



MAY 18 2021

From the Desk of  
Representative  
Paul Holvey

# Vote Yes on SB 493 A

*Streamline the Prevailing Wage Rate Setting Process*

A handwritten signature in blue ink that reads "Paul Holvey".

## Background

Oregon's Prevailing Wage law establishes minimum wage rates for construction workers on taxpayer funded projects like roads, schools, buildings, and more. Wage rates are determined by a geographical survey conducted annually by the Oregon Employment Department and oftentimes supplemental data can be accepted by the BOLI Commissioner. The survey aims to capture real market rates for comparable work on private projects.

### Prevailing Wage Rates

- Establishes a predictable and stable minimum wage for construction workers
- Creates competitive opportunity for local contractors to bid on taxpayer funded projects
- Assures quality workmanship at a fair price for taxpayers
- Promotes career pathways through apprenticeship training programs

## Problem

Oregon's prevailing wage rates are not representative of real market rates because the method in which they are captured is flawed. The Employment Department's survey fails to return sufficient results to reflect the current market, leading BOLI to utilize supplemental data like collective bargaining agreements and other independent wage surveys. The results are inconsistent year to year for some trades and regions.

### Prevailing Wage Survey Issues

- Not representative of actual market rates
- Inconsistent and irregular wage rates
- Inefficient and cumbersome for government and contractors
- Negatively impacts workers, contractors, and taxpayers

## Solution

Adopting SB 493 A will streamline the data collection process. BOLI will adopt industry-negotiated rates in collective bargaining agreements as the prevailing wage rates. The Bureau will continue to survey crafts and occupations that do not have an industry-negotiated agreement.

## Impact

**SB 493 A** will stabilize wages for workers who rely on a consistent wage, for contractors who need wage information to accurately bid on work opportunities, and for taxpayers to pay a fair price for work done in their communities. **SB 493 A** is the only common-sense proposal to ensure predictable wage rates for bidding contractors and to reduce administrative workloads for public agencies' limited resources.

## Supporters

VOTE YES ON SB 493 A to ensure industry-standard wages for construction workers



IBEW 48  
IBEW 89  
IBEW 112  
IBEW 125  
IBEW 280  
IBEW 659  
IBEW 932

Oregon State Association  
of Electrical Workers

