

COMMUNITY ECONOMIC REVITALIZATION BOARD

Median Wage – Frequently Asked Questions

Q: What is the median wage requirement for CERB projects?

A: By law, CERB can only consider construction projects for which an **application** demonstrates “convincing evidence that the median hourly wage of the private sector jobs created after the project is completed will **exceed** the countywide median hourly wage” (RCW 43.160.060(2)(g)). For this purpose, CERB considers only the direct, non-seasonal private sector jobs.

Q: What is a median?

A: A median is defined as the midpoint in a set of numbers. It’s the point at which one half (50%) of the numbers in the set fall above and one half (50%) of the numbers fall below. The median is also sometimes referred to as the “50th percentile.”

Q: How is a median calculated?

A: Values (in CERB’s case, jobs at hourly wage rates) are listed in order, either from highest to lowest or lowest to highest. The middle-most number is the median. If the number of values is even, the median is the average between the middle two values.

Example A:	Example B:
Hourly Wage	Hourly Wage
\$14	\$14
\$27	\$27
\$27	\$27
\$27	\$40
\$30	\$40
\$40	\$55
\$40	
\$55	
\$59	
Median = \$30	Median = \$33.50 (the average of \$27 and \$40)

Q: Does the number of jobs at a specific wage impact the median calculation?

A: Yes. CERB factors in the number of jobs estimated by the applicant to be created at a particular wage, a calculation which is sometimes referred to as a weighted median. This is consistent with the manner in which the Labor Market and Economic Analysis Branch of the Washington State Employment Security Department calculates median wage when publishing median wage data.

Q: How does CERB determine what the countywide median wage is?

A: CERB works closely with the Employment Security Department (ESD) and uses ESD’s most current published median wage data. The current data can be found at www.commerce.wa.gov/cerb or www.esd.wa.gov. CERB’s method of median wage calculation is consistent with ESD’s method, ensuring an “apples to apples” comparison when determining whether the wages of the proposed CERB project jobs exceed countywide median wage.

Q: Does CERB track the actual wages paid by the private employer after the CERB-funded project is complete?

A: Yes. For five years after the CERB-funded portion of the project is complete, the award recipient is required contractually to report to CERB on private jobs created, wages, and benefits, among other outcomes generated by the project. This data is reported by CERB to the state legislature and the Governor biennially.

Q: What does the job estimate portion of the CERB construction application ask for?

A: The application asks for the number of jobs to be created and retained within specific job categories over a five year period, the estimated wages of the jobs, and whether the jobs provide benefits for employees and dependents. CERB also reviews the business plan for the private business partner.

Job Description	Current Number of Jobs	Hourly Wage	Number of Jobs Retained	Number of Jobs Created in Year 1	Total Jobs Created By Year 5 (including Year 1 Jobs)	Hourly Wages for New jobs
Mgmt./Admin.		\$				\$
Technical/Professional		\$				\$
Office/Clerical		\$				\$
Sales		\$				\$
Skilled Crafts		\$				\$
Others		\$				\$
Job Totals						

SAMPLE