
Rick Wilson: Are working people living too well?

I remember a bumper sticker that said “Drive like hell — you’ll get there.” I can’t vouch for its theological veracity but I get the sentiment. More generally, if we head in certain directions, there is a danger of actually getting there.

One such place some state leaders seem intent on racing to is the bottom. And they just might succeed.

This represents something of a sea change. Once upon a time, West Virginia’s politicians, with varying degrees of sincerity, at least pretended to care about working people. They’d talk about how hard they were working to ensure that workers here could earn a decent living to support their families.

A new crop of leaders, some of whom are quite well off, seems to be haunted day and night by the nagging fear that our working families are living too high on the hog. And they’re on the case.

The target of the moment is people who work in construction, although it’s anybody’s guess as to who will be next.

Here’s the deal: government is a major procurer of construction projects for things like schools, roads, bridges, public buildings, etc. — things the so-called free market doesn’t provide on its own.

Beginning in the 1930s, state and federal legislators, many of whom were Republicans, took steps to ensure that the wages paid on these projects didn’t undermine the local standard of living by granting contracts to fly-by-night low-wage contractors who often performed shoddy work under unsafe conditions.

This involved surveying the local labor market to determine what typical compensation was for given types of skilled labor. The wages that “prevailed” in a given area for nonresidential construction work became the basis for prevailing wage laws.

Contrary to rumor, local prevailing wage laws don’t guarantee public works projects go exclusively to union or even local contractors. They do, however, help ensure a well-trained and productive labor force and contractors who compete on the basis of efficiency, productivity and quality.

There are several differences between government procurement practices and how things work in the private sector. First, the jobs often require differing degrees of skill and training. It’s one thing to have someone switch out the motor of your attic fan or put on a barn roof. It’s another to wire a school or build a bridge that hundreds of thousands of people will drive over. Construction workers in public sector projects typically undergo a thorough period of apprenticeship and training.

Skilled workers can indeed earn wages and benefits that seem pretty healthy ... until you recall that public construction jobs generally are temporary and don’t last all year. Typical workers in the building trades may have work for 44 weeks per year or less. And when they don’t work, they don’t get paid.

Further, private consumers can weigh many factors when making purchasing decisions. Most readers, for example, probably don’t always buy the cheapest available food, live in the cheapest possible shelter, and dress their children as cheaply as possible unless they have to. Governments, however, generally are required to select the lowest bid.

If you remove or weaken prevailing wage standards, you put pressure on contractors to cut back on training programs, wages, health care, pensions and possibly safety.

According to Steve Lyons of the Wisconsin Contractor Coalition, an association of 450 private businesses in that state, this can set up all kinds of long-range problems. “As contractors reduce their training costs, apprenticeship training declines. As apprenticeship training declines, qualifications and productivity of the construction labor force declines.”

“Prevailing wage laws allow contractors to include long-run costs of creating and maintaining a skilled, experienced and safe construction labor force in their public bids, if the private sector in the area on similar projects is paying those long-run costs as well. Studies repeatedly prove that well-trained, safe and efficient construction workers provide value to taxpayers and do not raise public construction costs.”

We do know that West Virginia’s prevailing wage law hasn’t driven up the cost of construction on public projects. Our state compares favorably to non-prevailing wage states like Virginia and North Carolina on school construction costs and is well within the range of other mid-Atlantic states.

During the last legislative session, the new Republican majority first attempted to repeal the state’s prevailing wage law but eventually seemed to agree on compromise legislation that raised the threshold and changed the way wages were calculated. Last month, they were outraged with the way Workforce WV attempted to comply with the law, presumably because it didn’t guarantee enough of a pay cut.

The latest development is pretty unprecedented. Republican legislative leaders have subpoenaed Workforce WV to search for emails revealing the influence of “outside interest.” I’m pretty sure that these “outside interests,” if there are any, are actually West Virginians who may have communicated with a public agency. Sometimes you’ll have that in a democracy.

By contrast, model legislation to gut the prevailing wage came straight from the playbook of the ultimate outsider group, i.e. ALEC (American Legislative Exchange Council), a corporate-funded national effort to influence state policies in the interest of the very wealthy.

I find it baffling that in a state where too many families are struggling to make ends meet, some politicians are trying to drag people down instead of build them up. I don’t know how successful they will be in the short run, but such divisive policies aren’t likely to make for a happy future.

I’m reminded of a quote from the Book of Proverbs: “He that troubles his own house shall inherit the wind.”

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