

MISSOURI EFFECTIVELY ENDS PREVAILING WAGE

As of this writing, Missouri Governor Eric Greitens signed into law a bill that ended prevailing wage on state construction projects. He did this as Wisconsin Governor Scott Walker looked on in a large photo opportunity in Earth City.

Missouri joins a long list of states where Republican and business interests have successfully lobbied to remove prevailing wage laws.

According to a recent article authored by the Economic Policy Institute (EPI), "Twenty states have removed prevailing wage laws and several more have weakened them. Alabama, Arizona, Colorado, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Louisiana, Mississippi, New Hampshire, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Utah, Virginia, and West Virginia, do not have any prevailing wage laws. Wisconsin no longer applies prevailing wage protections to local public construction projects, but still does for state highway projects."

The effect for construction workers on this 40-year war on prevailing wage has been a direct hit to the wallet.

More from EPI, the "real average hourly earnings of production/nonsupervisory construction workers were

\$26.17 in 1970, \$26.00 in 1980, and \$23.91 in 1990. Construction workers' hourly earnings bottomed out at \$22.97 in 1993 but have never fully recovered from their 1970 peak and were only \$25.97 in 2016."

The report goes on to sum up the war on construction wages as follows, "Construction wages are lower today than they were in 1970, despite 40 years of economic growth and a higher national income."

The fight on our wages will continue, and that is why we all must do our part to push back and protect our right to fair pay and benefits on the job.

Read the entire EPI article on the front page of www.IUPAT.org in JOURNAL EXTRAS.

Median hourly wages for construction and extraction employees, by states with prevailing wage laws, May 2015

	Hourly median wage	Cost-of-living-adjusted median hourly wage (BEA RPP)	Cost-of-living-adjusted median hourly wage (MERIC)
<i>States with prevailing wage laws</i>	\$ 22.52	\$ 22.40	\$ 20.67
<i>States without prevailing wage laws</i>	\$ 18.47	\$ 19.82	\$ 19.37
<i>Percent higher median wage in states with prevailing wage laws</i>	21.9%	13.0%	6.7%

Note: Construction occupations make up about 95.2 percent of the construction and extraction occupation category.

Source: EPI analysis of Occupational Employment Statistics data, Bureau of Economic Analysis Regional Price Parities (BEA RPP) data, and Missouri Economic Research and Information Center (MERIC) data

Economic Policy Institute

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