

The International Brotherhood of Electrical Workers

Testimony to the Labor Committee

February 24th, 2015

Regarding various Prevailing Wage bills

Senator Winfield, Representative Tercyak, and members of the Labor Committee, my name is Sean Daly and I am writing on behalf of the IBEW regarding the many proposed pieces of legislation you have in front of you that would require changes to Connecticut's prevailing wage law. As you know, the IBEW stands with our peers in the labor sector in our long standing support of prevailing rate requirements on publicly funded projects. Therefore, it should be no surprise that we continue to request that the law remain in-tact.

The IBEW represents over 6,000 licensed electrical journeymen and apprentices who benefit every year from Connecticut's prevailing wage laws. We feel there are numerous benefits to prevailing wage laws, including, but certainly not limited to, those mentioned below:

- Prevailing wage laws help to create jobs by offering decent wages to attract skilled workers and help to support apprenticeship programs.
- Prevailing wage laws bolster the local economy by paying workers attractive and competitive wages which are then returned to the state's economy through the purchases of homes and the use of area businesses. Studies have shown that each dollar paid in prevailing wages produces \$1.50 in economic activity.
- Prevailing wage laws actually help to control construction costs because workers on projects that pay the prevailing rate produce 13-15% more value-added per worker than those on non-prevailing rate projects.
- Of the 32 states in the nation that have prevailing wage laws, Connecticut's threshold is already the second highest in the nation for new construction, and the third highest for remodeling.
- A comparison of prevailing wage rates for six common occupations in Connecticut, Rhode Island, and nearby areas of Massachusetts and New York indicates that Connecticut's rates are generally in the middle and lower half of the rates paid in the six areas surveyed. In general, Connecticut's rates are \$12.64 to \$18.01 per hour lower than the highest rates paid to a particular occupation (usually in New York's bordering counties).

Last year, in October of 2013, there was a forum held by the Labor Committee on prevailing wage. While there were many requests to make changes to the law similar to the bills you have before you today, there was also a request from the municipalities to streamline the process for complying with prevailing wage laws and bring the law into the 21st century by allowing records

and reports municipalities have to make to the Department of Labor to be submitted electronically. This law became PA 14-44, and was supported by the trades and municipalities alike as it was a reasonable approach to relieving costly administrative burdens for towns and cities while maintaining the spirit and integrity of the prevailing wage law.

The IBEW takes pride in the fact that Connecticut continues to support fair wages that provide decent jobs to local construction workers, which we feel provides added benefit to many other industry sectors in the state. It is the strong policies our state has in place that allow for this, and we thank the committee for continuing to support a strong prevailing wage law that works.

Sincerely,

Sean Daly
President
IBEW Local 90

- Sources: www.smartcitiesprevail.com; CT General Assembly OLR Report 2010-R-0526; OLR report 2013-R-0393