

OREGON
BUSINESS
& INDUSTRY



In View: Manufacturing

Oregon Business & Industry counts more than 300 Oregon manufacturers as our members, so we track issues affecting manufacturing very closely. This newsletter is designed to highlight issues important to our manufacturing members. Please feel free to share your thoughts and news with us, communications@oregonbusinessindustry.com.

Oregon January Jobs Report

Oregon added 11,000 jobs in January, with manufacturing leading the way with 2,500 new jobs.

Manufacturing topped a list of six industries adding 1,000 or more jobs to kickstart 2019. This comes after the state lost 1,700 jobs in December. Read the full report from the Oregon Employment Department by [clicking here](#).

Oregon Employment Department January 2019 jobs report

Oregon adds **11,000** jobs 

Six industries with 1,000+ jobs

- 2,500 - manufacturing
- 1,800 - construction
- 1,600 - retail trade
- 1,400 - professional and business services
- 1,400 - healthcare and social assistance
- 1,000 - private educational services

2019 Governor's Marketplace Conference

What: Oregon's premier supplier conference with education and networking opportunities

When:

- March 20, 11 a.m. to 5 p.m.
- March 21, 7:30 a.m. to 1:15 p.m.

Where: Salem Convention Center

The 15th annual Governor's Marketplace is happening next week at the Salem Convention Center. This event will provide education sessions along with networking opportunities for public contracting, business services, capital and business connections. "Meet face-to-face with buyers from state, federal and local agencies, including subcontract opportunities with large private firms," the [event website](#) says.

This event is hosted by Gov. Kate Brown's Office of Diversity, Equality & Inclusion. To see a full schedule, [click here](#).



Regulatory Updates

Carbon Reduction Bill

Scores of Oregonians turned out for “listening sessions” the Legislature’s Joint Committee on Carbon Reduction held to get feedback on [HB 2020](#), the proposed carbon reduction bill. The sessions were held in Eugene, Medford, The Dalles and Bend, and comments cited concerns about how the bill would impact the cost of fuel, household heating and manufacturing in Oregon. The joint committee has indicated it is working on substantial amendments to the bill, which are expected this month.

DEQ Rulemakings

OBI is making sure the voice of Oregon manufacturers is heard at several key rulemakings underway at the Oregon Department of Environmental Quality (DEQ).

Including:

- OBI served on the advisory committee that looked at DEQ’s proposed 3 percent increase in water quality permit fees, that is in addition to the 35 percent increase DEQ is already seeking in [HB 5017](#). DEQ has statutory authority to increase fees by 3 percent per year through a rulemaking, while additional rate hikes must be legislatively approved. OBI expressed concern with the numerous increases being proposed by DEQ and the need to be thoughtful about budget requests.
 - DEQ will soon begin the rulemaking process on the 1200-Z general industrial stormwater permit renewal. OBI nominated members with expertise on the 1200-Z permit to serve on the committee. The advisory committee is expected to begin meeting in April.
 - Work on the rule to establish a Willamette Basin Mercury total maximum daily load (TMDL) continues to move forward. The rulemaking will establish a mercury reduction strategy and allocate mercury discharges to sources. A key challenge is that most mercury pollution is attributed to atmospheric deposition from other countries, yet Oregon businesses will bear the burden of addressing the concern. Advisory committee members include OBI representing industrial dischargers plus representatives of natural resource and agriculture interests, tribes, cities and environmental groups.
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Oregon Industrial Site Readiness Program Update

This legislative session, Business Oregon is proposing refinements to increase the workability of and access to the Oregon Industrial Site Readiness Program. Through the efforts of the Business Plan and its members the program was established in 2013 to provide financial tools to help increase the supply of market-ready industrial land and drive economic growth across Oregon. The Legislature made refinements in 2017 to streamline job and wage reporting required for tax reimbursement. Business Oregon is proposing adding to those refinements with [SB 34](#).

The Senate Committee on Business and General Government held a [public hearing](#) SB 34 on Jan. 31.

Proposed changes to SB 34 include:

- Apply wage/job threshold to combined jobs from all eligible employers on designated sites vs. jobs for each employer (25 jobs in rural areas, and 50 jobs in urban areas).

- Reduce the wage threshold to allow more rural communities to participate. The bill changes required threshold for wages for jobs at the site from 150 percent to 130 percent of the county/state annual average wages.
- Allow private property owners to be reimbursed up to 50 percent of site readiness costs, excluding acquisition and assembly costs.

Nationally, Manufacturers are Optimistic

From our partners at NAM: More than 91 percent of manufacturers are confident about their company's outlook, according to the National Association of Manufacturers member [survey for the first quarter of 2019](#). That's a big leap from the 68 percent average of optimism from a similar survey back in 2015 and 2016. NAM outlines the numbers capping nine consecutive quarters of optimism on its website and published a [full report](#).

91.8%: RECORD-HIGH MANUFACTURING OPTIMISM AVERAGE FOR 9 CONSECUTIVE QUARTERS.



71.3% OF MANUFACTURERS CITE THE INABILITY TO ATTRACT SKILLED WORKERS AS THEIR TOP CHALLENGE.



77% OF MANUFACTURERS SAY CRUMBLING INFRASTRUCTURE IS THREATENING THEIR COMPETITIVENESS.



Resources

Wholesale Fuel Pricing



PETROLEUM

OBI has partnered with MCP Petroleum to drive down OBI members' fuel cost. OBI is leveraging the collective purchasing power of our membership to get wholesale fuel pricing for our members. In addition to fuel savings, OBI members will have access to a comprehensive fuel management system that will reduce slippage, save valuable employee time and provide accountability and oversight of your company's fuel consumption.

OBI members who use 900 gallons of fuel annually through their company are eligible for this program. Please contact [Mike Beyroudy](#) for more information.



Oregon Manufacturers in the News

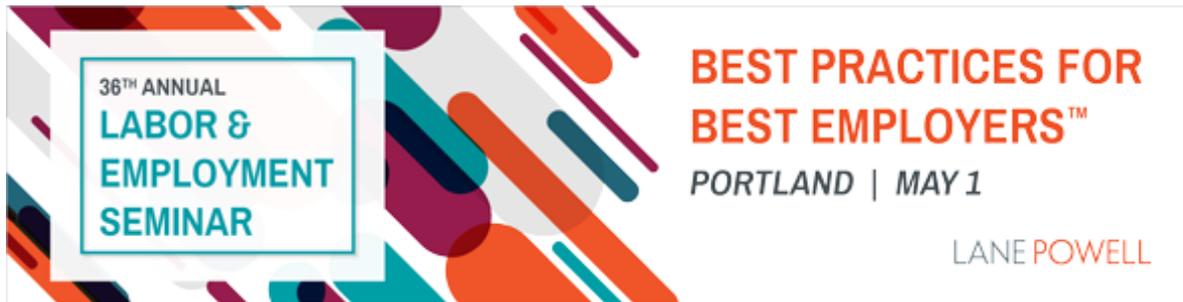
[Freres Lumber named to annual list of most innovative companies](#)

[Workers getting fattest wage increases since Great Recession, economists say](#)

[What's going right in manufacturing?](#)



Calendar of Events



36TH ANNUAL
**LABOR &
EMPLOYMENT
SEMINAR**

**BEST PRACTICES FOR
BEST EMPLOYERS™**
PORTLAND | MAY 1

LANE POWELL

OBI is one of the sponsors for the 36th annual Best Practices for Best Employers labor and employment seminar put on by Lane Powell.

The event will cover important topics for employers and businesses, including drug testing, federal and state disability laws, immigration, privacy laws, employee benefits updates, new hire best practices, how to conduct an effective workplace investigation and new federal, state and local legal developments.

- When: Wednesday, May 1
- Where: The Dunaway Portland

Special Discount to OBI members: As a benefit of your membership, you will receive a special discounted rate of \$50 (regular registration fee is \$110 prepaid online, or \$130 at door). To get the discounted \$50 registration rate for the seminar, register online and enter the code **OBIMEMBER** when prompted at checkout.

For more information and to register, please visit the [event website](#).

SAVE THE DATE – May 7



**ANNUAL MEETING &
LEGISLATIVE RECEPTION**

May 7, 2019
Salem Convention Center

Mark your calendars for OBI's Annual Meeting at the Salem Convention Center. We invite all our members to join us as we bring together business and civic leaders to discuss issues important to business and industry in our state. Watch for registration and more details soon.



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Businesses Choose
OBI CompSAFE**

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OBI HealthChoice

**Big Business Options on
a Small Business Budget**

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