



Prevailing Wage Updates

November 10, 2022

Changes Introduced in 2018 Law

- Calculation of Prevailing Wage
 - o Now: Weighted average of all hours reported in a county
 - o Was: Most common (mode) wage reported in a county
- Minimum Hours
 - o Now: 1,000 Hour Threshold per occupational title
 - o Was: No minimum
- Calculation of Prevailing Wage when less than 1,000 hours reported
 - o Now: Construction minimum wage = 120% average hourly wage in county
- Hours Reporting
 - o Now: Only contractors may report their wages/hours
 - o Was: Unions, associations, etc., could report hours on behalf of contractors

Impacts of New Prevailing Wage Law

- Four years into the change in law, we are seeing the impact of Prevailing Wage erosion compared to our union scale.
- COVID-19 accelerated the erosion of Prevailing Wage as the importance of submitting hours was put on the back burner.
- Non-union contractors submitting hours dilutes the Prevailing Wage. That is why it is so important to submit hours even in high-volume counties such as St. Louis, St. Charles, etc.
- The 1,000 hour minimum means that just a handful of jobs in lower-volume counties ensures a Prevailing Wage is established.
- Keeping the Prevailing Wage as close to union scale as possible is crucial in ensuring our contractors can compete for public works projects going forward.

To submit hours and lookup wage rates by county, visit:

<https://labor.mo.gov/dls/prevailing-wage>