

Prevailing Wage Data Research

The Workforce Business Services' Skills Development Fund (SDF) Evaluation Team has developed training to assist new staff, the SDF Outreach, Development, and Technical Assistance Team, the colleges, and the businesses in researching and determining prevailing wages for the occupations for which training is being requested in SDF proposals.

It is a statutory requirement [Texas Labor Code, 303.002 (b)(2)] that the wages for each occupation must be equal to or greater than the prevailing wage for that occupation in the local labor market. The local labor market is the Workforce Development Area (WDA) where the trainees will be employed upon the completion of training. The prevailing wage for an occupation is determined by identifying the wage at the 25th percentile for that occupation in the WDA. Making this determination is usually a straightforward process; however, there are certain situations for which additional research is necessary.

Researching prevailing wage is a multi-step process utilizing several systems, including the U.S. Department of Labor - Bureau of Labor Statistics Standard Occupational Classification (SOC) system (http://stats.bls.gov/soc/soc_majo.htm and <http://www.bls.gov/oco/home.htm>), the Texas Workforce Commission – Labor Market and Career Information (LMCI) Texas Rapid Access to Career and Economic Resources (TRACER) system (<http://www.tracer2.com>), and the North American Industry Classification System (NAICS) (<http://www.census.gov/epcd/naics02/naicod02.htm>).

SOC Classifications

The SOC system is used by federal statistical agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data. All workers are classified into one of more than 800 occupations according to their occupational definition. There are four levels of SOC classification, including : Level 1 – Major Group; Level 2 – Minor Group; Level 3 – Broad Occupation; and Level 4 – Detailed Occupation.

Each Broad Occupation includes Detailed Occupation(s) requiring similar job duties, skills, education, or experience. **The *Detailed Occupation* SOC code(s) is required for the Private Partner Information Form (PPIF.)**

The following example illustrates the different levels and classifications used to determine the Detailed Occupation SOC code.

Major Group

47-0000 – Construction and Extraction Occupations

Minor Group

47-2000 – Construction Trades Workers

Broad Occupation

47-2020 – Brickmasons, Blockmasons, and Stonemasons

Detailed Occupation

47-2021 – Brickmasons and Blockmasons

47-2022 – Stonemasons

LMCI - TRACER is an Internet information delivery system that contains statistics and analyses on the dynamics of the Texas labor market and informational products designed to support informed educational and career decisions. These data are based on SOC classifications.

NAICS Industry Levels

NAICS was developed jointly by the United States, Canada, and Mexico to provide comparability in business statistics among the North American countries and replaced the Standard Industrial Classification (SIC) system in 1997.

The following example illustrates the different levels of the NAICS industry sectors.

Industry Sector Code

10 – All Industries

1013 – Manufacturing

NAICS/Industry Code

31-33 – Manufacturing

332 – Fabricated Metal Product Manufacturing

3323 – Architectural and Structural Metals

This training guide consists of six sections that explain the step-by-step process to determine the prevailing wage for an occupation, and two attachments with additional material. They include:

- Section A:** All-Industry Prevailing Wage Data for Occupations ***in*** Local Labor Market
- Section B:** All-Industry and Industry-Specific Prevailing Wage Data for Occupations ***in*** Local Labor Market
- Section C:** All-Industry Prevailing Wage Data for Occupations ***Not*** in Local Labor Market
- Section D:** All-Industry and Industry-Specific Prevailing Wage Data for Occupations ***Not*** in Local Labor Market
- Section E:** All-Industry Statewide Prevailing Wage Data for Occupations ***Not*** in Local Labor Market or Contiguous WDAs
- Section F:** All-Industry and Industry-Specific Statewide Prevailing Wage Data for Occupations ***Not*** in Local Labor Market or Contiguous WDAs
- Attachment A:** NAICS/Industry Code and Industry Sector Code Determination
- Attachment B:** Major Group Occupations and Corresponding SOC Codes

Section A

All-Industry Prevailing Wage Data for Occupations in Local Labor Market

Section A is the first step, as well as the easiest, in researching prevailing wage (25th percentile) data for the WDA where project participants will be employed upon completion of training. The systems used in this section include the SOC system and the LMCI - TRACER system. The “Occupational Wages for the 28 Workforce Development Board Areas (Occupational Wages)” Excel spreadsheet in the LMCI – TRACER system is the data source for this step.

A. All-Industry Prevailing Wage Data for Occupations in Local Labor Market

(Always use as the first step in researching prevailing wage data. The “Occupational Wages” Excel spreadsheet is the data source for this step.)

1. Go to TRACER (www.tracer2.com)
2. Select LMCI Searchpage
3. Occupational Wages (OES)-State, MSA, WDA – Select “WDA Wages”
4. Select “Download Publication” (an Excel file)
5. A dialog box will appear, select “Open”
 - When downloading, TRACER will ask for a User Name and Password. Select “Cancel” and the file will open.
6. Area Name (Column A) – Select WDA
 - Click on arrow to open menu; choose “Select All” to clear; choose WDA where project participants will be employed upon completion of training; and select “OK.”
7. Occupation Code (Column B) – Find the occupation code
 - Click on arrow to open menu; choose “Select All” to clear; choose occupation code; and select “OK.” (Users who wish to view all occupation codes for a WDA should leave the “Select All” box checked. This may be helpful in determining an appropriate occupation code when an incorrect one is submitted.)
 - If the occupation code is not listed, go to Section B to research the all-industry and industry-specific prevailing wage data for that occupation using the “Wages by Profession” data source.
8. 25th Percentile (Column H) – Locate the all-industry wage data that corresponds to the occupation code.
9. Prevailing Wage
 - If the all-industry wage data is **equal to or less** than the minimum wage in the PPIF for that occupation, use it as the prevailing wage.
 - If the all-industry wage data is **greater** than the minimum wage in the PPIF for that occupation, go to Section B.

Section B

All-Industry and Industry-Specific Prevailing Wage Data for Occupations in Local Labor Market

Section B is the second step in researching prevailing wage data. The systems used in this section include the SOC system, the LMCI - TRACER system, and NAICS. The “Wages by Profession” in the LMCI – TRACER system is the data source for this step.

Research the all industry and industry-specific prevailing wage using the “Wages by Profession” data if:

- An occupation’s minimum wage in the PPIF is less than the all-industry prevailing wage identified using the “Occupational Wages” Excel spreadsheet; or
- All-industry prevailing wage data is not available for that occupation using the “Occupational Wages” Excel spreadsheet.

B. All-Industry and Industry-Specific Prevailing Wage Data for Occupations in Local Labor Market

(“Wages by Profession” is the data source for this section. Use only if the occupation’s minimum wage in the PPIF is less than the all-industry prevailing wage or all-industry prevailing wage data is not available for that occupation using the “Occupational Wages” Excel spreadsheet data source. See Section A.)

1. Go to TRACER (www.tracer2.com)
2. Go to Data Link – Select “Wages by Profession”
3. Area Types – Select “Workforce Development Area (WDA)”
4. Areas – Select WDA where project participants will be employed upon completion of training, then select “Continue”
5. Years – “2007” and Time Period – “Annual” have already been selected (no other selections available); select “Continue”
6. An Occupation Code Type – “SOC” has already been selected (no other selection available)
7. Occupation – Select occupation code, then select “Continue”
 - Multiple occupations can be selected by holding down the “Ctrl” key while selecting the occupations.
 - If the occupation code is not available on the menu, then all-industry and industry-specific prevailing wage data is not available for this occupation in the selected WDA. Go to Section C.
8. An Industry Code Type – “NAICS” has already been selected (no other selection available)
9. Industries – Select all available of the following: the 2-digit all-industry code, the 4-digit industry sector code, and the 2-, 3- and 4-digit NAICS/industry codes that correspond to the business’ 4-digit NAICS code provided in the PPIF, then select “Continue.” (See Attachment A for the industry sector codes that correspond to the 2-digit NAICS/industry codes.)
 - Multiple industry codes can be selected by holding down the “Ctrl” key while selecting the industries.
 - If the 4-digit industry sector code and the 2-, 3-, and 4-digit NAICS/industry codes are not available on the menu, then industry-specific prevailing wage data is not available for this occupation in the selected WDA. Go to Step 13.

10. Wage Source – “*BLS Occupational Employment Statistics Survey*” has already been selected
(no other selection available)

11. Wage Rate Type – Select “*Hourly wage*”

12. Data Series – Select “*Pct 25 Wages*” and click on “*View Data.*” In the dialog box that appears, select “*Accept Terms.*”

13. Prevailing Wage – Of the wages displayed, identify the lowest wage.

- If the identified industry-specific wage is **less** than the all-industry wage data for that occupation, use the industry-specific wage as the prevailing wage.
- If the identified industry-specific wage is **greater** than the all-industry wage data for that occupation, use the all-industry wage data as the prevailing wage.
- If there is no industry-specific wage data for the occupation in the local labor market, use the all-industry wage data as the prevailing wage.

Section C

All-Industry Prevailing Wage Data for Occupations Not in Local Labor Market

Section C is the third step in researching prevailing wage (25th percentile) data. The systems used in this section include the SOC system and the LMCI - TRACER system. The “Occupational Wages for the 28 Workforce Development Board Areas (Occupational Wages)” Excel spreadsheet in the LMCI – TRACER system is the data source for this step.

If there is no all-industry or industry-specific prevailing wage data for the occupation in the local labor market, research the WDAs bordering the WDA where project participants will be employed upon completion of training.

For each contiguous WDA, research and identify the all-industry (25th percentile) wage data that corresponds to the SOC code.

C. All-Industry Prevailing Wage Data for Occupations Not in Local Labor Market

(Use only if there is no all-industry or industry-specific prevailing wage data for the occupation in the local labor market. The “Occupational Wages” Excel spreadsheet is the data source for this step. See Sections A and B.)

1. Go to TRACER (www.tracer2.com)
2. Select LMCI Searchpage
3. Occupational Wages (OES)-State, MSA, WDA – Select “WDA Wages”
4. Select “Download Publication” (an Excel file)
5. A dialog box will appear, select “Open”
 - When downloading, TRACER will ask for a User Name and Password. Select “Cancel” and the file will open.
6. Area Name (Column A) – Select WDAs
 - Click on arrow to open menu; choose “Select All” to clear; choose WDAs bordering the WDA where project participants will be employed upon completion of training; and select “OK.”
7. Occupation Code (Column B) – Find the occupation code
 - Click on arrow to open menu; choose “Select All” to clear; choose occupation code; and select “OK.”
 - If the occupation code is not listed, go to Section D to research the all-industry and industry-specific prevailing wage data for that occupation using the “Wages by Profession” data source.
8. 25th Percentile (Column H) – For each contiguous WDA, locate the all-industry wage data that corresponds to the occupation code.
9. Prevailing Wage – Identify the lowest all-industry wage from the contiguous WDAs.
 - If the identified lowest all-industry wage data is **equal to or less** than the minimum wage in the PPIF for that occupation, use it as the prevailing wage.
 - If the identified lowest all-industry wage data is **greater** than the minimum wage in the PPIF for that occupation, go to Section D.

Section D

All-Industry and Industry-Specific Prevailing Wage Data for Occupations Not in Local Labor Market

Section D is the fourth step in researching prevailing wage data. The systems used in this section include the SOC system, the LMCI - TRACER system, and NAICS. The “Wages by Profession” in the LMCI – TRACER system is the data source for this step.

Research the all-industry and industry-specific prevailing wage data for occupations **not** in the local labor market using the “Wages by Profession” data if there is no all-industry or industry-specific prevailing wage data for the occupation in the local labor market and one of the following conditions apply:

- The occupation’s minimum wage in the PPIF is less than the all-industry prevailing wage in the contiguous WDAs identified using the “Occupational Wages” Excel spreadsheet; **or**
- All-industry prevailing wage data is not available for that occupation in the contiguous WDAs using the “Occupational Wages” Excel spreadsheet.

D. All-Industry and Industry-Specific Prevailing Wage Data for Occupations Not in Local Labor Market

(“Wages by Profession” is the data source for this section. Use only if there is no all-industry or industry-specific prevailing wage data for the occupation in the local labor market and one of the two following conditions apply: 1) the occupation’s minimum wage in the PPIF is less than the all-industry prevailing wage in the contiguous WDAs identified using the “Occupational Wages” Excel spreadsheet; or 2) all-industry prevailing wage data is not available for that occupation in the contiguous WDAs using the “Occupational Wages” Excel spreadsheet. See Sections A, B and C.)

1. Go to TRACER (www.tracer2.com)
2. Go to Data Link – Select “Wages by Profession”
3. Area Types – Select “Workforce Development Area (WDA)”
4. Areas – Select the WDAs bordering the WDA where project participants will be employed upon completion of training, then select “Continue.”
 - Multiple WDAs may be selected by holding down the “Ctrl” key while selecting the contiguous WDAs.
5. Years – “2007” and Time Period – “Annual” have already been selected (no other selections available); select “Continue”
6. An Occupation Code Type – “SOC” has already been selected (no other selection available)
7. Occupation – Select occupation code, then select “Continue”
 - Multiple occupations can be selected by holding down the “Ctrl” key while selecting the occupations.
 - If the occupation code is not available on the menu, then all-industry and industry-specific prevailing wage data is not available for this occupation in the selected WDAs. Go to Section E.
8. An Industry Code Type – “NAICS” has already been selected (no other selection available)
9. Industries – Select all available of the following: the 2-digit all-industry code, the 4-digit industry sector code, and the 2-, 3- and 4-digit NAICS/industry codes that correspond to the business’ 4-digit NAICS code provided in the PPIF, then select “Continue.” (See Attachment A for the industry sector codes that correspond to the 2-digit NAICS/industry codes.)
 - Multiple industry codes can be selected by holding down the “Ctrl” key while selecting the industries.

- If the 4-digit industry sector code and the 2-, 3-, and 4-digit NAICS/industry codes are not available on the menu, then industry-specific prevailing wage data is not available for this occupation in the contiguous WDAs. Go to Step 13.

10. Wage Source – “*BLS Occupational Employment Statistics Survey*” has already been selected (no other selection available)

11. Wage Rate Type – Select “*Hourly wage*”

12. Data Series – Select “*Pct 25 Wages*” and click on “*View Data.*” In the dialog box that appears, select “*Accept Terms.*”

13. Prevailing Wage – Of the wages displayed, identify the lowest wage from the contiguous WDAs.

- If the identified industry-specific wage is **less** than the all-industry wage data for that occupation, use the industry-specific wage as the prevailing wage.
- If the identified industry-specific wage is **greater** than the all-industry wage data for that occupation, use the all-industry wage data as the prevailing wage.
- If there is no industry-specific wage data for the occupation in the contiguous WDAs, use the all-industry wage data as the prevailing wage.
- If there is no all-industry wage data for the occupation in the contiguous WDAs, use the identified industry-specific wage as the prevailing wage.

Sections E and F

All-Industry Statewide Prevailing Wage Data for Occupations Not in Local Labor Market or Contiguous WDAs and All-Industry and Industry-Specific Statewide Prevailing Wage Data for Occupations Not in Local Labor Market or Contiguous WDAs

Sections E and F are the last steps in researching prevailing wage data. The systems used in these sections include the SOC system, the LMCI - TRACER system, and NAICS. These steps are used only if there is no all-industry or industry-specific prevailing wage data for the occupation in the local labor market or the contiguous WDAs.

In Section E, research and identify the all-industry statewide (25th percentile) wage data that corresponds to the SOC code. The “Statewide Wages” Excel spreadsheet in the LMCI – TRACER system is the data source for this step.

In Section F, research and identify the all-industry and industry-specific statewide (25th percentile) wage data that corresponds to the SOC code. The “Wages by Profession” in the LMCI – TRACER system is the data source for this step.

E. All-Industry Statewide Prevailing Wage Data for Occupations Not in Local Labor Market or Contiguous WDAs

(Use only if there is no all-industry or industry-specific prevailing wage data for the occupation in the local labor market or the contiguous WDAs. The “Statewide Wages” Excel spreadsheet is the data source for this step. See Sections A through D.)

1. Go to TRACER (www.tracer2.com)
2. Select LMCI Searchpage
3. Occupational Wages (OES)-State, MSA, WDA – Select “*Statewide Wages*”
4. Select “*Download Publication*” (an Excel file)
5. A dialog box will appear, select “*Open*”
 - When downloading, TRACER will ask for a User Name and Password. Select “*Cancel*” and the file will open.
6. Occupation Code (Column A) – Find the occupation code
 - If the occupation code is not listed, go to Section F to research the all-industry and industry-specific statewide prevailing wage data for that occupation using the “Wages by Profession” data source.
7. 25th Percentile (Column G) – Find the all-industry wage data that corresponds to the occupation code.
8. Prevailing Wage
 - If the all-industry statewide wage data is **equal to or less** than the minimum wage identified in the PPIF for that occupation, use it as the prevailing wage.
 - If the all-industry statewide wage data is **greater** than the minimum wage identified in the PPIF for that occupation, go to Section F.

F. All-Industry and Industry-Specific Statewide Prevailing Wage Data for Occupations Not in Local Labor Market or Contiguous WDAs

(“Wages by Profession” is the data source for this section. Use only if the following apply: 1) there is no all-industry or industry-specific prevailing wage data for the occupation in the local labor market or the contiguous WDAs using the “Occupational Wages” Excel spreadsheet and “Wages by Profession” data sources and 2) the occupation’s minimum wage in the PPIF is less than the all-industry statewide prevailing wage data identified using the “Statewide Wages” data source. See Sections A through E.)

1. Go to TRACER (www.tracer2.com)
2. Go to Data Link – Select “Wages by Profession”
3. Area Types – Select “Texas”
4. Areas – Select “Texas”, then select “Continue”
5. Years – “2007” and Time Period – “Annual” have already been selected (no other selections available); select “Continue”
6. An Occupation Code Type – “SOC” has already been selected (no other selection available)
7. Occupation – Select occupation code, then select “Continue”
 - Multiple occupations can be selected by holding down the “Ctrl” key while selecting the occupations.
 - If the occupation code is not available on the menu, then all-industry and industry-specific prevailing wage data is not available for this occupation.
8. An Industry Code Type – “NAICS” has already been selected (no other selection available)
9. Industries – Select all available of the following: the 2-digit all-industry code, the 4-digit industry sector code, and the 2-, 3- and 4-digit NAICS/industry codes that correspond to the business’ 4-digit NAICS code provided in the PPIF, then select “Continue.” (See Attachment A for the industry sector codes that correspond to the 2-digit NAICS/industry codes.)
 - Multiple industry codes can be selected by holding down the “Ctrl” key while selecting the industries.
 - If the 4-digit industry sector code and the 2-, 3-, and 4-digit NAICS/industry codes are not available on the menu, then statewide industry-specific prevailing wage data is not available for this occupation. Go to Step 13.
10. Wage Source – “BLS Occupational Employment Statistics Survey” has already been selected (no other selection available)
11. Wage Rate Type – Select “Hourly wage”

12. Data Series – Select “*Pct 25 Wages*” and click on “*View Data.*” In the dialog box that appears, select “*Accept Terms.*”

13. Prevailing Wage – Of the wages displayed, identify the lowest wage from the statewide data.

- If the identified industry-specific statewide wage is **less** than the all-industry statewide wage data, use the industry-specific statewide wage as the prevailing wage.
- If the identified industry-specific statewide wage is **greater** than the all-industry statewide wage data, use the all-industry statewide wage data as the prevailing wage.
- If there is no industry-specific statewide wage data for the occupation, use the all-industry statewide wage data as the prevailing wage.
- If there is no all-industry statewide wage data for the occupation, use the identified industry-specific wage as the prevailing wage.

Attachment A

NAICS/Industry Code and Industry Sector Code Determination

NAICS/Industry Code (2-digit)	Industry Sector Code	Industry
11	1011	Agriculture, Forestry, Fishing & Hunting
21	1011	Mining
22	1021	Utilities
23	1012	Construction
31-33	1013	Manufacturing
42	1021	Wholesale Trade
44-45	1021	Retail Trade
48-49	1021	Transportation & Warehousing
51	1022	Information
52	1023	Finance & Insurance
53	1023	Real Estate and Rental and Leasing
54	1024	Professional, Scientific, & Technical Services
55	1024	Management of Companies & Enterprises
56	1024	Administrative and Support and Waste Management and Remediation Services
61	1025	Educational Services
62	1025	Healthcare & Social Assistance
71	1026	Arts, Entertainment, & Recreation
72	1026	Accommodation & Food Services
81	1027	Other Services (except Public Administration)
92	1028	Public Administration (Government)

Attachment B

Major Group Occupations and Corresponding SOC Codes

Important Note: The LMCI – TRACER System has 25th percentile wage data for the following Major Group Occupations and corresponding SOC codes. However, the Detailed Occupation SOC code(s) is required for the Private Partner Information Form. See pages 1 and 2 of the Prevailing Wage Data Research instructions for further detail.

00-0000	Total, All Occupations
11-0000	Management Occs.
13-0000	Business & Financial Operations Occs.
15-0000	Computer & Mathematical Occs.
17-0000	Architecture & Engineering Occs.
19-0000	Life, Physical, & Social Sciences Occs.
21-0000	Community & Social Services Occs.
23-0000	Legal Occs.
25-0000	Education, Training, & Library Occs.
27-0000	Arts, Design, Entertainment, Sports, & Media Occs.
29-0000	Healthcare Practitioners & Technical Occs.
31-0000	Healthcare Support Occs.
33-0000	Protective Service Occs.
35-0000	Food Preparation & Serving Related Occs.
37-0000	Bldg & Grounds Cleaning & Maintenance Occs.
39-0000	Personal Care & Service Occs.
41-0000	Sales & Related Occs.
43-0000	Office & Administrative Support Occs.
45-0000	Farming, Fishing, & Forestry Occs.
47-0000	Construction & Extraction Occs.
49-0000	Installation, Maintenance, & Repair Occs.
51-0000	Production Occs.
53-0000	Transportation & Material Moving Occs.