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Written Testimony on Workforce Challenges and Opportunities

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Chairman Reardon and Committee Members,

My name is Kristin Rasmussen. I serve as Public Affairs Manager for Hampton Lumber, a family-owned wood products company headquartered in Portland, Oregon. I appreciate the opportunity to speak to you today about the workforce development challenges and opportunities we've experienced doing business in Oregon.

Hampton operates four mills in Oregon in the communities of Willamina, Warrenton, Tillamook, and Banks. We also own 120,000 acres of forestland in Oregon and Washington and operate a wholesale lumber business out of our Portland office. As a result, our workforce needs cover a wide range of skills and experience from forestry to sales. We employ roughly 1,600 people in the Pacific Northwest and British Columbia, including more than 600 in rural Oregon counties.

I grew up in a small coastal town in Oregon and know, as many of you do, that timber and other natural resources industries are critical to rural areas. This is due, in part, to the opportunities they provide for domestic manufacturing, which is the backbone of our economy. Timber supply is always a critical issue for Hampton as reduced harvests on public lands and log exports to Asia make it difficult for sawmills to compete for resources. All of our Oregon mills are currently running below capacity due to the current log shortage, which limits our ability to create employment opportunities.

Wood manufacturing provides good, year-round, family-wage jobs with benefits. The average hourly wage at our Oregon mills is roughly \$23/hour. Like many in manufacturing, however, we often struggle to find qualified people, particularly in the trades.

We believe the private sector has a significant role to play in ensuring young people have the skills they need to enter the modern economy. We have an aging workforce and see a significant gap in technical and soft skills among younger workers. Over the years, we've noted a decline in basic communications, teamwork, reliability, and problem solving skills among younger workers. At Hampton, we know we have an opportunity and an interest in helping to build these skills on the job and we're always looking for new ways to help employees grow and find self-fulfillment in the workplace.

We also do a lot of in-house training through apprenticeships and are currently training 21 journeyman electricians and millwrights in Oregon.



We see great value in addressing the skills gap locally as local people know the community, often have social networks nearby, and are more likely to remain in the area.

Over the years, we've seen career and technical education (CTE) courses fall by the wayside in schools but we're thankful that trend is starting to reverse course. We have had great success partnering with local high schools and community colleges to develop CTE programs. It's essential that local companies engage with these types of programs to ensure training is relevant to the needs of local industries. We contribute funds for instructors and equipment and many of our employees serve as mentors and teachers for local training programs. As an example, Hampton is a founding partner in Tillamook Bay Community College's Manufacturing and Industrial Technology program and we support a thriving CTE Education Center at Tillamook High School. In addition, our Warrenton mill recently partnered with the Astoria School District to develop the Clatsop County Career and Technical Education Program, which provides hands-on learning in industrial electric repair, millwrighting, machinery maintenance, and other skills. To compliment this effort, the mill is launching a six-week work experience internship program this summer for Astoria High School students that covers all aspects of our business from forestry and sawmilling to sales and transportation.

Oregon's CTE Revitalization Grant program has been critical in helping to develop public-private partnerships and sustained and coordinated commitment from local coalitions helps ensure these programs will continue to thrive. While it will likely take some time for companies like ours to fully realize the benefits of new CTE programming, things are heading in a positive direction.

That said, attracting and developing a younger, more diverse workforce also requires raising awareness about modern manufacturing. Sawmills are more high-tech than many people assume and often young people don't fully realize the good career opportunities available to them. To help address this, we engage in a number of outreach activities. Last fall, our mill in Warrenton participated in National Manufacturing Day, a nation-wide effort to inspire young people to pursue careers in manufacturing and engineering. Our mill provided tours and information to a number of students from schools throughout the county. We found this to be an important step and hope to increase efforts to raise awareness about careers in modern manufacturing.

Thank you again for the opportunity to speak today. I'm happy to answer any questions you might have.

Kristin Rasmussen Hampton Lumber