



# Oregon Bureau of Labor and Industries

Apprenticeship and Training Division  
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Guidance Letter 121709-01

## **OREGON STATE APPRENTICESHIP AND TRAINING COUNCIL**

**Date:** December 18, 2009  
**Distribution:** All Committee Chairs, Secretaries, Training Directors and Coordinators  
**Subject:** **Guidelines for Calculation of Average Journey Wage**  
**Action:** Immediate

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**PURPOSE:** To clarify for local apprenticeship committees the Oregon State Apprenticeship and Training Council's (OSATC) and Apprenticeship and Training Division's (ATD) parameters for calculating average journey wage for apprenticeship purposes pursuant to ORS 660.137 and 660.142.

**BACKGROUND:** Current law and ATD policy only stipulates that the local apprenticeship committees use some form of average in order to determine the average wage used to determine apprentice pay scales. Neither of the foregoing statutes establishes parameters defining how local committees shall conduct a wage survey or determine an average journey wage.

Staff has discovered that local committees have employed different strategies that in some cases produce considerably different results. Variations between wages paid by training agents within a committee due to their organizational status, such as non-profit organizations in comparison to large corporations, or urban and rural employers, may have such a wide gap in wages that it is prudent to provide local committees with some discretion in establishing a survey and calculation methodology. Currently, ATD staff uses the Oregon prevailing wage rate publication and Oregon Labor Market Information System as evaluative tools to compare journey worker wage averages submitted to the Division by the apprenticeship committees with general workforce wages.

**GUIDANCE:** The OSATC adopted the following guidelines at its December 17, 2009 meeting. Effective **January 1, 2010**, local committees must abide by the following parameters in determining average journey wages:

- Committees should eliminate from the survey the wages for journey workers functioning in a supervisory capacity, if there are other non-supervisory journey workers employed by the training agent;
- Committees should not exclude the wages of the highest paid journey workers, if all job duties are within the normal scope of journey level work;
- Committees should exclude fringe benefits in wage computation;
- Committees may use a simple or weighted average, or a mean, median or midpoint;

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- Committees should not exclude the lowest paid journey workers;
- Committees must survey all approved training agents in the wage survey. Pursuant to statute, registered training agents who refuse to participate in the survey should be terminated as training agents by the committee.
- When open shop and signatory contractors are affiliated as training agents with the same committee, each training agent must base apprentice pay on the minimum rate determined by the committee pursuant to the wage survey. Should this lead to an unreasonable result, the committee should consider adopting the wage for the lowest participating training agent affiliated with the committee, if this wage is within 10% of that determined by the committee pursuant to the survey. Committees with training agents that have significantly different wage scales because some employers are non-profits, governmental entities or utilities should consider adopting a separate standard incorporating the scale for the non-profit or government entity.
- Committees operating under a collective bargaining agreement should use the bargained minimum straight time rate for the applicable time period when determining journey rates.

**ACTION:** All apprenticeship committees, committee chairs, secretaries, training directors, administrators, coordinators and ATD staff should review and maintain a copy of this guidance letter.