

WISCONSIN PREVAILING WAGE FACT SHEET

1. Veterans are heavily represented in the Wisconsin construction industry.ⁱ

- 8,900 veterans work in the construction industry in Wisconsin.
- Veterans make up 5.69% of the overall workforce in Wisconsin but 8.3% of the workforce in the construction industry.
- 34,000 Wisconsin service members served in the GWOT
- 12,000 members of the WI National Guard deployed in the GWOT

2. Repealing Wisconsin's prevailing wage laws will have a disproportionate, negative impact on veterans.ⁱⁱ

If Wisconsin fully repeals its prevailing wage laws, the following impact on veterans are expected:

- an estimated 2,000 blue-collar veterans will separate from their jobs;
- total income of all veterans employed in construction jobs will decline by \$113 million;
- approximately 400 veterans will lose their employer-provided health care; and
- an estimated 200 veteran workers will fall into poverty.

3. Prevailing wage laws protect against outsourcing Wisconsin jobs.ⁱⁱⁱ

- States without prevailing wage laws are experiencing significant skilled labor shortages.
- Skilled worker shortages in states without prevailing wage laws are resulting in groups like ABC promoting public policies that would allow “guest workers” from other countries to supplant local workers.

4. There are no taxpayer savings from repealing Wisconsin prevailing wage laws.^{iv}

- In 2015, the non-partisan Wisconsin Legislative Fiscal Bureau concluded there would be no budget savings by repealing Wisconsin's prevailing wage laws. Likewise, Governor Walker’s 2017-19 Budget cannot and does not assign any budgetary savings to the proposed elimination of prevailing wages on state projects.
- Labor represents 20-25% of the cost of public construction projects, so large savings from cutting labor costs is mathematically impossible.
- 70-75% of all peer-reviewed studies conclude there are no savings associated with repealing prevailing wage laws.

5. Wisconsin construction workers are more efficient than workers in states without prevailing wage laws.^v

- In prevailing wage law states, value-added per worker on public works is 21 - 33% higher than in states without prevailing wage laws.
- Wisconsin's worker productivity advantage is 25-75% higher than 18 states without prevailing wage laws.

- States with prevailing wage laws, on average, have a value-added per construction worker that is 14% higher than in states without prevailing wage regulations.
- Construction workers in Wisconsin build highways in a cost-effective manner, constructing each lane-mile up to 43 percent cheaper than the national average.

6. Prevailing wage law states like Wisconsin spend more private money on worker training and safety than non-prevailing wage states.^{vi}

- Wisconsin private industry spends approximately \$30,000,000 a year on construction worker training and safety, 95% of which is spent by private construction trades.
- Apprenticeship programs can decline by as much as 42% after prevailing wage laws are repealed.
- Private trade-supported training has a positive annual impact of over \$52,000,000 on Wisconsin's economy.

ⁱ *The Impact of Repealing Prevailing Wage Laws on Military Veterans*, Chowdhury (Feb. 2017), available at <https://medium.com/@abdur.chowdhury/the-impact-of-repealing-prevailing-wage-laws-on-military-veterans-9c537366304a#.1n456z49u>; *Prevailing Wage and Military Veterans in Wisconsin: Applied Policy Brief*, Manzo, Bruno, Duncan & Manzo (April 2016), available at <https://midwestepi.files.wordpress.com/2016/09/policy-brief-prevailing-wage-and-military-veterans-in-wisconsin.pdf>.

ⁱⁱ Same as endnote i.

ⁱⁱⁱ *Wisconsin's Prevailing-Wage Law, An Economic Impact Analysis*, Philips (April 2015), avail. at <http://www.wisconsininfrastructure.com/wp-content/uploads/2015/04/Wisconsin-Report-April-2015.pdf>; ABC Outlines Features of a Successful Guestworker Program, Associated Builders and Contractors, Inc. (March 2013), available at <http://www.abc.org/NewsMedia/Newsline/tabid/143/entryid/870/abc-outlines-features-of-a-successful-guestworker-program.aspx>; *Letter to United States Senators*, Associated Builders and Contractors, Inc. (June 2013), avail. at <https://www.abc.org/Portals/1/Documents/Newsline/2013/ABC%20Immigration%20Letter%20docx.pdf>; *Builders Push for Visas as Americans Eschew Construction Work*, Tampa Bay Times (Oct. 2013), avail. at <http://www.tbo.com/news/business/experts-perplexed-as-americans-spurn-construction-jobs-20131026/>.

^{iv} *The Impact of Repealing Prevailing Wage Laws on Military Veterans*, Chowdhury (Feb. 2017), avail. at <https://medium.com/@abdur.chowdhury/the-impact-of-repealing-prevailing-wage-laws-on-military-veterans-9c537366304a#.1n456z49u>; *Prevailing Wage Laws and 2015 Assembly Bill 32*, Wis. Leg. Fiscal Bureau (May 2015); *Wisconsin's Prevailing-Wage Law, An Economic Impact Analysis*, Philips (April 2015), avail. at <http://www.wisconsininfrastructure.com/wp-content/uploads/2015/04/Wisconsin-Report-April-2015.pdf>; *An Analysis of Davis-Bacon Prevailing Wage Requirements: Evidence from Highway Resurfacing Projects in Colorado*, Duncan (June 2011), avail. at https://www.bctd.org/BCTD/media/Files/Duncan,-Kevin-DB-Study-Highways_1.pdf; *Prevailing Wages and Government Contracting Costs: A Review of the Research*, Mahalia (July 2008), avail. at <http://www.epi.org/publication/bp215/>; *The Impact of Wages on Highway Construction Costs: Updated Analysis*, Construction Labor Research Council (Aug. 2004), avail. at <http://www.heavy-highway.org/library/document-library/20090212172702.WageStudybooklet.pdf>; *Do Lower Prevailing Wages Reduce Public Construction Costs?*, Wial (July 1999), avail. at http://keystoneresearch.org/sites/default/files/krc_prevailwage_costs.pdf.

^v *Wisconsin's Prevailing-Wage Law, An Economic Impact Analysis*, Philips (April 2015), avail. at <http://www.wisconsininfrastructure.com/wp-content/uploads/2015/04/Wisconsin-Report-April-2015.pdf>; *Road and Bridge Construction Workers in the Midwest*, Manzo & Bruno (March 2015), avail. at <http://www.wisconsininfrastructure.com/wp-content/uploads/2015/03/Road-and-Bridge-Construction-Workers-in-the-Midwest-March-1-2015.pdf>.

^{vi} *Wisconsin's Prevailing-Wage Law, An Economic Impact Analysis*, Philips (April 2015), avail. at <http://www.wisconsininfrastructure.com/wp-content/uploads/2015/04/Wisconsin-Report-April-2015.pdf>; *Road And Bridge Construction Workers In The Midwest*, Manzo & Bruno (March 2015), avail. at <http://www.wisconsininfrastructure.com/wp-content/uploads/2015/03/Road-and-Bridge-Construction-Workers-in-the-Midwest-March-1-2015.pdf>; *Economic Impact on Wisconsin of Trade-supported Technical Education*, University of Wisconsin Whitewater (2015), avail. at http://www.wisconsininfrastructure.com/wp-content/uploads/2015/05/FERC_ECONOMIC-IMPACT-ON-TECH-ED_150402-PROOF03.pdf.