U.S. Department of Labor

Employment Standards Administration
Wage and Hour Division
Washington, D.C. 20210

APR 17 2006

MEMORANDUM No. 201

MEMORANDUM FOR ALL AGENCIES OF THE FEDERAL GOVERNMENT AND THE DISTRICT OF COLUMBIA

FROM: ALFRED B. ROBINSON, JR
Acting Administrator
Wage and Hour Division

SUBJECT: Publication of the Fifth Edition of the Service Contract Act Directory of Occupations

The Department of Labor's Wage and Hour Division (WHD) announces the publication of the fifth edition of the Service Contract Act Directory of Occupations (Directory). A link to the Directory may be found on the WHD home page at http://www.dol.gov/esa/whd/. The Directory may also be accessed through the Wage Determinations On-Line Web site at http://wdol.gov (WDOL). Although previous editions of the Directory were published in hard copy through the Government Printing Office, the fifth edition is only available on the Internet. Individuals wanting a hard copy may download and print a copy from the Internet, or they may write to WHD requesting a printed copy.

Background and Summary of Changes

Since it was first published in 1985, the Directory has provided a common vocabulary for occupations most often included in Service Contract Act wage determinations. The Directory has been a valuable tool to standardize agency requests for wage determinations and to provide definitive guidance for contractors to determine how employees working on a contract should be classified and paid. While new editions and supplements to the Directory were published during the 1990's, the Directory has not been updated recently. When WHD announced the Health and Welfare fringe benefit update in 2001 (AAM 194, dated May 17, 2001), it also announced its intention to update the Directory, and solicited suggestions for changes to the Directory. The fifth edition incorporates many of those suggestions, and WHD thanks everyone who provided input.

The fifth edition follows the same basic format as earlier editions. The occupations are grouped into numerous Basic Occupational Categories (BOC). Several BOCs from the fourth edition – particularly the Health Occupations and Mechanics and Maintenance and Repair Occupations BOCs – have been expanded with many new occupations for the fifth edition. In addition, the fifth edition adds several new BOCs including Automotive Services (Retail), Instructional, Recreation, and Wildlife Management and Animal Care Occupations. These new BOCs contain both new occupations and occupations that had been listed in a different BOC in the fourth edition.

An occupation from the fourth edition may have a code change, a title change, and/or a redefinition of duties for the new occupational classification in the fifth edition. To assist users with this transition, the Directory Web page also provides a crosswalk designed to give general guidance on how employees might be classified under the fifth edition. Users are cautioned, however, that the crosswalk guidance is general and the specific definitions in the fifth edition should be carefully reviewed before determining how a particular employee might be classified under the fifth edition.

Implementation of the Fifth Edition

The fifth edition will be implemented throughout the remainder of Fiscal Year 2006 as individual wage determinations are updated based upon new survey data. If a wage determination is revised to correct the wage rate for a few occupations, that revision may be made using the fourth edition occupations; however, any comprehensive revision of the wage determination will be made using the new fifth edition occupations. Every wage determination will specify which edition of the Directory is applicable to that wage determination. By the end of FY 2006, all current wage determinations should be based upon the fifth edition. However, because new wage determinations may not impact a particular contract until the next solicitation, the next option or extension, or the annual or biannual anniversary date of the contract, the Web site will continue to list both fourth edition and fifth edition versions of the Directory. Users must access the edition that applies to the wage determination applicable to their contract.

Future Directory Updates

In the future, WHD will review and update the Directory. When determining the timing for future Directory updates, WHD will attempt to balance the need for change with the competing need for consistency and clarity in the wage determination process. Because wage determination changes do not affect all contracts at the same time and many companies perform services on multiple contracts for the same type of work, WHD will attempt to limit the number of different editions of the Directory that might be simultaneously applicable to different contracts. Therefore, during the next two years – the period of time during which fourth edition wage determinations might continue to apply to some contracts – WHD does not contemplate issuing a sixth edition to update the occupational classifications contained in the fifth edition.

Suggestions for future Directory changes or questions and concerns about the fifth edition should be directed to William W. Gross, Director, Office of Wage Determinations, 202-693-0569, or Nila J. Stovall, Chief, Branch of Service Contract Wage Determinations, 202-693-0072.