

# Prevailing Wage Program Wage-and-Hour Survey Workshop

*Presented by:*

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## Agenda:

- Objectives.
  - The survey is part of the Washington State Public Works Act.
- List of trades that we will survey from March 26, 2009 – June 30, 2010.
- Sample Instructions and forms.
- Available resources.
- Wrap-up and closing.



## Objectives:

- Understand:
  - The importance of the wage-and-hour survey conducted by the prevailing wage program (PW) in the Department of Labor and Industries (L&I).
  - How PW laws and rules define the instructions and the content of the survey form.
  - The wage-and-hour survey instructions and form.
- Answer questions about the scopes of work of the trades we will survey from March 26, 2009 – June 30, 2010.
- Exchange information to improve the questionnaire in future surveys.
- Provide information on available resources.



# Importance

- The Law known as the “prevailing wage law” (Washington State Public Works Act), requires that workers be paid prevailing wages when employed on public works projects, and on public building service maintenance contracts
- The law, RCW 39.12.015, states that “all determinations of the prevailing rate of wage shall be made by the industrial statistician.”
- The rule, WAC 296-127-019 (1) (a), (b) and (c), states that the industrial statistician shall establish prevailing wage rates by:
  - a) *Conducting wage and hour surveys* for established trades and occupations;
  - b) *Adopting the wage and benefit adjustments* established in collective bargaining agreements for those trades or occupations *where the most recently established prevailing wage rates were derived from a collective bargaining agreement*, and/or
  - c) In instances when the procedures established in (a) and (b) of this subsection are not feasible, *employing other methods deemed appropriate* by the industrial statistician as set out in subsection (8) of this section.



# Importance

- Based on the laws and rules the importance of the *wage-and-hour survey* can be summarized in the following:
  - a) The wage and hour survey is used to establish prevailing rates of wages, which shall be paid to workers on public works projects and on public building service maintenance contracts.
  - b) It determines whether recently established prevailing wage rates were derived from a collective bargaining agreement (CBA), and if so, those rates are updated on a bi-annual basis to account for adjustments in the CBA; and
  - c) If there are no responses to the survey (not feasible), the industrial statistician will employ other methods deemed appropriate to establish the prevailing rates of wages.



## Laws and Rules Define the Survey

- Washington State Public Works Act:
  - <http://www.lni.wa.gov/IPUB/700-032-000.pdf>
  - Chapter 39.12 RCW
    - <http://apps.leg.wa.gov/RCW/default.aspx?cite=39.12>
  - Chapter 296-127 WAC
    - <http://apps.leg.wa.gov/WAC/default.aspx?cite=296-127>
  
- The Law, also known as the “prevailing wage law,” requires that workers be paid prevailing wages when employed on public works projects, and on public building service maintenance contracts.



# Laws and Rules Define the Survey

## Definitions ([RCW 39.12.010](#))

- Prevailing wage:
  - Hourly wage, usual benefits and overtime, paid in the largest city in each county, to the majority of workers, laborers, and mechanics, in the same trade or occupation...
  
- Fringe Benefits and Overtime:
  - PW rates include the following *employer-paid* benefits:
    - medical insurance,
    - pensions,
    - apprenticeship training programs, and
    - vacation and holiday pay,
    - Other bona fide fringe benefits.



# Laws and Rules Define the Survey

- Counties and their largest city
  - RCW 39.12.010 (2) The "**locality**" for the purposes of this chapter shall be **the largest city** in the county wherein the physical work is being performed.
  - PW rates are established separately for each county, and are reflective of local wage conditions.



# Laws and Rules Define the Survey

- Trades and the Definitions of their Scopes of Work  
(WAC 296-127-013)
  - (1) “In order to determine applicable prevailing wage rates, the director or his/her designee will issue scope of work descriptions for each trade and occupation recognized as being involved in public work.”
    - L&I establishes prevailing wage rates for each trade and occupation employed in the performance of public work.
    - Prevailing wage application depends on the work that is performed, regardless of the worker’s job title.



# Laws and Rules Define the Survey

Trades that we will survey from March 26, 2009 –  
June 30, 2009:

1. Cabinet Makers.....([WAC 296-127-01309](#))
2. Carpenters.....([WAC 296-127-01310](#))
3. Drywall Applicators (Drywall Nailers and Sheet Rock Installers)  
.....([WAC 296-127-01317](#))
4. Insulation Applicators.....([WAC 296-127-01337](#))
5. Lathers.....([WAC 296-127-01347](#))
6. Millwrights.....([WAC 296-127-01351](#))
7. Construction Site Surveyor.....([WAC 296-127-01396](#))
8. Pile Drivers.....([WAC 296-127-01358](#))
9. Inside Wireman Electrician.....([WAC 296-127-01323](#))



## Laws and Rules Define the Survey

- Trades that we will survey from March 26, 2010 – June 30, 2010:
  1. Diver & Diver Tenders .....([WAC 296-127-01316](#))
  2. Dredge Workers .....(Currently No Scope)
  3. Industrial Engine & Machine Mech.....(Currently No Scope)
  4. Operating Engineers (Eqp. Operators .....([WAC 296-127-01354](#))
  5. Ship Building & Ship Repair.....(Currently No Scope)
  6. Modular Buildings.....(Currently No Scope)
  7. Truck Drivers .....(Currently No Scope)
  8. Utilities Construction (Underground Sewers and water lines).....  
.....([WAC 296-127-01389](#))



# Laws and Rules Define the Survey

- Survey Methodology ([WAC 296-127-019](#))
  - (2) The department will determine the identity of employers to be surveyed for a specific trade or occupation.
  - (3)(a) Wage survey forms will be mailed to:
    - (i) Contractors and employers.
    - (ii) Labor unions representing workers in the trades or occupations being surveyed.
  - (4) Data reported on survey forms may be verified by the department.
  - (6) and [RCW 39.12.026](#) describe how to analyze the survey data.



## Laws and Rules Define the Survey

- Survey Methodology ([WAC 296-127-019](#))
  - (7) Valid data exclude data of workers who are exempt.
  - (8) Alternative methods.
  - (9) Civil penalty if submitting false information.
- Time for determining prevailing wage rates ([WAC 296-127-011](#)).
  - Publication: First business day in February and August.
- Goal to survey every three years ([RCW 49.04.141 Notes Sec. 201 \(4\)\(a\)](#)).



# Survey Instructions and Forms

- Instructions and forms mailed (see handouts).
- Scopes of work descriptions on back of the forms ([WAC 296-127-01301 through 01396](#) available online).
- Sub-classifications (categories) of each scope:
  - Written within the scope of work description and/or after the scope of work description.
  - Residential and commercial sub-classifications ([WAC 296-127-010 \(9\)](#)).
  - Scopes without sub-classification, please write the name of the trade.



# Available resources

- **PW Website:**

<http://www.lni.wa.gov/TradesLicensing/PrevWage/default.asp>

- Surveys schedule.
- On going survey.
- Survey forms.
- Scopes of work of trades being surveyed.

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- **Other websites:**

- <http://apps.leg.wa.gov/RCW/default.aspx?cite=39.12>
- <http://apps.leg.wa.gov/WAC/default.aspx?cite=296-127>
- <http://www.lni.wa.gov/IPUB/700-032-000.pdf>



# Wrap-Up and Closing

- Objectives:
  - Explained:
    - The importance of the wage and hour survey conducted by PW in L&I.
    - How PW laws and rules define the instructions and the content of the survey form.
    - The wage-and-hour survey instructions and form.
- Summary of suggestions.
- Questions.