is a national program that collects relevant labor market information used by the U.S. Department of Labor to Determine federal prevailing wage rates.

Wage Rate Region Characteristics, 2017



How the Surveys are Similar

Survey Characteristic	Oregon Construction Survey	Davis-Bacon Survey
Type of Survey	Census	Census
Source of Respondent Lists	Unemployment Insurance Records, Construction Contractors Board	McGraw-Hill Dodge Projects
Construction Type	Non-Residential Construction	Varies: Residential, Building, Heavy, Highway
Occupation Source	BOLI , which is related to Davis Bacon	Davis-Bacon Qualified Trades
Skill Level	Journey-Level Data	Journey-Level Data

How the Surveys are Similar

Survey Characteristic	Oregon Construction Survey	Davis-Bacon Survey
Wage Collected	Basic Hourly Rate	Basic Hourly Rate
Benefits Collected	Bona Fide Fringe Benefits	Bona Fide Fringe Benefits
Number of Employees	Yes	Yes
Union Representation	Yes	Yes

How the Surveys are Different

Survey Characteristic	Oregon Construction Survey	Davis-Bacon Survey
Target Response Rate	85%	25% + Key Trades
Frequency	Annual	Periodic, (2005 in Oregon)
Geographies	Statewide, Wage Rate Region	County
Number of Hours Worked	Yes	No

How the Surveys are Different

Survey Characteristic	Oregon Construction Survey	Davis-Bacon Survey
Who can respond to survey	Contractors	Contractors and 3 rd parties
Time period collected	4 pre-selected work weeks	Peak week for each occupation over year
Average time to collect survey and review data	5 months	16-24 months
Wage Estimates	Based on Hours	Based on Employment

U.S. DOL Releases Determinations – Not Survey Results

PLUMBER.....\$ 43.82 28.28

* ROOF0049-004 07/01/2017

	Rates	Fringes
ROOFER.....	\$ 30.88	17.47
Excluding Metal Roof.....	\$ 28.53	14.67

SF0R0669-002 04/01/2017

	Rates	Fringes
SPRINKLER FITTER		
Fire Sprinklers.....	\$ 37.66	15.84



U.S. DOL Releases Determinations – Not Survey Results

SUOR2009-021 11/09/2009

	Rates	Fringes
LABORER: Landscape.....	\$ 12.38	0.00
LABORER: Pipelayer.....	\$ 22.63	6.07
MILLWRIGHT.....	\$ 17.62	3.19
OPERATOR: Grader/Blade.....	\$ 16.00	2.80
SHEET METAL WORKER (HVAC Duct Installation Only).....	\$ 24.58	5.76
TRUCK DRIVER: Dump Truck.....	\$ 15.67	4.33
TRUCK DRIVER: Water Truck.....	\$ 18.11	5.05

Oregon Construction Survey Results

Provided to BOLI and Released to the Public

All Trades						
Wage Rate Region	Data	Current	1 Year	2 Years	3 Years	4 Years
		(2017-1)	(2016-3)	(2015-3)	(2014-3)	(2013-3)
2	Firms Reporting	1,480	1,443	1,458	1,400	407
	Hours Reported	1,629,636.6	1,435,931.4	1,391,139.9	1,574,222.6	188,235.5
	Percent Union	57.8%	54.9%	56.6%	64.0%	34.5%
	Hourly Rate	\$32.77	\$31.48	\$31.13	\$32.15	\$23.71
	Hourly Fringe	\$13.10	\$11.95	\$11.77	\$12.99	\$6.72
	Hourly Fringe w/o Zero	\$14.67	\$13.46	\$13.27	\$14.25	\$7.96
Total Firms Reporting		2,784	2,716	2,731	2,607	1,621
Total Hours Reported		2,907,044.8	2,683,003.7	2,468,717.2	2,635,944.9	745,851.7
Total Percent Union		47.8%	46.2%	48.4%	54.7%	26.5%
Total Hourly Rate		\$31.30	\$30.32	\$30.27	\$30.77	\$24.45
Total Hourly Fringe		\$11.55	\$10.85	\$10.79	\$11.60	\$6.74
Total Hourly Fringe w/o Zero		\$13.37	\$12.71	\$12.52	\$13.10	\$8.82
Total Comp, Fringe w/o Zero		↑ \$44.67	\$43.03	\$42.79	\$43.87	\$33.27



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More Information about the survey can be found at

www.QualityInfo.org/bolisurvey