

Prevailing Wage and School Construction Costs

ALL 10 THINGS YOU NEED TO KNOW ABOUT PREVAILING WAGE AND... SCHOOL CONSTRUCTION COSTS

1. The Truth: Prevailing wage laws DO NOT raise total project costs.

2. Fast Fact: 80% of economic studies find NO impact of prevailing wage on school construction costs.

3. Fast Fact: A study of 391 schools built in MI-KY-OH found no difference based on prevailing wage.

4. Fast Fact: Data from West Virginia and five neighboring states finds no statistical impact of prevailing wage on school costs.

5. Fast Fact: Eliminating prevailing wage results in lower-quality projects and less-skilled workers.

6. This Quote: *“Prevailing wage regulations offer school boards some assurance that the project will be skillfully built and workers on the job will be carefully managed.”*

–Peter Philips (2011)

10. The Takeaway: Prevailing wage laws ensure better quality schools are built at no additional cost.

7. This Chart:

Cost of Construction of New Public Schools				
	Rural Schools		Urban Schools	
	Mean Cost Per SF	Number of Schools	Mean Cost Per SF	Number of Schools
No Law	\$96	161	\$114	40
Law	\$98	104	\$114	86
Statistically Significant?	NO		NO	

8. This Study: [*West Virginia's Prevailing Wage: Good for Business, Good for Workers*](#) by Sean O'Leary, West Virginia Center on Budget & Policy (2015).

9. This Study: [*A Comparison of Public School Construction Costs: In Three Midwestern States that Have Changed Their Prevailing Wage Laws in the 1990s*](#) by Peter Philips, University of Utah (2001).