

Have A
Happy
Holiday!



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PDC closer to setting wage policy on private construction projects

Saying it is committed to creating more family-wage jobs in the city, the Portland Development Commission's board of directors on Dec. 6 unanimously passed a resolution calling for a construction wage policy on private projects that it helps fund.

PDC is the quasi-independent development arm of the City of Portland. Since 2004 it has invested more than \$200 million in private and public construction development projects, oftentimes in the form of low-interest loans, grants and on infrastructure.

For years, building trades union officials have argued that PDC-funded projects should pay workers the "prevailing wage" rate. PDC has balked, claiming that private projects (other than infrastructure) are exempt. PDC sued the Oregon Bureau of Labor and Industries (the agency that enforces the law) earlier this year after BOLI determined that a renovation project in Northeast Portland prevailed.

Under state and federal laws, workers on public construction projects can't

be paid less than the prevailing wage — the standard rate for the area, as determined by an annual wage survey. BOLI coordinates and enforces the state survey and the U.S. Department of Labor conducts and enforces a federal survey. The laws are meant to ensure that contractors compete based on competence and efficiency, not based on who pays workers the least.

PDC uses city tax dollars to spark private development. It divvies up tens of millions of dollars each year on projects both large (South Waterfront condos) and small (the Tin Roof renovation). Many of the projects are multi-use — meaning part of the project is for commercial use, part is for residential, and part can even be for parking — with financing coming from various entities, including private investors, city, state and/or federal tax dollars, and special low-income housing programs.

"Existing (state prevailing wage) statutes don't clearly address public-

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Gov. Kulongoski names two union leaders to top posts

Former Oregon AFL-CIO president Tim Nesbitt is leaving the House of Labor.

Nesbitt, 61, is one of two union leaders Oregon Governor Ted Kulongoski is tapping to fill top positions in his second-term administration. Chip Terhune, assistant executive director of the Oregon Education Association's Center for Public Affairs, will be the governor's new chief of staff. Nesbitt will be deputy chief of staff, in charge of policy for education, health care, public safety and natural resources.

The Nov. 29 announcement ended a year of speculation about Nesbitt's next move. He took many people by surprise in September 2005 when he resigned mid-term as president of the Oregon AFL-CIO.

Over the next year, Nesbitt says he

had on-and-off discussions with leaders of the national AFL-CIO, the Change to Win labor federation, and Service Employees International Union (SEIU) about going to work for them.

"For me personally the decision came down to whether I should move on to union work on a regional or national level or stay in Oregon and move over to the governor's staff," Nesbitt said. "What convinced me to stay is that I realized my base of knowledge and my relationships are all here in Oregon."

Nesbitt has a national reputation as a labor leader and political strategist, and is credited as a major force in turning Oregon into a reliable "blue state." First, as executive director of SEIU's Oregon State Council, he strategized the passage of several ballot measures that

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Holiday tradition at The Elsinore

Santa Claus (played above by Jack Rusen of Albany Steelworkers Local 6163) visits with a child at The Elsinore Theatre in Salem Dec. 2 during a Holiday Party sponsored by the Marion-Polk-Yamhill Counties Labor Council. More than 500 kids and parents met Santa, sang holiday songs with the Patrick Lamb Band (right), and watched a movie. Afterwards, everyone received a goody bag. The labor council funds the annual event — now in its 66th year — through donations from more than 14 union affiliates and unionized businesses in the community.



(Photo left) Mrs. Claus (played by Mrs. Jack Rusen) gives a hug to Sally Fernandez of Stayton, Oregon. Fernandez has been coming to the annual Holiday Party for the past 40 years. "I came as a child, I brought my children, and now I bring my grandchildren. It's a great event," she said.

