



May 10, 2017

RE: Testimony in Support of SB 1040

Chair Holvey and Members of the Committee,

On behalf of those I am here to represent, we appreciate the opportunity to address this committee. For the record, my name is Neil O'Connor. I am the Director of Labor Relations and the Industry Affairs Director for Western Partitions Inc. of Wilsonville, Oregon. I started my career many years ago as a union field worker, then transitioned into becoming a Project Manager and Project Executive. I currently serve on the Board of Directors for both the Northwest Wall and Ceiling Bureau as Past President and the Signatory Wall and Ceiling Contractors Alliance, the only independent national organization representing exclusively signatory contractors in the Wall and Ceiling Industry.

While affiliated with a number of trade groups and alliances, Western Partitions Inc. is most closely aligned with the Associated Wall and Ceiling Contractors of Oregon and SW Washington, whom I am speaking on behalf of here today. This association is primarily a dozen large construction contractors who install a wide variety of mostly commercial wall and ceiling systems such as the ones you see around you. In combined total in Oregon alone, they employ approximately 2,500 employees for more than \$200 million in payroll and benefits and total revenues and expenses of over \$300 million each year. Over the last decade, the net margins for these contractors have averaged below 2 percent.

I am here today in support of this bill, Senate Bill 1040. My role of Director of Labor Relations requires that I work closely with several Organized Labor affiliates locally, including but not limited to the Northwest Regional Council of Carpenters, The Laborers' Union of North America District Council of Oregon and Southern Idaho, The Operative Plasterers' and Cement Masons' International Association, Pacific Northwest District Council, and The International Union of Painters and Allied Trades, District Council #5. I know from long experience that when employers and workers come together as industry partners, it is indeed a better outcome, as it is said "a rising tide lifts all boats." I also know that being a union member or being signatory to a union is about choice for both the individual and the employer and it should be expected that the opposition would probably tell you as much.

We've found that there are definite advantages to working with the highly trained and highly skilled workforce of the union construction trades. This partnership provides our contractors the ability to deliver highly technical and quality projects on-time and on-budget with predictability. Our member contractors build projects in every corner of the state and in every county, and predictability and consistency are essential to running their businesses.



My role as a Labor Relations Director, requires me to administer a substantial number of Labor agreements, many with differing work rules and terms. It is my belief that pretty much every business person would tell you: having a mish-mash quilt of different laws and codes from city to city is not just challenging, it can be nearly impossible to administer. In the case of a patchwork of right-to-work laws, a signatory contractor would be left in a legal morass with opposing commitments to their employees. This is similar to why we have a statewide building code, statewide safety regulation, statewide unemployment insurance and statewide payroll taxes.

Frankly, this is why we would like even more consistency from one jurisdiction to another, not less. This bill would help provide a commitment of consistency for signatory employers throughout the state with no direct effect on non-union employers or local government.

On behalf of Western Partitions and the Associated Wall and Ceiling Contractors, we respectfully request that you approve and forward this bill with a do pass recommendation.

Thank you for your time and giving us this opportunity.