Prevailing Wage

Strong prevailing wage laws help communities increase living standards, ensure fair salaries, and bolster economic security.

Contractors on state-funded construction projects must compensate workers based on the most common salary and benefits paid for each job classification in a region.

Prevailing wage is based on an annual statewide contractors’ survey of wages and benefits.

Local governments and school districts adopt their own prevailing wage laws.

Prevailing wage laws protect workers by ensuring a fair salary

Standard wages allow contractors to accurately predict labor costs and adequately bid jobs.

It incentivizes hiring the most skilled workers, ensuring cost-efficient construction.

Eliminates “race-to-the-bottom” salary standards to undercut competitors’ labor costs.

Prevailing wage benefits contractors

Prevailing wage does not inflate construction costs

A 2007 Legislative Auditor’s study found prevailing wage laws have no measurable impact on public construction costs.

Prevailing wage is good for a community

Prevailing wage increases the likelihood that local contractors, hiring local trades people, get local jobs.

It keeps more money and tax revenue in a community.