

August 12, 2009

TO: Mr. Brad Avakian, Oregon Labor Commissioner

RE: Prevailing Wage Advisory Committee  
Wage Survey Modification Suggestions

Over the last few months the Prevailing Wage Advisory Committee (PWAC) has addressed and researched issues associated with the current annual Construction Industry Occupational Wage Survey. Several public meetings were held in an attempt to acquire comments from any interested party. These public meetings were followed by several committee-only work sessions.

On June 24, 2009, the PWAC, submitted 5 recommendations that would modify the current annual wage survey process.

The PWAC has continued to meet in order to determine if there were additional recommendations that could be submitted. We also took time to review the original 5 recommendations.

The following is a list of 9 recommendations from the PWAC. The first 4 remain unchanged from June 24, 2009. Item 5 has a modification noted in *italic*. Item 6 was emailed on July 2, 2009 and modified on August 5, 2009. Items 7 through 9 were prepared on August 5, 2009.

1. Delete the Peak Week reporting. The current suggestion is to report all hours for a 12 month period.
2. Change to a web-based reporting format with a form format that is used by all. The suggestion is to investigate the potential computer programs that may be available and there cost.
3. Apprentice hours should count toward total hours. Suggest using apprentice hours for the comparison of union hours vs non-union hours. The suggestion is to use hours only – not the current wages paid to apprentices.
4. Do not send the wage survey to temporary labor agencies.
5. Establish an audit system. Set up an audit system that not only does random checks on the information submitted and how the contractor formulated their responses *but also looks for anomalies that would trigger an audit of the information submitted.*

6. Clarification of "skilled" vs "unskilled" and/or "journeyman vs non-journeyman". [In order to clarify the reporting of journeymen and skilled workers, versus sub-journeymen and unskilled workers, the PWAC recommends that the definition of journeyman and skilled labor to be counted in the survey be expanded and clarified. We do not think it makes sense for contractors to fill out/report data that is not going to be counted in the survey results. [ie: unskilled labor] The survey form should also include a box to report a total number of field employees who worked for the employer during the survey period].
7. Establish a defined validation process.
8. Clarify "Fringe Benefits". [ie: Legitimate reported benefits vs items that do not qualify as benefits and should not be reported in the "Fringe Benefit" portion of the survey.
9. Change the survey form – establish separate columns for reporting base wages, identified fringe benefits, per diem, zone pay, and other additional premiums.

The committee realizes that time is of the essence in making any modifications to the existing survey process and preparing the next wage survey. The committee suggests that sub-committees be established to work with BOLI staff to view each item and determine a course of action for each recommendation.

Respectfully,

Co-Chairs Don Kool and Jim McKune