

ECUMENICAL MINISTRIES *of* OREGON

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June 13, 2013

Members of the House of Representatives
Oregon House of Representatives
Salem, Oregon

*From the desk of
State Representative
Brad Witt HD#31
Brad Witt*

HB 2977—B—Engrossed addresses wage theft in the construction industry. Ecumenical Ministries of Oregon urges you to vote in favor of this bill.

Ecumenical Ministries of Oregon (EMO) is a statewide association of religious denominations, congregations and community-based cooperative ministries representing hundreds of Oregonians in every rural and urban community throughout the state of Oregon. Our support of HB 2977 emanates from our shared religious values that affirm the value and dignity of every human being and a concern for their well being. We are writing to ask for your support of this bill to protect construction workers from exploitation and level the playing field for honest construction contractors. We join our voices with over 30 other organizations statewide in the Oregon Coalition to Stop Wage Theft to push for this much-needed legislation.

EMO strives for justice for all, and to act in solidarity with those on the margins. Our mandate from Holy Scripture is to “love our neighbor as ourselves” and to speak out, especially when the most vulnerable are treated unethically. It is clear the Oregon’s current labor laws are not functioning to protect workers, law-abiding employers, taxpayers, and local communities from the underpayment or nonpayment of wages earned. Wage theft denies revenue to the state because taxes are not paid on wages withheld or paid under the table. Similarly, worker’s compensation and unemployment insurance are not paid.

Wage theft is particularly pervasive in the construction industry, as evidenced by the Oregon Center for Public Policy’s analysis of wage claims made to the Oregon Bureau of Labor and Industry. Although the construction industry comprises four percent of the Oregon economy, it is responsible for eighteen percent of wage claims filed with BOLI.¹

Construction Labor Contractors are not required to be licensed with BOLI or the Construction Contractors Board, although other Oregon construction contractors are. It has become common in some parts of the industry for licensed contractors to use these unregulated middle men to supply workers to construction sites. Some labor brokers misclassify workers as independent contractors, steal wages, pay with cash under the table, and then disappear or run out of money before they can be held accountable. In the process, they also cheat the state of revenue and severely undermine industry wages and working conditions. EMO’s social principles call us not only to acknowledge

¹ “Oregon’s Wage Theft Problem Persists,” Oregon Center for Public Policy (January 14, 2013), <http://www.ocpp.org/2013/01/14/fs20130114-oregons-wage-theft-problem-persists/>; “Evidence of Wage Theft Widespread,” Oregon Center for Public Policy (May 21, 2012), <http://www.ocpp.org/2012/05/21/fs20120521-evidence-widespread-wage-theft/>

the inherent dignity of all people, but to also resist any attempt to denigrate their full potential. We believe that a healthy society must provide for the well being of all.

Wage theft occurs in most industries and affects all people. But it affects the low-wage workers whose wages are stolen the most. These workers are left without money to pay for food, shelter, and provide for their children. Wage theft denies exploited workers of their dignity. Justice requires us to establish social and economic systems that encourage, enable and empower us all to use our capabilities to meet our needs and to contribute to social welfare.

Ultimately, wage theft harms all workers, honest employers, our communities, and our state revenues. EMO urges your support of HB 2977 B Engrossed. This bill will help ensure the ethical treatment of our workers and will contribute to a more just and prosperous future for all Oregonians.

Respectfully,

A handwritten signature in black ink, appearing to read 'D. Leslie', with a long horizontal flourish extending to the right.

David Leslie, Executive Director
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