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WAGE LAWS BENEFIT TAXPAYERS STATEWIDE AND LOCALLY, ACCORDING TO NEW NATIONAL STUDY

State's labor-management coalition lauds findings that construction costs do not increase

COLUMBUS, Ohio – The Ohio Construction Coalition is highly praising a new Prevailing Wage study from the **Economic Policy Institute** in Washington, D.C., that reports that “evidence strongly indicates that prevailing wage regulations have no adverse economic impact, and that their direct and indirect positive effects make them a prudent and beneficial policy.”

The EPI report, **“Prevailing Wages and Government Contracting Costs”** by economic analyst Nooshin Mahalia, shows that most researchers have found that prevailing wage regulations in practice do not increase government contracting costs.

In fact, the study suggests that prevailing wages can bring increased revenues for governments.

The State of Ohio has a Prevailing Wage Law for government contracts, as do many local governments.

Among its other findings, the report details that “improved productivity can offset higher wages” because “better-skilled workers attracted by (prevailing) wages might do the job in less time.”

However, there are several pieces of legislation in Columbus that would terminate Ohio's Prevailing Wage Law, each of which the O.C.C. strongly opposes. The new report from the EPI further supports the O.C.C. position.

Also, the state's \$2-million-a-day public-school construction program, regulated by the Ohio School Facilities Commission, does not require local school districts to implement the Prevailing Wage Law. The O.C.C. cites multiple problems with the program that have occurred all over the state that have resulted in poor construction, cost overruns and even costly litigation.

For a full copy of the report, visit www.epi.org/content.cfm/bp215.

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The Ohio Construction Coalition is Ohio's only legal, statewide, multi-construction craft labor-management group, representing contractor association affiliates and numerous local labor unions. The OCC represents small, medium and large contractors who employ thousands of highly trained, skilled craftspeople.

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