

Prevailing Wage - Electricians

The prevailing wage rate is defined as the average wage paid to similarly employed workers in a specific occupation in the area of intended employment. According to the Foreign Labor Certification Data Center's Online Wage Library - a recommended Department of Labor Source for prevailing wage data - the prevailing wage for Electricians (SOC Code 47-2111) is \$27.29 per hour in Portsmouth, VA.

While the Online Wage Library is a recommended source for this information, it is important to note that this wage should be verified by submitting a request to the National Prevailing Wage Center (NPWC).

Benefits Costs

According to the Bureau of Labor Statistics' December 15th report on Employer Costs for Employee Compensation, total employer compensation costs for private industry workers averaged \$41.53 per hour in September 2023. Wages and salaries averaged \$29.34 per hour and accounted for 70.6% of employer costs, while benefit costs averaged \$12.19 per hour and accounted for the remaining 29.4%.

The Bureau of Labor Statistics' reported benefit costs consist of five major categories and include individual 18 benefit costs, including:

- Paid leave - vacation, holiday, sick, and personal leave
- Supplemental pay - overtime and premium, shift differentials, and nonproduction bonuses
- Insurance - life, health, short-term and long-term disability
- Retirement and savings - defined benefit and defined contribution
- Legally required benefits - Social Security, Medicare, federal and state unemployment insurance, and workers' compensation

According to their latest report, on average, employer expenses for vacation leave stand at \$1.59 per hour, accounting for 3.8% of total compensation. Holiday leave costs average \$0.92 per hour (2.2% of total compensation), sick leave costs average \$0.40 (1.0% of total compensation), and personal leave costs average \$0.18 (0.4% of total compensation).

Prevailing Wage Calculations - Electricians in Portsmouth

The prevailing wage for Electricians (SOC Code 47-2111) is \$27.29 per hour in Portsmouth, VA. The following hourly wage data is provided by the Foreign Labor Certification Data Center's Online Wage Library. Benefits estimates were calculated using the Bureau of Labor Statistics' latest estimates of private-sector benefits costs as a percent of hourly wages. In this case, the estimate is 41.5% of the hourly wage. This estimate is likely most accurate as it relates to base wages. Some benefits costs will not rise alongside the hourly rate, such as insurance-related benefits and paid leave; however, some benefits such as retirement benefits and legally required benefits will increase with the hourly wage.

Base Prevailing Wage

	Hourly Wage	Benefits Estimate	Total Hourly Compensation Cost
Level 1 Wage	\$20.43	\$8.48	\$28.91
Level 2 Wage	\$23.84	\$9.89	\$33.73
Level 3 Wage	\$27.26	\$11.31	\$38.57
Level 4 Wage	\$30.67	\$12.73	\$43.40
Mean (Prevailing) Wage	\$27.29	\$11.33	\$38.62

Overtime Prevailing Wage

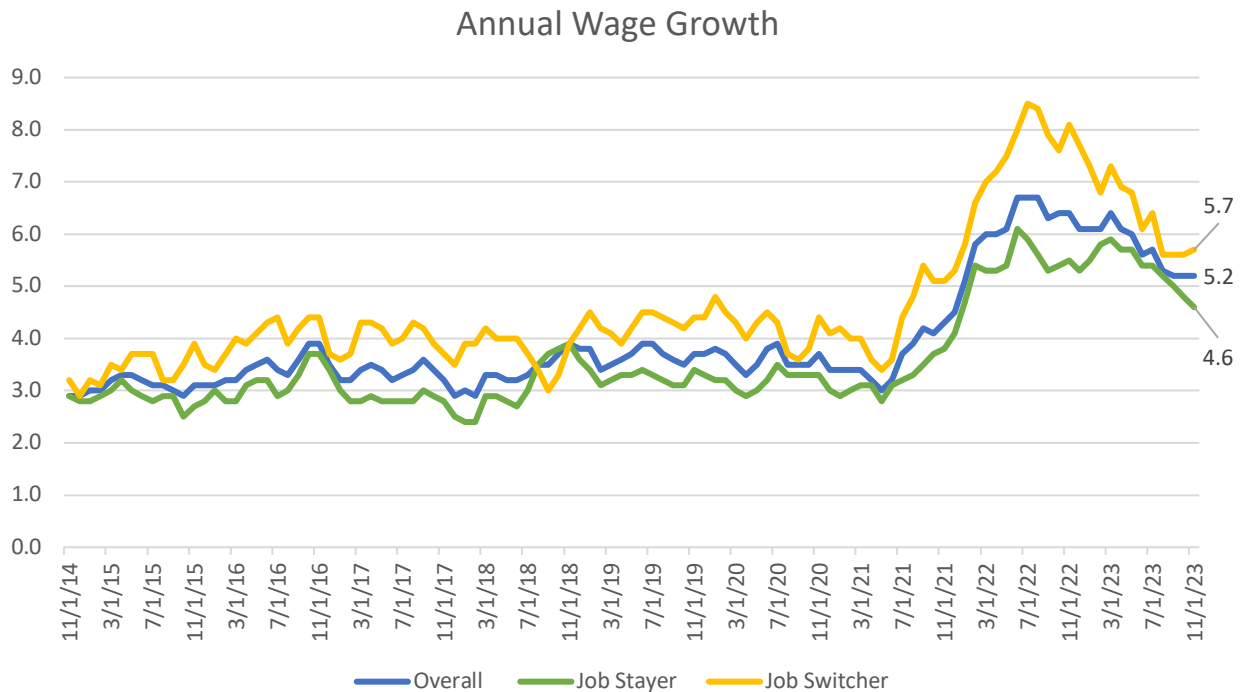
	OT Hourly Wage	Benefits Estimate	Total Hourly Compensation Cost
Level 1 Wage	\$30.65	\$12.72	\$43.36
Level 2 Wage	\$35.76	\$14.84	\$50.60
Level 3 Wage	\$40.89	\$16.97	\$57.86
Level 4 Wage	\$46.01	\$19.09	\$65.10
Mean (Prevailing) Wage	\$40.94	\$16.99	\$57.92

Double Time Prevailing Wage

	DT Hourly Wage	Benefits Estimate	Total Hourly Compensation Cost
Level 1 Wage	\$40.86	\$16.96	\$57.82
Level 2 Wage	\$47.68	\$19.79	\$67.47
Level 3 Wage	\$54.52	\$22.63	\$77.15
Level 4 Wage	\$61.34	\$25.46	\$86.80
Mean (Prevailing) Wage	\$54.58	\$22.65	\$77.23

Annual Wage Increases

Annual wage increases have been higher than normal during the last few years. For workers in Portsmouth, the average annual pay increased approximately 10% in 2022; however, the 10-year average annual wage growth is 4%. These figures can be skewed by job switchers, who typically see a higher increase than individuals who remain in their current roles. The following graph shows a 10-year history of month-to-month wage growth in the United States:



On average, workers who have remained in their current role have seen a wage increase of 4.6%, while workers who have changed jobs have seen an average increase of 5.7%.

Labor shortages and inflation have created upward pressure on wages in recent years; however, with some of those pressures easing, it is likely that wage increases will begin to normalize in 2024. Most employers are expecting to provide compensation increases between 3% and 4% in the coming year according to the Society for Human Resource Management (SHRM). In addition to SHRM's prediction, the latest Salary Budget Planning Survey by WTW found that employers in the United States are planning average salary increases of 4% in 2024.

Cost of Doing Business

The Virginia Economic Development Partnership maintains a dataset containing the average costs of doing business in the Commonwealth of Virginia. The table below shows the average costs, including the average cost for Workers' Compensation per \$100 of payroll:

Average Annual Cost Paid by Employers for Health Premiums for Family Coverage (2021)	\$21,348
Average Annual Cost of Employment-Based Health Premiums for Family Coverage (2021)	\$28,385
Unemployment Insurance Tax Rates (2022)	0.17%
Unemployment Insurance Tax per Employee (2022)	\$89
Taxable Wage Base for Unemployment Insurance (2022)	\$8,000
Weekly Payment for Total Disability (2017)	\$1,043
Workers' Compensation Employer Insurance Costs Per \$100 of Payroll (2020)	\$0.61
State and Local Taxes per Capita (2020)	\$5,597
State and Local Taxes per \$1000 Income (2020)	\$90
State Level Sales Tax (2023)	5.30%
State and Average Local Sales Tax (2023)	5.75%
State Individual Income Tax (2023)	Yes
State Corporate Income Tax (Effective Tax Rate as a Percent of Net Income Before Federal Income Tax Payments) (2023)	6.00%
Average Industrial Electric Rate (Semester 2, 2022)	6.95
Average Price of Natural Gas Delivered to Industrial Consumers (2021)	5.16
Average Commercial Electric Rate (Semester 2, 2022)	8.34
Average Price of Natural Gas Delivered to Commercial Consumers (2021)	9.33
Cost of Living (2020)	102.10