

DELAWARE PREVAILING WAGE INFORMATION

Fringe benefits may be considered in determining whether an employer has met his/her prevailing wage obligations. However, any contributions made by employees must be voluntary. The only fringe benefits which the Delaware Department of Labor will recognize are the following:

- ▲ Health Insurance,
- ▲ Life Insurance,
- ▲ Disability Insurance,
- ▲ Retirement benefits,
- ▲ Vacation pay,
- ▲ Holiday pay,
- ▲ Sick leave pay, and
- ▲ Education benefits relating to apprenticeship and training programs.

For how these fringe benefits may be applied and/or calculated please review Delaware's Prevailing Wage Regulations.

WAGES

The Department of Labor defines “wages” under Regulation 3.1.9 as the basic hourly rate of pay plus fringe benefits as defined below. In addition Regulation 7.1.1.3.4 it states each employee's basic hourly rate of pay (If an employee performs public project work in more than one trade, the employer's record must reflect the hourly rate paid for each type of work performed; and Regulation 7.1.1.3.3 states.. Every contractor and subcontractor on a public project shall keep a daily log for each individual employed upon the site of construction. The log must list (in general terms) the tasks performed by each employee and the amount of time spent performing each task. (Examples, “hung drywall”, “wired lighting fixtures”, etc.);

Therefore a Mechanic, Laborer or Registered Apprentice who performs work in excess of 40 hours in a work week shall be paid the basic hourly rate of pay (the applicable prevailing wage rate) plus the fringe benefit for the actual task performed to equal one and a half times of the minimum applicable prevailing wage rate in excess of the 40 hour work week.

Example A: The Electricians applicable prevailing wage rate is \$45.00 with no fringe benefits.

The Electrician works 45 hours in a work week on a prevailing wage project. The Electrician is to be paid:

40 Hours @ 45.00 per hour and 5 Hours @ \$67.50 per hour

Example B: The Electricians applicable prevailing wage rate is \$45.00 including fringe benefits of \$5.00 per hour.

The Electrician works 45 hours in a work week on a prevailing wage project. The Electrician is to be paid:

40 hours @ \$40.00 (\$45.00- \$5.00) + 40 hours @ \$5.00 (hourly fringe benefit rate) = \$45.00

5 Hours @ \$62.50 (\$67.50 -\$5.00) + 5 Hours @ \$5.00 (hourly fringe benefit rate) = \$67.50

Example C: The Department of Labor has established a policy of how to compute wages for workers who work in excess of 40 hours in a work week in different classifications. The prevailing wage rate in effect for the task the worker is physically performing (as noted in the daily log) after the 40th hour will be the rate in effect.

For instance, a Power Equipment Operator paid \$30.00 including fringe benefits per hour sometimes works as a Laborer including fringe benefits as well on the project for \$20.00 per hour, work after the fortieth hour in the workweek shall be paid at $\$30.00 \times 1.5 = \45.00 per hour when working as a Power Equipment Operator, and $20.00 \times 1.5 = \$30.00$ when working as a Laborer.