

DEPARTMENT OF INDUSTRIAL RELATIONS

Office of the Director – Research Unit

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**IMPORTANT NOTICE  
TO AWARDING BODIES AND INTERESTED PARTIES REGARDING  
THE PREVAILING WAGE RATES BELOW THE CALIFORNIA MINIMUM WAGE**

In accordance with Labor Code Sections 1770, 1773, and 1773.1, the Director of the Department of Industrial Relations is responsible for determining the prevailing wage rates for each worker employed on public works projects of more than one thousand dollars (\$1,000). Under Labor Code Section 1773.9, the prevailing rate is defined as the basic hourly rate being paid to a majority of workers engaged in a particular craft, classification or type of work within the locality and in the nearest labor market.

Effective on January 1, 2017, the Director's prevailing wage determinations shall not be below the California minimum wage of \$10.50 per hour. Each employer is required to pay at least the California minimum wage, \$10.50, for the basic hourly rate in all cases where the published prevailing wage rate is below the California minimum wage. Any and all employer payments required by these determinations must also be paid.

If the California minimum wage is increased in the future to an amount above that shown in a prevailing wage determination, the basic hourly rate in that determination automatically increases to the new minimum wage.