

Senate Joint Memorial 3

Sponsored by Senator OLSEN (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Urges Congress to modernize National Labor Relations Act to permit employers subject to collective bargaining agreements to offer performance pay, incentivize productivity and reward high-performing employees.

JOINT MEMORIAL

1 To the Senate and the House of Representatives of the United States of America, in Congress
2 assembled:

3 We, your memorialists, the Seventy-ninth Legislative Assembly of the State of Oregon, in legis-
4 lative session assembled, respectfully represent as follows:

5 Whereas the economy, labor market and labor-management relations in the United States have
6 changed dramatically since the 1930s; and

7 Whereas the principle federal labor law in the United States is the National Labor Relations
8 Act (74 P.L. 198, as amended), enacted in the 1930s and amended only sporadically since; and

9 Whereas the National Labor Relations Act was written for an industrial economy in which
10 employees' unique skills and abilities mattered little on the assembly line; and

11 Whereas the National Labor Relations Act assumes that workers' individual needs can be met
12 entirely through collective representation; and

13 Whereas these assumptions no longer hold true in today's knowledge economy; and

14 Whereas the federal government has tried to shoehorn workers into rules designed for a differ-
15 ent economy and a different era; and

16 Whereas in today's economy, high performing and highly qualified employees have the means
17 and ability to change jobs frequently in pursuit of optimal compensation; and

18 Whereas employers must use every means at their disposal to retain high-performing employees
19 without interference from government; and

20 Whereas one method that ought to be available to employers is to pay greater compensation to
21 high-performing employees than called for under union rates; and

22 Whereas employers that have sought to do so have had these increases rescinded as violating
23 collective bargaining agreements; and

24 Whereas under the National Labor Relations Act union contracts set not only a wage floor but
25 also a wage ceiling; and

26 Whereas without this restriction many unionized businesses would offer performance pay to en-
27 courage greater productivity; and

28 Whereas greater productivity raises workers' earnings and corporate profit, resulting in both
29 labor and management coming out ahead; now, therefore,

30 **Be It Resolved by the Legislative Assembly of the State of Oregon:**
31

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

SJM 3

1 That we, the members of the Seventy-ninth Legislative Assembly, respectfully urge Congress to
2 pass legislation that modernizes the National Labor Relations Act to permit employers subject to
3 collective bargaining agreements to offer performance pay, incentivize productivity and reward
4 high-performing employees; and be it further

5 Resolved, That a copy of this memorial shall be sent to the Senate Majority Leader, to the
6 Speaker of the House of Representatives and to each member of the Oregon Congressional Delegation.
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