



BUREAU OF LABOR AND INDUSTRIES

24 July 2008

Testimony to the Oregon Public Officials Compensation Commission

Provided by Brad Avakian, Commissioner
Oregon Bureau of Labor & Industries

The Bureau of Labor and Industries appreciates the opportunity to provide information to the commission regarding the duties of the Commissioner and his office. The Bureau understands the commission is interested in a description of the duties of the office, the Bureau, and how these responsibilities compare with those of labor offices in other states.

1. Responsibilities of the Oregon Bureau of Labor and Industries

A. Civil Rights Division

The Civil Rights Division enforces laws granting job seekers and employees equal access to jobs, career schools, promotions, and a work environment free from discrimination and harassment. These laws ensure workers job protection when they report worksite safety violations, use family leave provisions or file for worker's compensation. Civil rights laws also provide protection for those seeking housing or using public facilities such as retail establishments or transportation services. Each year the division receives approximately 30,000 inquiries, with an average of 2,000 complaints filed annually.

B. Wage & Hour Division

The Wage & Hour Division serves Oregon wage earners by enforcing laws covering state minimum wage and overtime requirements, working conditions, child labor, farm and forest labor contracting and wage collection. The division enforces the payment of prevailing wage rates required to be paid to construction workers on public works projects.

Many people seeking help from the Bureau have lost their jobs and rely upon the agency to collect wages owed. Through the Wage Security Fund, the division pays workers whose employers have gone out of business without sufficient funds to pay their final wages. Often those receiving protection are the most economically vulnerable workers or minors and farm workers, who are not well informed about their rights. 2,600 wage claims are filed annually. The division collects an average of \$1.5 million per year in wages owed to workers. Wage & Hour issues 5,000 certificates each year to employers of minors. The division

pays out over \$760,000 in wages to more than 600 workers annually through the Wage Security Fund. Compliance specialists conduct an average of 200 prevailing wage rate investigations in an average year.

C. Apprenticeship & Training Division

The Apprenticeship & Training Division promotes apprenticeship in a variety of occupations and trades and works with business, labor, government and educational institutions to increase training and employment opportunities in apprenticeship occupations. Apprenticeship is occupational training that combines on-the-job experience with classroom instruction. Industry and individual employers design and control the training programs and pay apprentices' wages.

The division registers occupational skill standards and agreements between apprentices and employers. It works with local apprenticeship committees across the state to ensure that apprenticeship programs in technical and craft occupations provide quality training and equal employment opportunities, particularly for women and minorities. More than 7,900 apprentices were registered in Oregon as of June 2008. There are 122 different occupations that train workers as apprentices in Oregon. Minority participation in apprenticeship programs is currently more than 13.5%. 5% of apprentices in Oregon are female.

D. Technical Assistance for Employers Unit

To help Oregon employers comply with employment laws, the Bureau of Labor and Industries' Technical Assistance for Employers Unit offers telephone and web-based information, pamphlets, fact sheets, handbooks, posters, and general and customized seminars and workshops. Staff answer 25,000 telephone inquiries from employers annually. Trainers conduct more than 120 seminars per year, open to employers throughout the state, and can customize seminars for specific groups upon request. Technical Assistance trains an average of 2,500 to 3,500 managers, supervisors and employers each year. The program publishes and sells seven employer handbooks: *Wage and Hour Laws*, *Civil Rights Laws*, *White Collar Exemptions*, *Family Leave Laws*, *Legal Hiring Practices*, *Policy Writing Guidelines and Documentation* and *Discipline & Discharge*. This unit is funded through the revenue from its seminars and handbook sales.

E. Hearings Unit

The Hearings Unit conducts administrative law proceedings for all bureau programs where divisions' actions are contested. The unit includes Case Presenters and Administrative Law Judges who process claims from the Civil Rights and Wage & Hour Divisions.

2. The Commissioner's Office

The Commissioner's Office provides policy direction and overall management of the Bureau's programs. Internal support services provide budget and fiscal control, employee services, and information systems management. The Commissioner directly

manages the Technical Assistance and Hearings Units. The Commissioner oversees operations in five field offices, from Medford to Pendleton, in addition to the Bureau's headquarters in Portland. Ultimately, all responsibility for Bureau management rests with the Commissioner.

In addition to Bureau management, the Commissioner creates the vision for the Bureau, setting policy and budget objectives. The Commissioner is primarily responsible for maintaining close relationships with the legislature and the Governor's Office so that these objectives can be met. The Commissioner is also the public face of the Bureau, with responsibility for media contacts and other community relations duties.

Contested case hearings within the Hearings Unit may eventually be appealed to the Commissioner. The Commissioner, therefore, is the final arbiter of cases being decided by the Bureau. The Commissioner also holds final authority over prevailing wages, where he determines the rates to be set.

Several citizen groups advise the Commissioner and offer him a resource as he develops policy. These advisors include: the Oregon State Apprenticeship and Training Council (statutorily chaired by the Commissioner), the Wage & Hour Commission, the Advisory Committee on Prevailing Wage Rate Law, the Expression of Milk in the Workplace Advisory Committee and the Oregon Council on Civil and Human Rights. Some, but not all, of these bodies are filled by appointments made by the Commissioner.

3. See attached table for comparison of Oregon's Bureau to labor offices in other states with elected Commissioners
4. See attached table for comparison of Oregon's Bureau to labor offices in other western region states

Comparison of Oregon to other states with elected labor commissioners

OREGON Salary \$72,000 Oversees:	GEORGIA Salary \$118,029 Oversees:	NORTH CAROLINA Salary \$119,901 Oversees:	OKLAHOMA Salary \$100,050 Oversees:
\$23M biennial budget for BOLI	\$353M annual budget for Georgia Dept. of Labor	\$33M biennial budget for NC Dept. of Labor	\$3.7M annual budget for Oklahoma Dept. of Labor
	One-Stop Career Centers		
Child Labor Unit	Child Labor Laws		Child Labor Unit
Farm Labor Unit	Farmworker Advocate		
	Trade Act Adjustment		
	Veteran Services		
	Workforce Investment Act		
Child Labor Unit	Youth Work Permits		
	Rehabilitation Services inc. Voc. Rehab.		
	Unemployment Insurance		
	Labor Market Information	Research and Policy Division	Statistical Research Analysis Unit
0.5 FTE Comm. Dir. In Commissioner's Office	Media & Marketing	Communications Div.	communications office (in Administration Div.)
	Workplace Safety (OSHA)	Occupational Safety and Health Div.	PEOSH Unit and OSHA Consult Div.
Hearings Unit		Legal Affairs Div.	legal services & admin. hearings (in Admin. Div.)
		NCDOL Library	
		Individual Development Accounts Program	
Apprenticeship and Training Div.		Apprenticeship and Training Bureau	
		Boiler Safety Bureau	Safety Standards Div.
		Elevator and Amusement Device Bureau	Safety Standards Div.
Civil Rights Division		Employment Discrimination Bureau	
		Mine & Quarry Bureau	
Wage & Hour Div.		Wage & Hour Bureau	Wage & Hour Unit
			Asbestos Div.
Farm/Forest Labor Contractor Licensing			Licensing Unit
			Workers Compensation Enforcement Unit
Technical Assistance to Employers Unit			

Comparison of Oregon to other western region states

OREGON \$72,000 Functions:	ALASKA \$122,640 Functions:	ARIZONA \$142,440 Functions:	CALIFORNIA \$142,582 Functions:	IDAHO \$99,652 Functions:	NEVADA \$92,290 Functions:	WASHINGTON \$135,000 Functions:
	Labor Relations Agency					
	Workforce Investment Board					
	Vocational Training Education Center (AVTEC)			Nursing Workforce Center		
	Workforce Investment Act Programs					
	Employment Services			Employment Services		
	Unemployment Insurance			Unemployment Insurance		
	Job Training			Job Training		
Wage & Hour Div.	Wage & Hour Admin.	Wage Claims Div.	Wage Claim Adjudication	Wage & Hour Program		Wage & Hour
Child Labor Unit	Child Labor	Youth Employment				Child Labor
	Construction Contractor Licensing					Construction Contractor Licensing
	Mechanical Inspection					Mechanical Inspection
	Occupational Safety & Health	Occupational Safety & Health				Occupational Safety & Health
	Vocational Rehab					

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	Workers Comp	Workers Comp Claims Div.				Workers Comp
Civil Rights Div.			Retaliation Unit			
Prevailing Wage Rate Unit			Public Works Unit		Public Works / Prevailing Wage Rates	Prevailing Wage Unit
Farm Labor, Employment of Minors			Licensing & Registration			
Hearings Unit - Civil only			Legal - civil and appellate			
Wage & Hour Div.			Field Enforcement Bureau investigates: workers comp coverage, child labor, cash pay, unlicensed contractors and group claims re: min. wage and/or overtime			
Apprenticeship & Training Div.					Apprenticeship Administration	Apprenticeship
Technical Assistance to Employers						