

INTERNATIONAL UNION OF OPERATING ENGINEERS

LOCAL NO. 49, 49A, 49B, 49C, 49D, 49E, 49L
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JASON A. GEORGE
Business Manager/Financial Secretary

2829 Anthony Lane South, Minneapolis, MN 55418-3285
Phone (612) 788-9441 • Toll Free (866) 788-9441 • Fax (612) 788-1936

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Honorable members of the conference committee on SF1098,

On behalf of the more than 14,000 members of the International Operating Engineers Local 49, I write to express my strong support for the Safe and Skilled Workforce Act, found in the House version of the omnibus workforce and business development bill (Article 8, Section 12).

This language, which was originally HF 984, authored by Representative Lislegard, is premised on a simple yet vitally important concept – contractors that have access to registered apprenticeship programs provide a safer, more skilled workforce, especially in dangerous environments like petroleum refineries.

Moreover, workers with access to registered apprenticeship programs and ongoing skills training earn higher wages, better benefits, and have access to economic opportunities far superior to similarly situated workers who don't have access to these programs. In short, these workers have more invested in being skilled professionals, and more to lose by not doing a good job.

A joint contractor/labor industry board recently commissioned a study here in Minnesota that proves these assertions:

- On average participants in registered apprenticeship programs experience higher earnings than non-participants in construction industry; they earn approximately \$124,000 more in wages and benefits than workers who don't participate in a registered apprenticeship program during their career;
- Contractors that participate in union apprenticeship programs have wage equality, every apprentice, regardless of race, gender, or sexuality are guaranteed the same wage for the same level of experience – contractors that don't have apprenticeship programs can pay whoever they want, whatever they want, for whatever reason;
- In Minnesota, construction trades apprentices are a more diverse group than students in the state's public university higher education system. This isn't an accident. The union construction trades and our partner contractors have funded a number of programs dedicated to increasing access and opportunities in the construction trades for women and people of color. Requiring apprenticeship programs will lead to more opportunities in the skilled trades for women and people of color;

- The median wage of a union construction worker is \$32.48 per hour, which doesn't include benefits. This wage is 51% higher than a similar construction worker who hasn't graduated from a registered apprenticeship program. Without question, the registered apprenticeship model provides a path to upward economic mobility;
- Apprenticeship programs result in a safer workforce. In 2019 Minnesota, where construction apprenticeship programs are common, experienced a fatality rate in the construction industry of 1.2 deaths per 10,000 workers. By comparison, North Dakota, a state where apprenticeship programs are far less common, saw a fatality 100% higher, 2.4 deaths per 10,000 workers;
- The same holds true regarding OSHA violations/citations regarding construction work site safety here in Minnesota. In 2019, OSHA undertook 572 investigations of contractors without a registered program versus 199 for contractors with a registered apprenticeship program. Moreover, regulators found 40% more violations of worker safety laws per investigation of non-apprenticeship contractors than those with an apprenticeship program.

The bottom line is that registered apprenticeship programs create safer, more productive, better trained construction trade professionals. In short, registered apprenticeship programs are the "gold standard" in workforce development and that is why strong majorities of elected officials from both sides of the aisle support them.

Committee testimony clearly demonstrated that a requirement of apprenticeship for outside contractors is sorely needed at our petroleum refineries, especially the facility operated by Marathon Petroleum. The testimony offered by facility employees regarding the blatant disregard for basic safety was appalling and in no way should be tolerated in Minnesota.

The Safe and Skilled Workforce Act is a basic, common sense piece of legislation that is consistent with the bipartisan support registered apprenticeship programs rightly and regularly experience at the Capitol.

I strongly urge support for this important language.



Jason George
IUOE Local 49
Business Manager/Financial Secretary