

Northwest Food Processors Opposes HB 3458 (as is)

BUT

Can Support HB 3458 with the -1 Amendment

Established in 1914, Northwest Food Processors Association (NWFPFA) supports the needs of the Pacific Northwest food processing industry in Oregon. Membership includes some of the foremost brand names in the food industry in the United States, key producers of private label and institutional products, and locally run family businesses. NWFPFA is one of the nation's largest food processing trade associations, with more than 500 member companies including 154 food processors and 357 suppliers.

NWFPFA supports the underlying bill (SB 984) that is contained in HB 3458.

NWFPFA is OK with some of the added provisions including added penalties for employers who work employees more than 13 hours per day and the "right to rest" provisions contained in HB 3458.

However, NWFPFA CANNOT SUPPORT the 55 hour (voluntary) and 60 hour (mandatory) work week caps that are contained in the bill. Such caps will cripple time-sensitive food processing operations in Oregon.

Some examples:

- *"This would affect our business as there is a serious shortage of labor in our region. We have had job openings for nearly 25 years. As we have grown we have not been able to find the permanent employees to fill our positions. We run year round and provide higher wages than our competition in Washington and Idaho. During the harvest period August – October we add 20-30 jobs and each year we have to rely on staffing agencies to fill these positions and even then cannot find the personnel. We have cross trained employees and with liberal FMLA, PTO and personal leave policies for our employees it is very difficult to keep everyone to less than 60 hours all year long. We pride ourselves in a work life balance and have always tried to limit the work hours to 60 hours per week but there are a number of reasons why sometimes this is not possible. Our employees are always given the option to work these extra hours and many of them like to take advantage of the overtime when it is offered as well as ensure that our operations continue to run when someone calls in sick and or needs to take care of a family emergency. Making this mandatory would affect our ability to keep our operations running with the lack of workers available in our region as well as some employees would go to other states to work where this rule would not be in effect during the busy harvest season when we really need the extra work force the most." – Boardman Foods*

- *"I believe the biggest impact would be on our maintenance crew. They are occasionally required to work long hours to avoid production shutdowns. If they cap out at 60 hours, we could face a situation where the entire facility is unable to run. The second most impactful*

situation would involve ramping up for a new product line, when there is a temporary need to run long hours.”

- *“We operate multiple facilities. Each of our facilities operate 24/7. Our staff often accrue 60 hours + in work hours per week. Hiring more staff to limit work hours would save the company money in overtime costs if staff were available to hire. But they are not. This cap would seriously impact our ability to operate competitively in Oregon and would force us to consider moving production out of the state.”*

- *“Our peak harvest and processing time is in October. We have harvest for about 3 weeks, where many of our workers go to 80 hours per week (or more) planned. This surge is caused by demand in our key market, China... We are shipping to meet the demand of Chinese New Year, and we are already late due to the fact that Oregon’s harvest is in October – so we have to ship as fast as possible to get the product into the market. This proposal would greatly affect our ability to serve this profitable overseas market, and we will likely lose out to countries like Chile, Georgia, and Azerbaijan . It makes no sense to hire untrained people for 3 weeks, plus our employees have learned to count on the time and a half overtime for Christmas savings.”*

These are real life examples of why limiting work weeks doesn’t work in the food processing industry.

NWFPA cannot support HB 3458 with the 55 hour (voluntary) and 60 hour (mandatory) work week caps.

NWFPA can, however, support HB 3458 with the -1 amendments which keep all other provisions of the bill intact, but delete any references to a 55 hour and 60 hour work week cap.

NWFPA Encourages Support of HB 3458 with the -1 amendments.

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