Minnesota Center for Fiscal Excellence

December 2014



Sound tax policy. Efficient spending. Accountable government.

Acknowledgements

The research in this report was prepared in accordance with a contract with the **Associated Builders and Contractors of Minnesota**. MCFE is solely responsible for this publication's content.

About the Minnesota Center for Fiscal Excellence

The Minnesota Center for Fiscal Excellence was founded in 1926 to promote sound tax policy, efficient spending, and accountable government.

We pursue this mission by

- educating and informing Minnesotans about sound fiscal policy;
- providing state and local policy makers with objective, non-partisan research about the impacts of tax and spending policies; and
- advocating for the adoption of policies reflecting principles of fiscal excellence

MCFE generally defers from taking positions on levels of government taxation and spending believing that citizens, through their elected officials, are responsible for determining the level of government they are willing to support with their tax dollars. Instead, MCFE seeks to ensure that revenues raised to support government adhere to good tax policy principles and that the spending supported by these revenues accomplishes its purpose in an efficient, transparent, and accountable manner.

The Center is a non-profit, non-partisan group supported by membership dues. For information about membership, call (651) 224-7477, or visit www.fiscalexcellence.org.

Table of Contents

I.	EXECUTIVE SUMMARY	1
II.	METHODOLOGY	3
	Data Sources	
	Economic Development Regions Under Consideration	4
III.	RESULTS AND FINDINGS	6
	Results: Greater Minnesota	6
	Results: Seven County Twin Cities Region	8
	Findings: Greater Minnesota vs Seven County Twin Cities Region	
	Findings: Importation of Prevailing Wage Rates	
IV.	APPENDIX A	13

For information contact: Minnesota Center for Fiscal Excellence 85 E. Seventh Place, Suite 250 St. Paul, MN 55101

Phone: 651-224-7477

email: info@fiscalexcellence.org

Website: http://www.fiscalexcellence.org

I. Executive Summary

This report is a regional comparison of prevailing wage rates in selected employment classes as determined by the Minnesota Department of Labor and Industry (DLI) with median wage rates for selected occupations reported by the Minnesota Department of Employment and Economic Development (DEED) through the Occupational Employment Statistics (OES) survey. MCFE has prepared this report at the request of, and under contract to, the Associated Builders and Contractors of Minnesota.

The research question posed by the funders of this report is: are the differentials between prevailing wage rates and median Occupational Employment Statistics wage rates in the seven county Twin Cities area greater than in the remainder of the state (i.e. Greater Minnesota)?

To answer this question, we compared county-specific prevailing wage rates for commercial construction projects, effective for the first quarter of 2014, with OES median wage rate data for the thirteen economic development regions into which state law divides Minnesota. Restrictions on the OES data prohibit analysis at the county level.

We matched OES occupations with prevailing wage labor classes based on the definitions provided for each, pairing occupations where the definitions indicate that incumbents perform substantially similar work. In certain cases, we matched multiple OES classifications or prevailing wage labor classes to one or more counterparts. When grouping OES occupations, we created weighted wage rates based on each occupation's share of total employment. When grouping prevailing wage labor classes, we used the minimum of all wage rates in the group since employment data that would allow us to calculate weighted wage rates is not available. Because prevailing wage rates tend to exceed the OES wage rates, this practice generally results in reporting a minimum differential and is thus the more conservative analytical approach. Actual differentials in these cases will generally be to some degree larger.

In the twelve economic development regions comprising Greater Minnesota we were able to match prevailing wage data with OES wage data in 101 observations, which represents roughly 75% of the employment in the occupations we targeted in these 80 counties. In Region 13, which comprises the seven county Twin Cities area, we were able to match wage data in 22 observations, which represents about 98%-99% of the total employment in all targeted occupations. Concerns about data confidentiality related to small sample sizes limit the number of occupations in rural areas for which wage data is reported.

Table 1 on the next page provides an overview of the results. Overall, we found that in 55% of the Greater Minnesota observations, prevailing wages exceeded OES median wages by at least 20%, compared to 19% of observations in the seven county Twin Cities region. We tested whether, as a group, the differentials between prevailing wage rates and OES wage rates in Greater Minnesota and the Twin Cities

metro area were statistically different using a two-sample Kolmogorov-Smirnov test. This test indicates a <1% chance that these two cumulative frequency distributions would be as far apart as observed if randomly sampled from identical populations and indicates that the distributions are different in a formal statistical sense. Based on this statistical finding, we conclude that overall, the differentials between prevailing wage rates and OES rates in Greater Minnesota are higher than those found in the seven-county metro.

Our second finding relates to the differences between Greater Minnesota and the seven county Twin Cities region with regard to the importation of prevailing wage rates. Such rate importing occurs in cases where criteria for setting prevailing wage rates for a particular labor class in a county are not met and DLI "imports" the rate from an adjacent county for use in the prevailing wage system. We found 45% of the prevailing wage rates in the labor classes we studied in Greater Minnesota were imported in this manner. This is much higher than the importation rate in the seven county Twin Cities area, where only 10% of rates were imported in this manner. It is unclear what, if any, effect this has on differences in the prevailing wage-OES wage differentials between these two areas.

Table 1: Synopsis of Twin Cities-Greater Minnesota Findings

Prevailing Wage (PW) Rates Relative to OES Median	Greater N	Minnesota	Seven County Twin Cities Area		
Wage Rates For the Same Occupations	Number of Observations (n = 101)	Cumulative Share of Observations	Number of Observations (n = 22)	Cumulative Share of Observations	
PW less than OES	12	12%	8	36%	
PW 0%-10% above OES	19	31%	3	50%	
PW 10.1%-20% above OES	14	45%	7	81%	
PW 20.1%-30% above OES	16	60%			
PW 30.1%-40% above OES	16	76%	1	86%	
PW 40.1%-50% above OES	8	84%			
PW 50.1%-60% above OES	6	89%			
PW 60.1%-70% above OES	3	93%	2	95%	
PW 70.1%-80% above OES	3	96%	1	100%	
PW 80.1%-90% above OES	1	97%			
PW 90.1 or more above OES	3	100%			

The remainder of this report is organized as follows. Section II outlines the data sources we used and the methodology we employed to answer this question; Section III presents our results and findings; and Appendix A provides more detailed information about the wage rate comparisons in the report.

II. Methodology

Data Sources

The Minnesota Department of Labor and Industry (DLI) administers the state's prevailing wage laws. We collected county-specific information on prevailing wage rates for commercial projects, effective for the first quarter of 2014 from DLI's website (http://www.dli.mn.gov/LS/PrevWageComm.asp). Minnesota's Department of Employment and Economic Development (DEED) surveys Minnesota businesses quarterly in conjunction with the federal Bureau of Labor Statistics (BLS) to provide Occupational Employment Statistics (OES) wage data. We collected information on median wages for selected occupations by economic development region (EDR) through DEED's website (https://apps.deed.state.mn.us/lmi/oes/).

Note that OES data is also available for two other geographical configurations: the eight metropolitan statistical areas (MSA) that include one or more Minnesota counties and four regions of counties that lie outside of any metropolitan statistical area; and the six planning areas designed by DEED. Because our report funder specifically wishes for wage comparisons for the seven-county metropolitan area versus Greater Minnesota, and because the Minneapolis-Saint Paul metropolitan statistical area contains 11 counties (Chisago, Isanti, Sherburne and Wright in addition to the usual seven), we rejected the use of MSA/non-MSA comparisons. We also rejected using the planning regions because it only generated 70 observations in Greater Minnesota, as opposed to the 101 observations generated when we collected economic development region data.

Economic Development Regions Under Consideration

The State of Minnesota created economic development regions as part of the Minnesota Regional Development Act of 1969. State law¹ currently provides for 13 such regions – 12 of which lie in Greater Minnesota – and defines them as follows:

- Region 1: Kittson, Roseau, Marshall, Pennington, Red Lake, Polk, and Norman
- Region 2: Lake of the Woods, Beltrami, Mahnomen, Clearwater, and Hubbard
- Region 3: Koochiching, Itasca, St. Louis, Lake, Cook, Aitkin, and Carlton
- Region 4: Clay, Becker, Wilkin, Otter Tail, Grant, Douglas, Traverse, Stevens, and Pope
- Region 5: Cass, Wadena, Crow Wing, Todd, and Morrison
- Region 6E: Kandiyohi, Meeker, Renville, and McLeod
- <u>Region 6W</u>: Big Stone, Swift, Chippewa, Lac Qui Parle, and Yellow Medicine
- Region 7E: Mille Lacs, Kanabec, Pine, Isanti, and Chisago
- Region 7W: Stearns, Benton, Sherburne, and Wright
- <u>Region 8</u>: Lincoln, Lyon, Redwood, Pipestone, Murray, Cottonwood, Rock, Nobles, and Jackson

3

_

¹ Minnesota Statutes 2014, section 462.385, subdivision 1.

- Region 9: Sibley, Nicollet, LeSueur, Brown, Blue Earth, Waseca, Watonwan, Martin, and Faribault
- Region 10: Rice, Goodhue, Wabasha, Steele, Dodge, Olmsted, Winona, Freeborn, Mower, Fillmore, and Houston
- Region 11: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington (seven county Twin Cities region)

Matching Job Classification Categories and Creating Merged Wage Rates

We matched OES occupations with prevailing wage labor classes based on the definitions provided for each. OES occupational definitions are available with the data through the DEED website referenced earlier; prevailing wage labor class definitions are found in Minnesota Rules, subp 5200.1101 and 5200.1102 (https://www.revisor.mn.gov/rules/?id=5200). We paired occupations in instances where the definitions indicate that incumbents perform substantially similar work. In certain cases, we matched multiple OES classifications or prevailing wage labor classes to one or more counterparts. Table 2 provides a complete list of the matches we used in preparing this report.

Table 2: Prevailing Wage Labor Class-SOC Occupational Code Matches

Occupational	Employment Survey	Pro	evailing W	/age
SOC Code	SOC Title	Minnesota Rule	Code	Labor Class
47-2061	Construction I above	5200.1101, subp 1	101	Laborer, Common
47-2001	Construction Laborer	5200.1101, subp 2	102	Laborer, Skilled
47-2151	Pipelayer	5200.1101, subp 7	107	Pipelayer
47-2132	Insulation Workers,	5200.1102, subp 1	701	Heating/Frost
47-2132	Mechanical	3200.1102, subp 1	701	Insulators
47-2011	Boilermakers	5200.1102, subp 2	702	Boilermakers
47-2021	Brickmasons &			
	Blockmasons	5200.1102, subp 3	703	Bricklayers
47-2022	Stonemasons			
47-2031	Carpenters	5200.1102, subp 4	704	Carpenters
47-2041	Carpet Installers	5200.1102, subp 5	705	Carpet Layers
47 2041	<u> </u>	3200.1102, suop 3	703	(Linoleum)
47-2051	Cement Masons and	5200.1102, subp 6	706	Cement Masons
	Concrete Finishers	· •		
47-2111	Electricians	5200.1102, subp 7	707	Electricians
47-4021	Elevator Installers and	5200.1102, subp 8	708	Elevator
	Repairers	· •		Constructors
47-2121	Glaziers	5200.1102, subp 9	709	Glaziers
47-2081	Drywall and Ceiling	5200.1102, subp 10	710	Lathers
., 2001	Tile Installers	2200.1102, suop 10	, 10	Zamers
47-2171	Reinforcing Iron and			
	Rebar Workers	5200.1102, subp 12	712	Ironworkers
47-2221	Structural Iron and	1=13.110 = , 5 0 0p 1 2		2011.1010
	Steel Workers			2 5111
49-9044	Millwrights	5200.1102, subp 14	714	Millwright

Occupationa	l Employment Survey	Prevailing Wage			
SOC Code	SOC Title	Minnesota Rule	Code	Labor Class	
47-2141	Painters, Construction & Maintenance	5200.1102, subp 15	715	Painters	
47-2072	Pile Driver Operators	5200.1102, subp 16	716	Piledriver	
47 2152	Plumbers, Pipefitters	5200.1102, subp 17	717	Pipefitters & Steamfitters	
47-2152	& Steamfitters	5200.1102, subp 19	719	Plumbers	
		5200.1102, subp 22	722	Sprinkler Fitters	
47-2161	Plasterers & Stucco Masons	5200.1102, subp 18	718	Plasterers	
47-2181	Roofers	5200.1102, subp 20	720	Roofer	
47-2211	Sheet Metal Workers	5200.1102, subp 21	721	Sheet Metal Workers	
47-2053	Terrazzo Workers & Finishers	5200.1102, subp 23	723	Terrazzo Workers	
47-2044	Tile & Marble Setters	5200.1102, subp 24	724	Tile Setters	
47-2044	The & Marble Setters	5200.1102, subp 25	725	Tile Finishers	
47-2082	Tapers	5200.1102, subp 26	726	Drywall Taper	
47-4041	Hazardous Materials Removal Workers	5200.1102, subp 29	729	Asbestos Abatement Workers	

Combining two or more OES occupations or prevailing wage classes necessitated the creation of merged wage rates. When merging OES classifications, we created a weighted wage rate based on the total number of employees reported in each class. Because no consistent and reliable data for creating weighted rates for the prevailing wage classes exists, we used the minimum reported wage rate for all classes being merged when computing the OES-prevailing wage differentials. Because prevailing wage rates tend to exceed the OES wage rates, this practice generally results in reporting a minimum differential and is thus the more conservative analytical approach. Actual differentials in these cases will generally be to some degree larger.

Creating Regional Prevailing Wage Figures

DLI provides prevailing wage rates on a county basis but on a regional basis that would facilitate comparisons with DEED's OES wage rates. We therefore created average prevailing wage rates for the economic development regions by weighting the prevailing wage rates in each county based on its share of the relevant region's total personal income for 2012 (the most recent data available).²

² as reported by the U.S. Bureau of Economic Analysis at (http://www.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1 acrdn=5#reqid=70&step=1&isuri=1).

III. Results and Findings

Results: Greater Minnesota

OES data is somewhat limited because BLS and DEED do not release wage and employment data for each occupation in each region; largely because small sample sizes would jeopardize respondents' confidentiality. Based on the available data, we matched wage rates for as few as three occupations (in Region 6W) to as many as 17 occupations (in Region 7W) – in Greater Minnesota³, creating 101 total observations. However, since the missing observations will have very low levels of employment (or no employment at all), the data indicates that these 101 observations include about 75% of total employment in the occupations we targeted in Greater Minnesota.

Table 3 below and continued on the next page shows how prevailing wage rates compare to OES wage rates, by occupation, in these Greater Minnesota-based economic development regions. In 12 of the 101 observations (12%), prevailing wage rates fell short of the OES wage rates. In 33 observations (33%) the prevailing wage rates exceeded the OES rates by up to 20%; in 32 observations (32%) they exceeded the OES rates by between 20% and 40%; and in another 24 observations (24%) they exceeded the OES rates by over 40%.

Table 3: Occupation-Specific Prevailing Wage Rates Relative to OES Wage Rates, First Quarter 2014, Non-Twin Cities Economic Development Regions

Occupation	ED #1	ED #2	ED #3	ED #4	ED #5	ED #6E
Construction Laborer	13.9%	4.1%	16.9%	36.1%	21.5%	35.3%
Pipelayer			(5.3%)	26.8%		(24.4%)
Brickmason/Stonemason			(8.9%)			
Carpenter	38.0%	(4.8%)	12.6%	9.7%	13.0%	12.9%
Cement Mason	52.4%		19.8%	50.6%		29.5%
Electrician	1.7%	32.6%	2.1%	20.2%	29.4%	62.5%
Glazier			(0.1%)			
Drywall & Ceiling Tile				1.6%		
Installer				1.0%		
Ironworker			35.2%			
Millwright				47.3%		
Painter		46.2%	46.0%	16.8%	10.9%	
Plumber, Pipefitter, &	23.7%	30.0%	8.2%	30.9%	185.1%	40.7%
Steamfitter	23.1%	30.0%	8.2%	30.9%	163.1%	40.7%
Roofer			0.3%		26.6%	
Sheet Metal Worker			(9.5%)	12.6%		
Drywall Taper				40.6%		
Asbestos Abatement			2.9%			
Worker			2.9%			
OEC data from Minnagata	DEED.		data f		22242 DI I.	

OES data from Minnesota DEED; prevailing wage data from Minnesota DLI; calculations by MCFE.

_

³ Defined in this report as the 80 counties outside of the seven-county Twin Cities metropolitan area.

Of those occupations with six or more observations, prevailing wage rates are most consistently higher for cement masons; painters; and plumbers, pipefitters, and steamfitters. See Appendix A, which follows the body of this report, for the data underlying these comparisons.

Table 3 (continued) Occupation-Specific Prevailing Wage Rates Relative to OES Wage Rates, First Quarter 2014, Non-Twin Cities Economic Development Regions

Occupation	ED #6W	ED #7E	ED #7W	ED #8	ED #9	ED #10
Construction Laborer	(3.4%)	50.3%	38.2%	2.5%	17.5%	32.3%
Pipelayer			10.6%			45.3%
Insulation Workers			35.7%			
Brickmason/Stonemason			9.3%		(10.0%)	12.9%
Carpenter	(13.2%)	39.6%	39.5%	7.0%	31.0%	18.7%
Carpet Installer					21.2%	8.2%
Cement Mason		30.0%	8.8%	28.0%		57.4%
Electrician	38.5%	31.5%	20.6%	2.6%	20.3%	24.6%
Drywall & Ceiling Tile			(5.40/.)			9.4%
Installer			(5.4%)			9.4%
Ironworker			78.9%		71.5%	87.1%
Millwright			0.8%			
Painter		44.0%	115.9%		4.0%	32.8%
Plumber, Pipefitter, &		53.5%	19.9%	27.9%	7.5%	4.3%
Steamfitter		33.3%	19.9%	21.9%	7.5%	4.5%
Roofer			55.0%		49.0%	34.1%
Sheet Metal Worker			65.0%		60.9%	22.2%
Terazzo Workers			126.9%			
Tile & Marble Setter			(6.0%)			(14.5%)
Drywall Taper			75.3%			

OES data from Minnesota DEED; prevailing wage data from Minnesota DLI; calculations by MCFE.

Results: Seven County Twin Cities Region

Given the larger population density in the seven county Twin Cities region, we had more OES data with which to work and were able to match wage data for 22 occupations. These observations make up about nearly all (98%-99%) of total employment in the occupations we targeted in the seven-county area.

Table 4 below shows how prevailing wage rates compare to OES wage rates for matching occupations in the seven-county Twin Cities region. As the table indicates, in 8 of the 22 observations (36%), prevailing wage rates were lower than the OES wages. In 10 observations (45%), prevailing wage rates exceeded OES rates by up to 20%, and in 4 observations (18%) the prevailing wage rates exceeded by the OES rates by over 20%.

Table 4: Occupation-Specific Prevailing Wage Rates Relative to OES Wage Rates, First Quarter 2014, Seven County Twin Cities Area

Occupation	ED #11
Construction Laborer	17.4%
Pipelayer	(11.4%)
Insulation Workers	1.8%
Brickmason/Stonemason	(0.9%)
Carpenter	13.0%
Carpet Installer	11.5%
Cement Mason	60.1%
Electrician	14.4%
Elevator Installer	8.9%
Glazier	60.9%
Drywall & Ceiling Tile Installer	7.0%
Ironworkers	19.6%
Millwright	(0.1%)
Painter	75.1%
Pile Driver Operator	(4.7%)
Plumber, Pipefitter, & Steamfitter	(6.5%)
Plasterer	32.7%
Roofer	13.7%
Sheet Metal Worker	(2.0%)
Tile & Marble Setter	18.9%
Drywall Taper	(0.5%)
Asbestos Abatement Worker	(0.7%)

Findings: Greater Minnesota vs Seven County Twin Cities Region

Overall, Greater Minnesota prevailing wage-OES wage differentials were higher than Twin Cities area differentials in 59 of the 100 instances where differentials exist for both areas. For three occupations – construction laborer, carpenter, and electrician – we compiled prevailing wage-OES wage differentials for all 12 economic development regions in Greater Minnesota. In another occupation – plumber, pipefitter and steamfitter – we have such differentials for 11 of the 12 Greater Minnesota regions and in two other occupations – cement mason and painter – we have differentials for eight regions. Rural differentials were generally higher in two occupations –electrician and plumber, pipefitter and steamfitter – while urban differentials were higher for cement masons and painters. Results were mixed for construction laborers and carpenters.

However, the differentials in Greater Minnesota appear to be larger than those in the Twin Cities region. We found a much higher proportion – 55% -- of Greater Minnesota observations where the prevailing wage rate exceeded the OES wage rate by at least 20% than in the Twin Cities region, where only 19% of observations had this level of differential.

We tested whether, as a group, the differentials between prevailing wage rates and OES wage rates in Greater Minnesota and the Twin Cities metro area were statistically different using a two-sample Kolmogorov-Smirnov test. This nonparametric test compares the cumulative distributions of two sets to determine whether or not they are equal. Our results are shown in Figure 1 below. This test indicates a <1% chance that these two cumulative frequency distributions would be as far apart as observed if randomly sampled from identical populations and indicates that the distributions are different in a formal statistical sense.

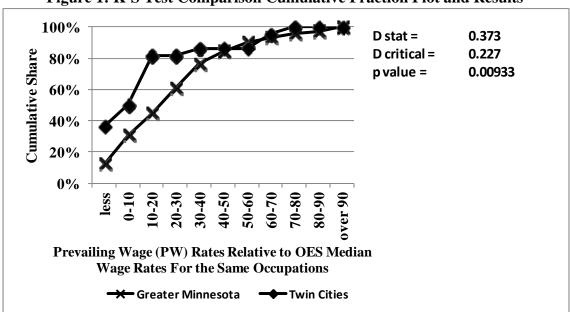


Figure 1: K-S Test Comparison Cumulative Fraction Plot and Results

Based on this statistical evidence, we reject the null hypothesis that the two sets are identical and conclude that overall, the differentials between prevailing wage rates and OES rates in Greater Minnesota are higher than those found in the seven-county metro.

Findings: Importation of Prevailing Wage Rates

Our second finding relates to the differences between the seven-county metro and Greater Minnesota with regard to the importation of prevailing wage rates. In cases where criteria for setting prevailing wage rates for a particular labor class in a county are not met, DLI will set the prevailing wage rate using a rate from an adjacent county.

As Table 5 on the next two pages indicates, about 45% of the rates we examined in Greater Minnesota were imported from an adjacent county. By economic development region, wage importation rates ranged from a low of 26% in Region 7W (which encompasses Saint Cloud and some surrounding territory) to a high of 53% in Region 6W (the Upper Minnesota Valley). In all, four economic development regions (1, 2, 4, and 6W) imported half or more of the prevailing wage rates we examined. Overall, the 45% importation rate was much higher than that for the seven-county metro, where about 10% of all rates were imported from an adjacent county.

Table 5: Share of Prevailing Wage Rates Imported From Other Counties, by Economic Development Region, Rates Effective 1/1/2014

Oti	Greater Minnesota						
Occupation	ED #1	ED #2	ED #3	ED #4	ED #5	ED #6E	ED #6W
Construction Laborer	21%	20%	14%	22%	0%	0%	40%
Pipelayer	40%	75%	71%	78%	80%	100%	80%
Insulation Workers	43%	60%	29%	33%	0%	0%	40%
Boilermakers	80%	75%	71%	75%	80%	75%	80%
Brickmason/	43%	40%	14%	33%	20%	500/	900/
Stonemason	43%	40%	14%	33%	20%	50%	80%
Carpenter	43%	20%	14%	22%	0%	0%	60%
Carpet Installer	80%	100%	71%	78%	60%	75%	50%
Cement Mason	29%	20%	0%	56%	20%	100%	60%
Electrician	29%	40%	29%	33%	0%	0%	20%
Elevator Installer	57%	60%	43%	44%	80%	50%	80%
Glazier	57%	80%	43%	56%	0%	75%	60%
Drywall & Ceiling Tile	500/	60%	50%	67%	50%	50%	33%
Installer	50%	00 70	30 76	0770	50 70	5070	33%
Ironworker	100%	40%	14%	67%	40%	50%	60%
Millwright	86%	60%	29%	67%	100%	75%	60%
Painter	71%	40%	0%	78%	40%	25%	80%
Pile Driver Operator	40%	50%	71%	78%	80%	100%	75%
Plumber, Pipefitter, &	29%	33%	38%	19%	20%	25%	40%
Steamfitter	2970	33%	3670	1970	20%	2370	4070
Plasterers	71%	40%	57%	89%	100%	75%	80%
Roofer	71%	60%	14%	33%	40%	0%	80%
Sheet Metal Worker	14%	20%	0%	0%	0%	25%	20%
Terrazzo Workers	60%	75%	57%	100%	80%	75%	40%
Tile & Marble Setter	55%	70%	36%	53%	60%	75%	14%
Drywall Taper	43%	40%	43%	67%	40%	25%	80%
Asbestos Abatement	86%	80%	71%	56%	60%	25%	20%
Worker	OU 70	OU 70	/170	50 70	UU 70	23%	20%
Total	51%	50%	36%	50%	41%	46%	53%

Table 5 (continued): Share of Prevailing Wage Rates Imported From Other Counties, by Economic Development Region, Rates Effective 1/1/2014

Occupation Greater Minnesota						Twin Cities	
	ED #7E	ED #7W	ED #8	ED #9	ED #10	Total	ED #11
Construction Laborer	20%	0%	22%	11%	14%	16%	0%
Pipelayer	60%	0%	78%	56%	82%	69%	14%
Insulation Workers	20%	0%	33%	11%	18%	25%	0%
Boilermakers	0%	50%	50%	89%	73%	68%	43%
Brickmason/ Stonemason	40%	25%	67%	56%	64%	46%	0%
Carpenter	0%	0%	11%	22%	0%	16%	0%
Carpet Installer	60%	75%	75%	78%	91%	76%	0%
Cement Mason	60%	25%	67%	56%	9%	40%	0%
Electrician	0%	0%	33%	22%	18%	21%	0%
Elevator Installer	100%	0%	67%	78%	45%	59%	0%
Glazier	40%	0%	44%	67%	36%	48%	0%
Drywall & Ceiling Tile Installer	100%	75%	44%	89%	73%	63%	29%
Ironworker	40%	0%	700/	560/	<i>550/</i>	540/	0%
			78%	56%	55%	54%	
Millwright	80%	50%	56%	56%	45%	61%	14%
Painter	40%	0%	78%	11%	9%	40%	0%
Pile Driver Operator	100%	75%	50%	89%	73%	75%	71%
Plumber, Pipefitter, & Steamfitter	47%	17%	33%	30%	27%	30%	0%
Plasterers	80%	100%	14%	67%	82%	71%	0%
Roofer	20%	0%	44%	33%	18%	35%	0%
Sheet Metal Worker	0%	0%	11%	0%	0%	6%	0%
Terrazzo Workers	80%	50%	0%	89%	45%	63%	57%
Tile & Marble Setter	60%	50%	27%	69%	73%	56%	0%
Drywall Taper	40%	25%	56%	78%	45%	51%	0%
Asbestos Abatement Worker	100%	25%	33%	33%	55%	54%	43%
Total	48%	26%	43%	49%	43%	45%	10%

As the table makes clear, prevailing wage rates were imported for some occupations far more often than others. In Greater Minnesota, only three occupations: sheet metal workers, construction laborers, and carpenters; had importation rates of less than 20%. In contrast, 13 occupations in Greater Minnesota had prevailing wage importation rates of over 50%: asbestos abatement workers; boilermakers; carpet installers; drywall and ceiling tile installers; drywall tapers; elevator installers; ironworkers; millwrights; pile driver operators; pipelayers; plasterers; terrazzo workers; and tile and marble setters.

IV. Appendix A

See Table 6 through Table 18 below for additional detail on the tables referenced in the body of this report.

Table 6: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #1

Occupation	Prevailing	OES Wage	Prevailing V	Vage vs OES
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent
Construction Laborer	14.87	13.06	\$1.81	13.9%
Carpenter	22.35	16.19	\$6.16	38.0%
Cement Mason	25.50	16.73	\$8.77	52.4%
Electrician	25.14	24.71	\$0.43	1.7%
Plumber, Pipefitter, & Steamfitter	29.73	24.03	\$5.70	23.7%

Note: Percents may not compute exactly due to rounding error.

Table 7: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #2

Occupation	Prevailing	OES Wage	Prevailing Wage vs OES		
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent	
Construction Laborer	15.48	14.87	\$0.61	4.1%	
Carpenter	20.74	21.79	(\$1.05)	(4.8%)	
Electrician	28.69	21.64	\$7.05	32.6%	
Painter	24.87	17.01	\$7.86	46.2%	
Plumber, Pipefitter, & Steamfitter	30.65	23.57	\$14.36	30.0%	

Table 8: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #3

Occupation	Prevailing	OES Wage	Prevailing V	Vage vs OES
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent
Construction Laborer	21.99	18.81	\$3.18	16.9%
Pipelayer	27.32	28.84	(\$1.52)	(5.3%)
Brickmason/Blockmason	29.04	31.87	(\$2.83)	(8.9%)
Carpenter	27.10	24.06	\$3.04	12.6%
Cement Mason	30.06	25.08	\$4.98	19.8%
Electrician	32.22	31.56	\$0.66	2.1%
Glazier	26.28	26.30	(\$0.02)	(0.1%)
Ironworker	29.33	21.69	\$7.64	35.2%
Painter	28.11	19.25	\$8.86	46.0%
Plumber, Pipefitter, & Steamfitter	32.44	29.98	\$2.46	8.2%
Roofer	30.52	30.43	\$0.09	0.3%
Sheet Metal Worker	29.46	32.54	(\$3.08)	(9.5%)
Asbestos Abatement Worker	27.67	26.89	\$0.78	2.9%

Note: Percents may not compute exactly due to rounding error.

Table 9: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #4

Occupation	Prevailing	OES Wage	Prevailing V	Vage vs OES
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent
Construction Laborer	20.18	14.83	\$5.35	36.1%
Pipelayer	21.31	16.80	\$4.51	26.8%
Carpenter	18.45	16.82	\$1.63	9.7%
Cement Mason	25.82	17.15	\$8.67	50.6%
Electrician	25.00	20.80	\$4.20	20.2%
Drywall & Ceiling Tile	16.78	16.52	\$0.26	1.6%
Installer	10.70	10.70		1.070
Millwright	26.61	18.06	\$8.55	47.3%
Painter	17.26	14.77	\$2.49	16.8%
Plumber, Pipefitter, &	28.44	21.73	\$6.71	30.9%
Steamfitter	20.44	21.73	\$0.71	30.9%
Sheet Metal Worker	22.79	20.23	\$2.56	12.6%
Drywall Taper	23.61	16.79	\$6.82	40.6%

Table 10: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #5

Occupation	Prevailing	OES Wage	Prevailing Wage vs OES	
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent
Construction Laborer	20.32	16.73	\$3.59	21.5%
Carpenter	21.23	18.79	\$2.44	13.0%
Electrician	31.41	24.27	\$7.14	29.4%
Painter	19.23	17.34	\$1.89	10.9%
Plumber, Pipefitter, & Steamfitter	30.59	10.73	\$19.86	185.1%
Roofer	29.72	23.47	\$6.25	26.6%

Note: Percents may not compute exactly due to rounding error.

Table 11: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #6E

Occupation	Prevailing	OES Wage	Prevailing Wage vs OES	
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent
Construction Laborer	19.70	14.56	\$5.14	35.3%
Pipelayer	20.31	26.88	(\$6.57)	(24.4%)
Carpenter	23.72	21.01	\$2.71	12.9%
Cement Mason	31.74	24.51	\$7.23	29.5%
Electrician	30.21	18.59	\$11.62	62.5%
Plumber, Pipefitter, & Steamfitter	31.35	22.29	\$9.06	40.7%

Note: Percents may not compute exactly due to rounding error.

Table 12: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #6W

Occupation	Prevailing	OES Wage	Prevailing Wage vs OES	
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent
Construction Laborer	13.62	14.10	(\$0.48)	(3.4%)
Carpenter	19.96	23.01	(\$3.05)	(13.2%)
Electrician	27.88	20.13	\$7.75	38.5%

Table 13: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #7E

Occupation	Prevailing	OES Wage	Prevailing Wage vs OES	
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent
Construction Laborer	27.45	18.26	\$9.19	50.3%
Carpenter	28.63	20.51	\$8.12	39.6%
Cement Mason	33.23	25.56	\$7.67	30.0%
Electrician	36.36	27.65	\$8.71	31.5%
Painter	30.36	21.09	\$9.27	44.0%
Plumber, Pipefitter, & Steamfitter	32.52	21.18	\$11.34	53.5%

Note: Percents may not compute exactly due to rounding error.

Table 14: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #7W

Occumation	Prevailing OES Wage		Prevailing Wage vs OES		
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent	
Construction Laborer	25.87	18.72	\$7.15	38.2%	
Pipelayer	26.18	23.67	\$2.51	10.6%	
Insulation Workers	41.17	30.35	\$10.82	35.7%	
Brickmason/Stonemason	30.61	28.01	\$2.60	9.3%	
Carpenter	29.05	20.83	\$8.22	39.5%	
Cement Mason	32.93	30.26	\$2.67	8.8%	
Electrician	32.03	26.55	\$5.48	20.6%	
Drywall & Ceiling Tile Installer	24.80	26.22	(\$1.42)	(5.4%)	
Ironworker	34.15	19.09	\$15.06	78.9%	
Millwright	30.39	30.14	\$0.25	0.8%	
Painter	31.32	14.51	\$16.81	115.9%	
Plumber, Pipefitter, & Steamfitter	31.56	26.33	\$5.23	19.9%	
Roofer	30.96	19.97	\$10.99	55.0%	
Sheet Metal Worker	34.88	21.14	\$13.74	65.0%	
Terazzo Worker	31.54	13.90	\$17.64	126.9%	
Tile & Marble Setter	20.08	21.37	(\$1.29)	(6.0%)	
Drywall Taper	27.62	15.75	\$11.87	75.3%	

Table 15: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #8

Occupation	Prevailing	OES Wage	Prevailing Wage vs OES	
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent
Construction Laborer	15.23	14.87	\$0.36	2.5%
Carpenter	18.93	17.70	\$1.23	7.0%
Cement Mason	18.16	14.18	\$3.98	28.0%
Electrician	25.47	24.82	\$0.65	2.6%
Plumber, Pipefitter, &	24.51	19.16	\$5.35	27.9%
Steamfitter	24.31	17.10	ψ5.55	21.770

Note: Percents may not compute exactly due to rounding error.

Table 16: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #9

	Hourly I	Hourly Rate (\$)			
Occupation	Prevailing OES		Prevailing V	g Wage vs OES	
	Wage	OES	Amount	Percent	
Construction Laborer	18.50	15.75	\$2.75	17.5%	
Brickmason/Stonemason	28.60	31.77	(\$3.17)	(10.0%)	
Carpenter	22.79	17.39	\$5.40	31.0%	
Carpet Installer	24.11	19.89	\$4.22	21.2%	
Electrician	31.59	26.26	\$5.33	20.3%	
Ironworker	32.97	19.22	\$13.75	71.5%	
Painter	22.39	21.52	\$0.87	4.0%	
Plumber, Pipefitter, &	28.92	26.90	\$2.02	7.5%	
Steamfitter	20.92	20.90	\$2.02	7.3%	
Roofer	25.27	16.96	\$8.31	49.0%	
Sheet Metal Worker	27.48	17.08	\$10.40	60.9%	

Table 17: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #10

Occumation	Prevailing	OES Wage	Prevailing V	Vage vs OES
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent
Construction Laborer	20.94	15.83	\$5.11	32.3%
Pipelayer	25.42	17.50	\$7.92	45.3%
Brickmason/Stonemason	32.68	28.94	\$3.74	12.9%
Carpenter	23.82	20.06	\$3.76	18.7%
Carpet Installer	25.67	23.73	\$1.94	8.2%
Cement Mason	30.80	19.57	\$11.23	57.4%
Electrician	33.04	26.51	\$6.53	24.6%
Drywall & Ceiling Tile	25.78	23.57	\$2.21	9.4%
Installer	23.76	23.37	\$2.21	9.4%
Ironworker	33.76	18.04	\$15.72	87.1%
Painter	26.29	19.79	\$6.50	32.8%
Plumber, Pipefitter, &	32.52	31.19	\$1.33	4.3%
Steamfitter	32.32	31.19	\$1.55	4.5%
Roofer	23.66	17.65	\$6.01	34.1%
Sheet Metal Worker	29.41	24.08	\$5.33	22.2%
Tile & Marble Setter	20.59	24.07	(\$3.48)	(14.5%)

Table 18: Prevailing Wage Rates vs OES Wage Rates by Occupation, First Quarter 2014, Economic Development Region #11

201	4, Economic Deve			
Occupation	Prevailing	OES Wage	Prevailing V	Vage vs OES
Occupation	Wage Rate (\$)	Rate (\$)	Amount	Percent
Construction Laborer	29.00	24.71	\$4.29	17.4%
Pipelayer	28.77	32.47	(\$3.70)	(11.4%)
Insulation Workers	41.17	40.44	\$0.73	1.8%
Brickmason/Stonemason	32.24	32.53	(\$0.29)	(0.9%)
Carpenter	32.16	28.45	\$3.71	13.0%
Carpet Installer	33.27	29.85	\$3.42	11.5%
Cement Mason	33.23	20.76	\$12.47	60.1%
Electrician	35.88	31.36	\$4.52	14.4%
Elevator Installer	43.57	40.00	\$3.57	8.9%
Glazier	36.17	22.48	\$13.69	60.9%
Drywall & Ceiling Tile Installer	33.21	31.05	\$2.16	7.0%
Ironworkers	34.15	28.56	\$5.59	19.6%
Millwright	30.52	30.54	(\$0.02)	(0.1%)
Painter	32.04	18.30	\$13.74	75.1%
Pile Driver Operator	32.49	34.10	(\$1.61)	(4.7%)
Plumber, Pipefitter, & Steamfitter	34.89	37.30	(\$2.41)	(6.5%)
Plasterer	34.74	26.17	\$8.57	32.7%
Roofer	34.12	30.02	\$4.10	13.7%
Sheet Metal Worker	38.79	39.59	(\$0.80)	(2.0%)
Tile & Marble Setter	23.00	19.34	\$3.66	18.9%
Drywall Taper	29.97	30.12	(\$0.15)	(0.5%)
Asbestos Abatement Worker	27.53	27.73	(\$0.20)	(0.7%)



Sound tax policy. Efficient spending. Accountable government.