

March 8, 2023

TO: Senate Committee on Labor & Business
FROM: Jennifer Carter, Human Resources
Emery & Sons Construction Group, LLC
RE: Senate Bill 850

I write to you today as a concerned citizen regarding this Bill. Emery & Sons Construction was formed in 1967, by Mr. L. Dale Emery, when the City of Stayton required homeowners to pay for sidewalks and curbs in front of their homes. Rather than pay someone else to provide the service, Mr. Emery used skills he had learned while participating in the construction of the Detroit Dam to build his own sidewalks and curbs. When neighbors saw his work, they asked him to do theirs, and Emery & Sons Construction was born.

Since that time, Emery has been an open shop business. We pride ourselves on putting our employees first in every business decision. Here are some statistics about our company:

- We have been in business for 56 years
- Since 1967, we have employed 1,012 people
- We currently have 207 employees
 - 27% of our employees have been with Emery for 20 or more years
 - One of those has been here for 48 years
 - Four have been here for 30+ years
 - 20% of our employees have been with Emery between 10 and 20 years
 - 24% of our employees have been with Emery between 5 and 10 years
 - 29% of our employees are related to another person at the company
 - If this were not a good place to work, I would not have encouraged my family members to work here too.
 - 7% of our employees are female
 - 14% of our employees self-identify as minority

Speaking as an employee of Emery for the past 19 years, we enjoy great freedom in our employment decisions. We can and do work directly with management to negotiate our salaries and benefits, and those workers who have more knowledge, skill, and ability are able to move up the ladder according to those factors, rather than the union model that ties time in the union to seniority and wage advancements. In addition, Emery employees have chosen to work at an open-shop company and, as such, requiring us to enter into labor agreements against our will is a violation of our First Amendment rights, as decided by the Supreme Court in *Janus vs. AFSCME*, in 2018.

Speaking as a business representative, being a union company would increase our operating expenses and would require a lengthy and cumbersome process to dismiss an employee, even for good cause. We are able to be more efficient when we are able to hire and promote employees who perform well and dismiss employees who are not productive. This allows us to procure and complete more projects within budget and time parameters and subsequently provide more pay and benefits for our employees.

The majority of our workload is public work, and our employees see more money in their paycheck each week because they don't have to pay union fees and dues that can be arbitrarily set by union officials and often go to causes and candidates with which the employees do not agree.

To further break down my opposition to this bill:

At the request of: Ironworkers Local 29, IBEW Local 48, SMART Local 16, Operating Engineers Local 701, International Union of Painters and Allied Trades District Council 5

With \$30.5 billion in federal funding to support the American Rescue Plan of 2021 (ARP), it's easy to see that this is a blatant effort to increase union membership and subsequently the coffers of those unions.

Requires public body that procures construction services for certain qualified projects that use \$750,000 or more in funds of public agency or moneys made available to state under federal American Rescue Plan of 2021 to enter into project labor agreement that, at minimum, provide for payment of wages at or above prevailing rate of wage...

The ARP was created to “support the nation’s public transportation systems as they continue to respond to the COVID-19 pandemic and support the President’s call to vaccinate the U.S. Population.” This Bill does not do that. This Bill requires union agreements where they are not needed. Payment of wages at or above the prevailing rate of wage is already a requirement for publicly and/or federally funded projects. Contractors who work on publicly or federally funded projects are required to provide certified payroll reports for these projects to prove that we’re paying these wages.

...to use apprentices to perform at least 15 percent of work hours that workers in apprenticeable occupations perform on project...

Most publicly and federally funded projects already have this requirement, and it is often at a higher percentage. Open-shop companies like Emery can become training agents for apprentices through the Northwest College of Construction (NWCOC). We have been a registered training agent, with NWCOC, since 2006, for the trades of Construction Laborer, Heavy Equipment Operator, and Concrete Finishing and we have consistently met or exceeded the apprenticeship goals on your projects.

...and to establish and execute plan for outreach, recruitment and retention of women, minority individuals and veterans to perform work on project.

Our company has very rarely had to advertise for employees. We rely on word-of-mouth and volunteer applicants. Requiring us to do so, when we are generally overwhelmed with applications, would create a fiscal impact for us. Something your Bill has failed to determine as yet.

Recruitment and retention of employees of both genders and all nationalities, is one of our points of pride. As evidenced by the statistics I stated above, we have an excellent retention record, and that is one of the reasons we have had to make very little effort in recruitment.

In addition, we are held to the Equal Employment Opportunity Act of 1967. It is illegal to discriminate against job applicants based on any of your listed attributes, among many others.

Finally, this Bill would adversely impact Oregon companies. There are simply not enough union contractors within the State of Oregon to complete the publicly and federally funded work available. The only other option would be for out-of-state contractors to come to Oregon and take work away from Oregon businesses.

If you truly care about Oregon workers and Oregon companies, I urge you to vote against this Bill.