

Department of Workforce Development
Employment and Training Division
Bureau of Apprenticeship Standards
201 E. Washington Ave., Room E100
P.O. Box 7972
Madison, WI 53707-7972
Telephone: (608) 266-3332
Fax: (608) 266-0766
Email: DWDEET@dwd.wisconsin.gov



State of Wisconsin
Department of Workforce Development
Scott Walker, Governor
Scott Baumbach, Interim Secretary
Jane Pawasarat, Division Administrator

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TO: All Construction Employers Not Covered Under Bargaining Agreements

FROM: Karen Morgan, Director
Bureau of Apprenticeship Standards

SUBJECT: Revised Skilled Wage Rates by Trade and Geographic Area

Wisconsin Chapter 106 provides the legal basis for Wisconsin's apprenticeship programs. S. 106.01 (5)(f) further states that each Apprentice Contract must contain a statement of the compensation to be paid to the apprentice. In addition, no apprentice may be paid less than the State Minimum Wage. There must be a progressive schedule for wage increases over the term of the Contract. In addition, the wage rate must average 60% of the skilled wage rate for apprentices over the term of the Contract.

There has recently been a review of the skilled wage rates and there will be a change in the skilled wage rates for apprentices effective September 1, 2011 for all non-signatory employers participating in both the ABC and JAC programs. The change is based on wage data collected by the Equal Rights Division as part of last year's Prevailing Wage Rate Survey. However, unlike the formula used to determine the Prevailing Wage Rates, all wages collected are used to determine the Skilled Wage Rate for Apprentices. The new skilled rates with appropriate areas are attached. The Skilled Wage Rate is exclusive of benefits, i.e. benefits are not to be included in hourly wage paid to the apprentice. Benefits are to be provided in addition to the required rate of pay.

Both programs, ABC and JAC, have their own geographical areas.

There are exceptions to the use of the new Skilled Wage Rates.

1. Firms that have a higher skilled wage rate than the one determined by the Department are encouraged to use the higher of the two skilled wage rates in determining apprentice wages.
2. Firms that work on specific projects that have higher wage rates than the skilled wage rate for apprentices; such as, State Prevailing Wage Rate Projects or Davis-Bacon Projects, must use the higher of the two rates as the skilled wage rate while on that project.
3. Firms that work outside their normal geographic areas where there is a higher skilled wage; the employer must use the higher skilled wage rate for determining apprentice wages while working in the higher rate area.

The Revised Skilled Wage Rates are effective on September 1, 2011. All apprentice wage rates must be adjusted accordingly on that date.