It never hurts to talk about it

Bob Kelly Charleston Daily Mail September 09 2003

Prevailing wage causes questions in Ritchie County

As a 48-year-old veterinarian, Stephen Worden knows just about every farm family in rural Ritchie County, population 10,343.

In 2000, Worden successfully campaigned for county commission on a promise to do what he could to spruce up the 4-H camp on the outskirts of the pretty little county seat of Harrisville.

Like most West Virginia counties, however, Ritchie struggles to make ends meet. It has a \$1.4 million annual budget for basic services, ever-rising costs, no short-term prospects for growth and a courthouse with a leaky roof.

It's not getting better. The county's garment industry employed 900 people at its mid-1960s peak. On Aug. 29, the last factory closed.

Nevertheless, 4-H campers in the main assembly hall kept cool for the first time this summer, thanks to a \$30,000 air conditioning and heating system made possible by a charitable foundation and civic groups.

The improvements didn't take a dime of public money. The county commission was involved only because it owns the 40 acres on which camp buildings sit.

For those reasons, commissioners believed prevailing wage provisions should not apply to the work, which the lowest bidder performed satisfactorily.

Evidently, not everyone agrees. Acting on a complaint, the state Division of Labor dispatched an inspector to snoop around in Harrisville. The agency is expected to side with the county commission, but there's been no official ruling.

The prevailing wage is an anachronistic appendage on the state code that essentially requires union wages be paid on publicly financed projects. The taxpayer subsidy to organized labor is estimated to inflate construction costs by 16 percent.

Here's another way of looking at it: The Economic Development Grant Committee had \$225 million to allocate to projects, all covered by the phony, state-computed prevailing wage. If not for the Legislature's sop to a special-interest group, the \$225 million could have built \$260 million worth of projects.

Worden had little reason to know about the prevailing wage until taking office.

"It occurred to me, when the Division of Labor was checking out the 4-H job, that if it was going to be necessary for us to pay a penalty, to whom would we pay it, and why?" Worden said. "Everyone seemed pleased with the work."

Worden also serves on the county's Economic Development Authority and raised questions about the prevailing wage at the group's July meeting. A Ritchie Gazette reporter quoted him, and that attracted 30 union members to the group's next meeting in August.

Then, at the authority's September meeting last Thursday night, 50 union members turned out to make their feelings known about the sanctity of the prevailing wage law.

"I understand their position, and I have nothing against the unions," Worden said. "But I also have a duty to all of the taxpayers, which is why I raised the issue."

His question has caused repercussions elsewhere. Developments in Ritchie County were the basis for a lead story in The ACT Report, the monthly publication of the Affiliated Construction Trades Foundation.

"Relentless in their drive to lower wages of construction workers, the Associated Builders & Contractors have launched a new campaign aimed at eliminating state prevailing wage laws," it said.

Tom Hardiman, president of the contractors organization, responded in a letter in last week's Ritchie Gazette: "The prevailing wage law requires Ritchie County taxpayers to fork over a rate in excess of \$25 per hour for the lowest skilled laborer on a taxpayer-funded project. This is the rate for the tool room attendant, janitor and flagman."

Worden is uncomfortable in the middle of a controversy he helped to create in a county unused to controversies. Though unions have only a light presence in Ritchie County, he doesn't want to offend friends and neighbors who belong to one.

"All I was trying to do is to think about ways for the county to stretch a dollar for things like the courthouse roof," he said.

Kent Spellman, president of the Economic Development Authority, said the issue in Ritchie County and beyond is not any conflict between unions and a contractors group over the prevailing wage.

"The real threat is offshore," he said. "As we look to bring businesses to West Virginia, we have to find ways to help them be as efficient and productive as possible. We certainly would like to draw the unions into a discussion of how to do that."

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