



## **OPINION:**

# **Prevailing Wage -- What it is and Why You Should Care**

**JUNE 23, 2017** – House and Senate Republicans are proposing bills to exempt school districts and local governments from the mandate to use the state's suspect prevailing wage scale.

The comparison below -- between prevailing wage rates and wages typically paid for the same work in the private sector -- illustrates why anyone who pays taxes should care about this issue.

Prevailing wage is a minimum hourly rate that the state mandates that workers on state-funded projects be paid. State officials set the rates annually. The amount of the wages vary by occupation, the type of project being constructed, and the county where it is being built.

Because of the flawed way in which the state Department of Labor sets prevailing wage rates, they are inflated, adding at least 20-percent to the overall cost of public projects like schools and road construction. This figure is based on the cost differential of numerous public works projects bid with and without the prevailing wage requirement.

The comparison below considers the category of "building construction" for projects located in Kent County.

Here are Delaware's prevailing wages for several common occupations typically associated with the construction industry.

**Occupation Hourly\* Annual\*\***

Painters \$48.47 \$100,818

Carpenters \$53.81 \$111,925

Laborers \$44.70 \$ 92,976

Electricians \$66.85 \$139,048

Bricklayers \$51.99 \$108,139

Plumbers \$51.48 \$107,078

\* Hourly wages are for the category of "building construction" for projects located in Kent County using the current - March 2017 - Delaware Division of Industrial Affairs posted prevailing wage scale. [Click here](#) to view source.

\*\* The annual earnings assume a 40-hour work week for 52 weeks of the year (2,080 hours total)

According to the most recent data for Delaware (May, 2016) from the U.S. Dept. of Labor Bureau of Labor Statistics, here is a sampling of the median hourly wages for several common occupations typically associated with the construction industry:

**Occupation\*\*\* Hourly\*\*\*\* Annual**

Painters \$18.56 \$38,694

Carpenters \$21.45 \$44,616

Laborers \$16.57 \$34,466

Electricians \$26.17 \$54,434

Brick masons \$26.82 \$55,786

Plumbers \$26.98 \$56,118

\*\*\* BLS "Construction and Extraction Occupations" (47-0000)

\*\*\*\* hourly wage is the median (midpoint) for this occupation

For more information, see the BLS data by [clicking here](#).