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On Behalf Of:

Committee: Senate Committee On Labor and Business

Measure, Appointment or Topic: SB916

The proposal to allow union employees to claim unemployment while on strike fundamentally undermines the core purpose of unemployment insurance and creates a dangerous precedent for labor disputes in Oregon. Unemployment benefits were originally designed to support workers who lose their jobs through no fault of their own – such as layoffs, company closures, or economic downturns – not as a supplemental income source during labor negotiations. By extending these benefits to striking workers, the state would effectively be subsidizing labor actions, transforming unemployment insurance from a social safety net into a financial weapon for unions to leverage against employers.

Moreover, this policy would place an undue burden on taxpayers and businesses, who would ultimately bear the cost of funding strike-related unemployment claims. It creates a moral hazard that could incentivize more frequent and prolonged strikes, knowing that workers can maintain income through state-funded benefits. Such a system disincentivizes productive negotiations and compromise, potentially leading to more contentious labor relations. Instead of facilitating meaningful dialogue between employers and employees, this approach would simply provide a financial cushion that could prolong economic disruption and create additional strain on Oregon's unemployment insurance system.