

MINUTES OF THE MEETING
LABOR & EMPLOYMENT RELATIONS COMMITTEE
MONTANA STATE SENATE

January 22, 1985

The fourth meeting of the Labor and Employment Committee was called to order by J.D. Lynch, Chairman, at 1:00 p.m. on January 22, 1985, in Room 413/415.

ROLL CALL: All members were present.

CONSIDERATION OF SENATE BILL 81:

Chairman Lynch called on Senator Aklestad, sponsor of Senate Bill 81. Senate Bill 81 disallows unemployment benefits to those on strike. Senate Bill 81 deals with those only on strike. The reason why this bill was drafted was because groups have abused the privilege. The Unemployment Trust Fund is in financial difficulty, now it is 6 million dollars in debt and going deeper.

(Exhibit No. 1) for figures.

\$2,602,000 has been drawn out of the account to pay benefits to employees on strike; this does not include the amount paid to strikers who work for government entities. People in Montana are against paying unemployment benefits to those people who are on strike. The state does not have economic support to one side, while the strike is going on. Many states have corrected this problem through legislation.

PROPOSERS OF SENATE BILL 81:

Riley Johnson, representing Montana Homebuilders Association and National Federation of Independent Business, submitted testimony.

(Exhibit No. 2)

Jerry Hamlin, local businessman in Helena, submitted testimony.

(Exhibit No. 3)

Chad Smith, representing Unemployment Advisory Inc., Montana Land Improvement Association, and Montana Hospital Association, said strikes are voluntary employed. Many people think that strikers can not collect unemployment benefits. This is a loop hole in the law, the basic idea is to provide benefits to the worker who is unemployed through no fault of his own. I ask that Senate Bill 81 Do Pass.

Forrest Boles, President of Montana Chamber of Commerce, submitted testimony.

(Exhibit No. 4)

Lewis Day, Refinery Manager of Cenex in Laurel, submitted testimony.

(Exhibit No. 5)

Rick Osberg, a farmer on the Greenfield Irrigation District, near Fairfield, submitted testimony.

(Exhibit No. 6)

Bill Olson, representing Montana Contractors Association, submitted testimony. (Exhibit No. 7)

Ben Havdahl, representing Montana Motor Carriers Association, submitted testimony. (Exhibit No. 8)

Chip Erdmann, representing Montana School Boards Association, submitted testimony. (Exhibit No. 9)

Don Allen, representing Montana Wood Products Association, said this bill comes at a crucial time for Wood Products as a result of economy problems. (Exhibit No. 10)

Rod Hart, Sidney, said when employers are hired they are told what the benefits are, and they later don't like the benefits and go on strike. If the job is not suitable they should find something else.

Forrest Ewen, farmer, owner, member and director of Farmers Union Oil Company of Warden, submitted testimony. (Exhibit No. 11)

James Harrison, representing the Montana Automobile Dealers Association, said when employers go on strike, the employers have to pay higher premiums. Punish the people who are involved.

Keith Olson, representing Montana Logging Association in Kalispell, submitted testimony. (Exhibit No. 12)

Eugene Keil of Warden, Montana submitted testimony. (Exhibit No. 13)

Robert Koenig, representing Farmers Union Exchange of Kalispell, submitted testimony. (Exhibit No. 14)

Jim Gilbert, representing Ideal Basic Industries, submitted testimony. (Exhibit No. 15)

Alan Nordahl, representing Molt Farming Elevator Company, submitted testimony. (Exhibit No. 16)

Irve Dillenger, representing Montana Building Material Association, rose in support of Senate Bill 81.

Dave Goss, representing the Billings Chamber of Commerce, rose in support of Senate Bill 81.

John Rahvenberg, representing Wolf Point Chamber of Commerce, rose in support of Senate Bill 81.

Geoff Quich, representing Missoula Chamber of Commerce, rose in support of Senate Bill 81.

Keith Anderson, representing Montana Taxpayers Association, rose in support of Senate Bill 81.

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Jim Mockler, representing Montana Coal Council, rose in support of Senate Bill 81.

OPPONENTS OF SENATE BILL 81:

Jim Murry, representing Montana AFL-CIO, submitted testimony in opposition to Senate Bill 81. (Exhibit No. 17)

Eugene Fenderson, representing Laborers Local 254, referred to the Community Hospital in Missoula nursing strike. The strike was necessary because it forced people to picket.

Larry Persinger, representing Montana State Building and Construction Trades Council, submitted testimony in opposition to Senate Bill 81. (Exhibit No. 18)

Bill Potts, representing Hillgate Local 885 of the United Paperworkers' International Union, submitted testimony. (Exhibit No. 19)

Bill Morton, representing Montana Painters District Council #59, submitted testimony. (Exhibit No. 20)

Susan Willard, student from Sidney, Montana, submitted testimony. (Exhibit No. 21)

Kelly Frank, student from Sidney, Montana, submitted testimony. (Exhibit No. 22)

Jana Williamson, student from Sidney, Montana, submitted testimony. (Exhibit No. 23)

Phil Campbell, representing Montana Education Association, spoke in opposition to Senate Bill 81.

Barry Hjort, representing Montana Public Employees Association, said just because workers that are on strike receive workers' unemployment, does not mean they qualify for benefits.

James Mular, representing Brotherhood of Railway and Airline Clerks and Montana Brotherhood of Rail Labor Council, said workers form Mutual Aid Packs. When the Northern Airlines went on strike, they made more money on the ground than when they were flying. With the Mutual Aid Packs, they paid other railroads to continue to strike.

Nadene Jensen, representing AFSCME, AFL-CIO, Montana Council #9 submitted testimony. (Exhibit No. 24)

Robert Kukoruda, representing Montana State Council of Carpenters, supported the testimony of AFL-CIO in opposition to Senate Bill 81.

Randy Crawford, representing International Brotherhood of Boilermakers Local 11, opposed Senate Bill 81.

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George Kukoruda, Independent Contractor, rose in opposition to Senate Bill 81 and stated that small contractors were not paying unemployment compensation like they are supposed to.

Eileen Robbins, representing Montana Nurses' Association, submitted testimony. (Exhibit No. 25)

Mike Walker, representing Montana State Fireman's Association and Montana Council of Pro Fire Fighters, opposed Senate Bill 81.

Howard Posenleaf, representing Carpenters Local #88, said he agrees with the testimony of AFL-CIO in opposition to Senate Bill 81.

Curt Wilson, representing himself, opposed Senate Bill 81.

QUESTIONS FROM THE COMMITTEE:

Senator Lynch said he has been interested in teachers receiving unemployment benefits while on strike.

Senator Keating asked Mr. Day how many employees are at Cenex. Mr. Day replied, 160.

Senator Haffey stated that Labor and Employment should inform their employer if there is going to be a strike.

Dave Wanzenried replied that is true if the intent of the strike was to have a balance stoppage of work.

Senator Aklestad closed on Senate Bill 75 by stating he is in favor of this bill.

The hearing was closed on Senate Bill 75.

EXECUTIVE ACTION ON SENATE BILL 75:

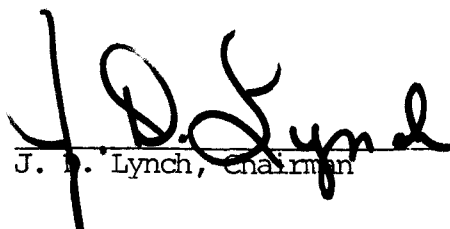
Senator Keating made a motion that Senate Bill 75 Do Pass.

Senator Manning made a substitute motion that Senate Bill 75 Do Not Pass.

On a roll call vote, the committee voted 5-3 in favor of Senator Manning's motion. See attached roll call vote sheet.

Senator Aklestad requested a minority/majority report on the floor of the Senate.

ADJOURNMENT: The committee, having no further business, adjourned at the hour of 2:53 p.m.


J. D. Lynch, Chairman

January 22 19. 85...

MR. PRESIDENT

the Minority of

We, your committee on Labor and Employment Relations

having had under consideration Senate Bill No. 75

_____ reading copy (_____)
color**EXEMPTING PAYMENT OF PREVAILING WAGE RATES ON SOME LOCAL
GOVT. PROJECTS**

Respectfully report as follows: That Senate Bill No. 75

Alkestad_____
Keating_____
Thayer

DO PASS

~~XXXXXXXXXX~~
DO NOT PASS.....
Chairman.

STANDING COMMITTEE REPORT

January 22

19 85

MR. PRESIDENT

We, your committee on **Labor and Employment Relations**

having had under consideration **Senate Bill**

No. **75**

first reading copy (**white**)
color

**EXEMPTING PAYMENT OF PREVAILING WAGE RATES ON SOME LOCAL GOVT.
PROJECTS**

Respectfully report as follows: That **Senate Bill**

No. **75**

~~DO NOT PASS~~

DO NOT PASS

Chairman.

STANDING COMMITTEE REPORT

January 22 19. 85

MR. PRESIDENT

the Majority of
We, your committee on Labor and Employment Relations

having had under consideration... Senate Bill No. 75

_____ reading copy (_____)
color

EXEMPTING PAYMENT OF PREVAILING WAGE RATES ON SOME LOCAL GOVT. PROJECTS

Respectfully report as follows: That... Senate Bill No. 75

[Signature]
Lynch

[Signature]
Blaylock

[Signature]
Haffey

[Signature]
Manning

[Signature]
Towe

~~XXXXXX~~

DO NOT PASS

Report adopted.

.....
Chairman.

ROLL CALL VOTE

SENATE COMMITTEE LABOR AND EMPLOYMENT RELATIONS

DATE January 22 1985 BILL NO. SB 75 TIME

NAME	YES	NO
SENATOR AKLESTAD		X
SENATOR BLAYLOCK	X	
SENATOR HAFHEY	X	
SENATOR KEATING		X
SENATOR MANNING	X	
SENATOR THAYER		X
SENATOR TOWE	X	
CHAIRMAN LYNCH	X	

Beth Dailey
SECRETARY

J.D. Lynch
J.D. LYNCH

Motion: Do Not Pass. The Motion passed

ROLL CALL

Labor and Employment

COMMITTEE

48th LEGISLATIVE SESSION -- 1985

Date 1/22/85

NAME	PRESENT	ABSENT	EXCUSED
Senator Aklestad	X		
Senator Blaylock	X		
Senator Haffey	X		
Senator Keating	X		
Senator Manning	X		
Senator Thayer	X		
Sentor Towe	X		
Chairman Lynch	X		

Each day attach to minutes.

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Shirley Ude	CENEX	SB81	✓	
D. VAN'DEGRAAF	Montana Petroleum	SB81	✓	
Ben Haddad	Montana Motor Carriers Assoc.	SB81	✓	
Fl. Buck Boles	Mt. Chamber of Commerce	SB81	✓	
Paley Johnson	Mt. Homebuilders Ass'n.	SB81	✓	
Louise Day	Conex	SB81	✓	
Robert Keeney	Farmers Union	SB81	✓	
Allen Nordahl	Matt Farms Elev. Co.	SB81	✓	
Engel Reid	Farmers Union Oil Co. Woda	SB81	✓	
Forrest Ewen	Farmers Union Oil Co. Woda	SB81	✓	
Keeney Frank	Student			✓
Mrs. Naomi Warren	Lag. wife	SB81	✓	
Deve Goss	Blep Chamber of Commerce	SB81	✓	
Dean Mansfield	Montana Automobile Dealers	SB81	✓	
Susan Willard	student	SB81		✓
Rod Hart	student	SB81	✓	
Lana Williamson	student	SB81		✓
Jim Gilbert	Idaho Cement Co.	SB81	✓	
D. A. Miller	✓ ✓	SB81	✓	
Nadine Jensen	Helena AFSCME	SB81		✓
Jim Dorfinger	Helena MBMDA	SB81	✓	
Bill Norton	Montana Painters DC. 59	SB81		✓
Chip Erdmann	Mt. School Bd Assoc.	SB81	✓	
And. Eliaison	Boilerworks #11	SB81		✓
Don Alb	MT. Wool Products Assoc.	SB81	✓	
Mike Leary	Mont. Hogethes	SB81	✓	

(Please leave prepared statement with Secretary)

DATE

January 22, 1985

COMMITTEE ON

Labor & Employment

Please Print
VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Jim Mockler	MT. Coal Council	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jim Schwind	No Mdy		<input checked="" type="checkbox"/>	<input type="checkbox"/>
John [unclear]	Wolf Point Char	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Edson Robbins	Montana Musicians Assoc	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Keith Anderson	Montana [unclear]	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
JAMES T. MULAR	Bro Rwy Airline Clerk	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Jerry Hamlin	Hamlin Const	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bill Clark	Mt. Contractors	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Stan Dugdale	Dugdale Const.	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Linda Sprau	Labor & Industry	SB 75	<input type="checkbox"/>	<input type="checkbox"/>
Mike Stumpf	Labor & Industry	SB 75	<input type="checkbox"/>	<input type="checkbox"/>
Joe Brand	United Trans Union	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Goff Zwick	Missoula Chamber	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
KEITH OLSON	MT LOGGING ASSN	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Phil Campbell	Mont. El. Assoc	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Eugene Fenderson	Labors Local 254	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
James W. Murray	Mont. State AFL-CIO	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
James J. Haun	Mont. Auto Dealers Assoc	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Green Allen	Mt. Rail Assn	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mary Langley	Mt. Mining Assn	SB 81	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bill [unclear]	GA 5 V P U Local 881	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BARRY L. HORT	MPEA	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Robert H. [unclear]	Mt State Council of Carpenters	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Howard [unclear]	Western Mt Dist Council	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Niles Walker	M.S.C. P.F.F.	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Carl Wilson	Self	SB 81	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(Please leave prepared statement with Secretary)

BENEFITS PAID DURING LABOR DISPUTES

<u>YEAR OF STRIKE</u>	<u>EMPLOYER</u>	<u>ESTIMATED BENEFITS PAID</u>
1979	Department of Institutions	\$230,400
1979	MT Red Cross Blood Center	5,300
1979	Truck Management, Inc. (Garrett, Salt Creek, & Pacific International)	1,600
1979	Safeway, Buttrey, Albertson's, Super Save, Keller Enterprises	74,780
1979	Great Falls Gas Company	10,150
1979	Green's Disposal	5,300
1979	Colstrip Public School	24,280
1979	Business Machines	2,100
	<u>TOTAL 1979</u>	
	\$353,910	
1980	Exxon, Farmer's Union, Conoco, Westco, Phillips	\$415,350
1980	Eastern Montana College, MSU, & U of M	170,100
1980	Gallatin Homes	203,971 ¹
1980	City of Billings	31,800
1980	Combustion Engineering	2,500
1980	Midland Dodge	18,800
1980	Decker Coal	101,100
1980	Idaho Pole	1,559 ¹
1980	Rosauers Food	3,900
	<u>TOTAL 1980</u>	
	\$948,980	

BENEFITS PAID DURING LABOR DISPUTES

<u>YEAR OF STRIKE</u>	<u>EMPLOYER</u>	<u>ESTIMATED BENEFITS PAID</u>
1981	Harlem S.D.	\$ 3,300
1981	Clawsen Manufacturing	8,500
1981	FAA	126,563 ¹
1981	Central Bus Company	1,100
1981	H. F. Johnson	33,000
<u>TOTAL 1981</u>		
\$172,463		
1982	Greens Disposal	\$ 9,000
1982	John R. Daily, Inc.	4,700
<u>TOTAL 1982</u>		
\$13,700		
1983	Mountain Bell	\$325,000
1983	Yellow Page Workers	4,814
1983	Great Falls Painters	376
1983	United Minerals - Great Falls	231
1983	Cyprus Industrial Minerals Three Forks	11,695
1983	Louisiana Pacific - Trout Creek	53,971
1983	Vita-Rich Dairies - Havre and Great Falls	28,035
1983	Greyhound Bus Lines	50,000
<u>TOTAL 1983</u>		
\$474,122		

BENEFITS PAID DURING LABOR DISPUTES

<u>YEAR OF STRIKE</u>	<u>EMPLOYER</u>	<u>ESTIMATED BENEFITS PAID</u>
1984	Louisiana Pacific - Trout Creek	\$ 49,810
1984	Vita-Rich Dairies - Havre and Great Falls	54,888
1984	Cenex - Laurel	547,906
1984	Tri-County/Atlas Co.	738
1984	American Plbg & Heating	4,219

TOTAL 1984

\$657,561

¹Actual benefits paid from benefit statuses

NAME: Riley Johnson DATE: _____

ADDRESS: 9 N. Last Chance Gulch, Helena

PHONE: 442-6424

REPRESENTING WHOM? Montana Homebuilders Ass'n &
National Federation of Independent Business

APPEARING ON WHICH PROPOSAL: SB 81

DO YOU: SUPPORT? X AMEND? _____ OPPOSE? _____

⁵⁰⁰⁰ National Federation of Independent Business
~~COMMENT: 6000~~ Montana Homebuilders, as all small business
men and women in Montana, support the concepts of
unemployment insurance and its benefits to those
legitimately out of work through no fault of their own.
We do not, however, feel that an individual who strikes
an employer is out of work through no fault of ~~his/her~~
own. A striker makes the choice to work or not to work.
Our unemployment system, which already is in financial
difficulty, should address the problems for which it was
designed and not be used ^{as} a tool against those who
are paying the unemployment bill to settle labor
disputes. We urge you to consider limiting the unemployment
fund to those for whom it was designed and those who need it
the most. We just don't have enough money any more to be
PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.
benevolent.

NAME: Gerry Hamlin DATE: 1-22-85

ADDRESS: 2551 Teakwood Lane,

PHONE: 443-2797

REPRESENTING WHOM? Hamlin Const. - Self

APPEARING ON WHICH PROPOSAL: SB 81

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENT: It is unfair to pay unemployment
benefits to people who are keeping you from
earning the money you need to pay the tax.
We need to shore up the fund not deplete
it with this type of payment for striking
workers.

This exclusion is desperately needed!
We, small businessmen simply can't afford
those payouts.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.



Exhibit - 4
Date - 1/27/85
Bill - SB 81

MONTANA CHAMBER OF COMMERCE

P. O. BOX 1730

• HELENA, MONTANA 59624

• PHONE 442-2405

Testimony
in support of
SB 81
by
F. H. Boles, President
Montana Chamber of Commerce
January 22, 1985

Mr. Chairman, members of the committee, you have before you legislation whose time has come. Many of you have heard the arguments on this issue before. There is an important difference this time though. Public awareness of this issue has greatly increased, and I believe public sentiment of the vast majority of Montanans supports, passage of SB 81. The broad public discussion of the unemployment trust fund deficit over the last two years fostered the increasing awareness and editorial support for elimination of unemployment compensation benefits to strikers appeared in leading newspapers in our state.

This unearned benefit to strikers is unfair to the vast majority of workers in Montana who do not belong to unions. It is unfair to those union workers who do not happen to work for a business that stays in operation during a strike and it is grossly unfair to make the employers of Montana contribute their tax dollars to what really becomes a strike fund.

Over 80% of Chamber members in surveys we conducted list this specific issue among their top priorities for change. It should be changed. The current law is a perversion of the purpose of unemployment compensation insurance. The law requires that everyone else be "available," "able" and actively "seeking" work to qualify for benefits. If you are on a picket line you certainly aren't available nor actively seeking work. We should not continue to allow these selected workers this special exemption from these widely accepted qualification requirements.

I sincerely encourage that you pass SB 81. (1) Public sentiment favors it, (2) current law is grossly unfair to other workers and employers, and (3) current law is discriminatory in its unemployment compensation qualification requirements.

Thank you for your attention.

/ssg

Exhibit - 5
DATE - 1/22/85
B.II - SB81

FARMERS UNION CENTRAL EXCHANGE, INC.



© Where the customer is the company

Montana Offices: Post Office Box 909
Laurel, Mont. 59044 • (406) 252-9326

Testimony of Louis J. Day
Before the Senate Labor and Employment Committee
Senate Bill 81

I am Lou Day, Refinery Manager for CENEX at Laurel, Montana. My testimony here today is to encourage you to amend the Montana unemployment compensation law to eliminate inequities that require employers to finance both sides of a labor dispute.

CENEX recently faced a five month strike that cost the Unemployment Compensation Fund over a half million dollars and really didn't produce any beneficial results. The Union members lost, the farmers and ranchers who own CENEX lost and the State of Montana lost.

When this law was passed, legislators were told that it would make negotiations more fair and would shorten labor disputes. The record clearly shows that is not the case. Union members are led to believe they can get along on unemployment compensation benefits and there is no incentive to negotiate.

The recent five month strike at the CENEX refinery was the longest in the history of the refinery which CENEX has operated since 1943. I firmly believe the strike would have been settled much quicker if the strikers had not received unemployment compensation benefits. It is well to remember that we agreed on wage and benefit demands before the strike even started. Consider the comments of the union leader in the CENEX strike. He told reporters the strikers were surviving with little financial disruption, that they were losing money but that they were also on "vacation" and that some strikers had actually been able to save money during the strike. I am sure the average taxpayer would not agree to paid vacations from the unemployment fund.

The CENEX refinery is one of many refineries in the U.S. that have experienced extremely serious economic problems over the past three years. Over one hundred of these refineries have been shut-down during this period. Financing strikes impairs the ability of all Montana refiners to maintain economic operation.

Testimony of Louis J. Day
Before the Senate Labor and Employment Committee
Senate Bill 81
Page 2

The payment of unemployment benefits to strikers simply because the company being struck is willing to bear the additional expense of continuing its operation or services is neither fair nor just to employers. In the case of CENEX we were penalized for attempting to serve the energy needs of Montana farmers and ranchers. Since employers support the Unemployment Compensation Fund, they are really financing both sides of the strike.

There is an inherent unfairness in that situation. Senate Bill 81 would repair that inequity.

Thank you.

A handwritten signature in cursive script that reads "Lou Day". The signature is written in dark ink and is located in the lower right portion of the page.

Mr Chairman, Members of the Committee, My name is Rick Ostberg, I am a farmer on the Greenfield Irrigation District near Fairfield. I am also president of of the board of Greenfield Farmers Oil in Fairfield. I wish to speak in favor of Senate Bill 81.

As a farmer and a member owner of my cooperative, I am the ultimate consumer of some of the products produced by plants who must pay higher unemployment compensation assessments when their employees strike. As the ultimate consumer it is not possible for me to pass on these additional costs.

Agriculture cannot afford this.

Thank you for your consideration on this bill.

NAME: William Olson DATE: 1/22/85

ADDRESS: P.O. Box 4519 Helena, MT. 59604

PHONE: 442-4162

REPRESENTING WHOM? Montana Contractors Assn

APPEARING ON WHICH PROPOSAL: SB 81

DO YOU: SUPPORT? ✓ AMEND? OPPOSE?

COMMENT: To continue working is the individuals

choice. To choose not to work when work is

available and to receive unemployment benefits

at some time is a case of having your cake and eat it too.

No one else has that choice. It is not right!

We (Contractors Assn.) adamantly support SB 81.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Ben G Haddad DATE: 1/22/85

ADDRESS: Box 1714 Helena MT 59624

PHONE: 442 6600

REPRESENTING WHOM? Montana Motor Carriers Assoc.

APPEARING ON WHICH PROPOSAL: SB 81

DO YOU: SUPPORT? X AMEND? _____ OPPOSE? _____

COMMENT: The Montana Motor Carriers Assn. represents

some 350 members operating trucking companies and
suppliers of services and ^{Equipment} ~~supplies~~, all of whom are
employers! ^{and are concerned about the unemployment compensation problem.} Our Assoc. members have taken a firm
stand ^{supporting the effort to} resolve the deficit balance contemplated in the
State's unemployment compensation fund. We are supportive
of SB 81 for the reasons stated by witnesses before
us. Payment of unemployment benefits to striking
workers is an unfair and an unjust payment of benefits
in our opinion and passage of SB 81 would be a
significant ^{to the fund} savings and a sound first step in
reducing the fund deficit.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME Chip Eromann BILL NO. SB 81
ADDRESS Helen DATE 1/22/85
WHOM DO YOU REPRESENT MT School Bds Association
SUPPORT X OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. Unions have the statutory right to conduct protected activity - and a legal strike is protected activity.
2. But employers also have the right to continue to run their business during the strike.
3. In doing this, (keeping schools open in the case of school districts) the strikers qualify for unemployment benefits since there is no work stoppage.
4. The employer ^(state government) is actually ^{utilizing the taxpayers} contributing economic benefits to the strikers - enabling them to remain on strike longer.
5. A strike takes place within the framework of carefully balanced labor relations laws - by requiring employers to subsidize employees who are striking upsets this balance, and

also disturbs

(This sheet to be used by those testifying on a bill.)

Exhibit-10
Date - 1/22/85
Bill-SB81

NAME: Don Allen DATE: 1/22/85

ADDRESS: Helena

PHONE: 449-4795

REPRESENTING WHOM? MT Wood Products Assoc.

APPEARING ON WHICH PROPOSAL: SB 81

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENT:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Jan 22, 1985

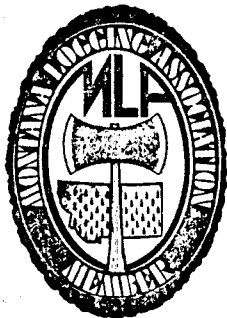
Exhibit 11
DATE - 1/22/85
Bill - SB 81

Mr. Chairman and Members of the committee,

El Forest Ewen from Worden Mt. and as a farmer, Owner, Member and director of Farmers Union Oil Co. of Worden, would like to speak in favor of Senate Bill 81. As a Farmer, I have had NO first hand experience with collective Bargaining. All I can do is try to hit the hi markets and hope that will get me through. Senate Bill 81 is a Bill that can be and should be supported by senators. The idea of some strikers being paid unemployment benefits goes against the thinking of most people. Strikes against institutions like hospitals, schools, cities and towns are hard for most of us to understand.

its worse when the sliders collect
unemployment benefits. Therefor I
urge the committee to change this.

Thank You,
Forest Ewen
Ballantine, mt.
59006



MONTANA LOGGING ASSOCIATION

P.O. Box 1716
Kalispell, Montana 59903-1716
406-755-3185

Exhibit-12
Date - 1/22/85
Bill - SB81

Mister Chairman -- members of the Senate Labor Committee

My name is Keith Olson -- I am the executive director of the Montana Logging Association -- I reside in Kalispell.

The MLA represents more than 500 independent logging contractors from throughout the timbered regions of Montana.

During the past few years our association has become quite sensitive about existing inequities in Montana's unemployment compensation law. Depending upon weather conditions and mortgage interest rates, our members are limited to a 9 or 10 month working season. Conversely, it is not uncommon for employees in the logging industry to earn over \$30,000 per year and still draw 2 or 3 months of unemployment compensation.

This creates a situation where most logging contractors, even though they pay top wages, are deficit employers. Nonetheless, and even though the limited working season is clearly beyond our control, legislation will be introduced this session which will effectively double the cost of unemployment insurance for deficit employers.

Although we are sympathetic with the need to return Montana's unemployment compensation fund to solvency, we have serious reservations about balancing the fund on the backs of deficit employers while ignoring other inequities in our unemployment compensation laws-- among those other inequities is unemployment benefits for strikers.

As loggers, we have few quarrels with our fellow working men from the labor community; however, as this legislature considers raising the cost of unemployment insurance for an employee in the logging industry from \$378 per year to \$767 per year, we must also act to eliminate other inequities as well -- and it is clearly inequitable to hold some 35,000 uninvolved employers hostage to a dispute between labor and management. They simply must settle their differences outside of the unemployment arena.

Mister Chairman, members of the committee, it is for that reason that we rise in support of SB 81 and we respectfully urge a do pass recommendation from this committee.

Date: Jan 22, 1985
Exhibit: 13
SB 81

Mr Chairman, Members of the Committee

My name is Gene Keil of Worden, Montana which is located appr 20 miles north east of Billings.

I farm around the Worden area & also am a director of the Farmers Union Oil Co. of Worden.

I wish to speak in favor of Senate Bill 81

Unemployment Compensation Benefits cost Money. These costs are paid by employers, and are then passed on to consumers in the price of the product.

This is unfair to consumers because the decision to strike assumes there will be a benefit gained by the strikers. Employees are willing to risk a strike for these benefits.

To have consumers or employers underwrite these cost eliminates the risk, and is unfair.

Thank you
Gene Keil
Worden, Montana

Exhibit - 14
Date - 1/22/85
Bill - SB 81

Lynch
MR CHAIRMAN, MEMBERS OF THE COMMITTEE *Senate Labor Committee*

NAME *Robert Koenig*

ADDRESS *448 Church Dr. Kalispell, MT 59901*

FARMER/RANCHER *-*

MEMBER/OWNER AND DIRECTOR OF *-*

Farmers Union Exchange AT *Kalispell, MT 59901*
CO-OP LOCATION

I WISH TO SPEAK IN FAVOR OF SENATE BILL 81

Senate Labor Committee

Robert Koenig

This ^{labor} committee usually don't hear from farmers + ranchers. However, I consider this Bill vitally important to me as a producer and Co-operative ^{director}, member owned.

Through the Co-operative System, all members and patrons are affected by the cost of products we use on our farms and ranches. That makes this an agricultural issue.

You are very aware of the financial problems of the entire agribusiness economy. If we don't protect agriculture and our only renewable resource, our total system will fail.

We have no quarrel with Unemployment Compensation benefit when people lose their jobs by slow up. We don't think it is fair that people who choose, by vote, to strike should receive these benefits and abuse the original intent of Unemployment Compensation to employees.

I urge support for Senate Bill 81

NAME: Jim Gilbert DATE: 1-22-85

ADDRESS: 4070 Trident Road, Three Forks mt 59752

PHONE: 285-3241

REPRESENTING WHOM? Ideal Basic Ind.

APPEARING ON WHICH PROPOSAL: SB 81

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: We support this measure on
2 grounds

1. IT will Reduce outlays of Unemployment trust
Compensation Funds thus helping to
Reduce that funds deficit

2. The current law gives employees
An unfair Advantage in Labor negotiations
and Disputes.

In Summary: this bill will extend Fairness
to the employer AND Leave protection of the basic
Rights of employees intact.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Exhibit - 16
Date - 1/22/85
Bill - SB 81

Mr. Chairman, Members of the Committee
My name is Allen Nordell. I operate
a farm at Malt, MT and I am
Chairman of the board of directors for
the Malt Farmers Elevator Co. at Malt, MT.

I am here in support of SB 81. ^{My} Neighbors
and fellow directors also support SB 81.
We do not feel that it is fair or
logical that people on strike should be
eligible for unemployment benefits.

Working people, farmers and ranchers are
all undergoing tough times. It's time for
all to work together.

Again, I feel that unemployment benefits
for workers on strike is unfair and
should be changed with the passing of SB 81.

Thank you.

Allen C. Nordell
Malt, MT. 59057



Exhibit 12
DATE - 1/22/85
B.11-5B81

Box 1176, Helena, Montana

JAMES W. MURRY
EXECUTIVE SECRETARY

ZIP CODE 59624
406/442-1708

TESTIMONY OF JIM MURRY ON SENATE BILL 81, BEFORE THE SENATE COMMITTEE ON LABOR AND EMPLOYMENT RELATIONS, January 22, 1985.

I am Jim Murry, Executive Secretary of the Montana State AFL-CIO. I am here today in strong opposition to Senate Bill 81. This bill would disqualify workers on strike from unemployment insurance compensation under most circumstances.

Passage of this bill would extremely damage labor-management relations in our state. Under current law, striking workers do not automatically receive unemployment benefits. If the business is shut down because of a strike, they are not eligible for benefits. Both the employer and the strikers are put under intense economic pressure, which gives them an incentive to return to the bargaining table. This provision does not give an advantage to either labor or management.

However, if an employer uses strike breakers so that the business goes on substantially as usual, then the striking workers are eligible for unemployment benefits.

This bill distorts the collective bargaining process by upsetting the balance between labor and management which is maintained under the present law. Employers would be encouraged to hire strike breakers and would be given a definite advantage over striking workers. Nobody likes strikes, so the best law is the one which encourages a fair and rapid settlement. Current law provides for that.

What this bill really does is emphasize and distort the negative aspect of labor-management relations. It dwells on the instances where we cannot agree, and the result is a labor dispute.

But the truth is that labor-management negotiations go very well in Montana and in the nation. The overwhelming majority of those negotiations are settled with absolutely no labor dispute.

TESTIMONY OF JIM MURRY
SENATE BILL 81
January 22, 1985

The 101 affiliated international unions of the National AFL-CIO are made up of more than 48,000 local unions. These local unions have negotiated more than 150,000 collective bargaining contracts. According to the United States Department of Labor, 98 percent of these contracts run their course without a strike or other interruption of work.

While we do not have the capabilities to make those kinds of statistical studies in Montana, we are convinced that our record is as good or better than the national record. Montana is a highly unionized state, and the result has been a very positive relationship between unions and the business community. The Montana State AFL-CIO is very proud of that.

The current law works and works well for both labor and management. Please retain the good balance which the law provides by voting against Senate Bill 81.

Thank you.



MONTANA STATE BUILDING & CONSTRUCTION TRADES COUNCIL
IN AFFILIATION WITH
THE NATIONAL BUILDING & CONSTRUCTION TRADES DEPARTMENT
AMERICAN FEDERATION OF LABOR — CONGRESS OF INDUSTRIAL ORGANIZATIONS

President _____

Secretary-Treasurer _____

TESTIMONY OF LARRY PERSINGER: SB81, SENATE LABOR & EMPLOYMENT RELATIONS COMMITTEE
January 22, 1984

Mr. Chairman and members of the Committee: For the record I am Larry Persinger representing the Montana State Building and Construction Trades Council. I am here today in opposition to Senate Bill 81.

As I am sure you are aware, during a strike employees are not eligible for unemployment benefits. The one single exception is if the employer hires outside people and his plant or business production continues even during the strike. Should this occur, the employees on strike could possibly receive unemployment benefits if adequate proof is provided of continuing production.

It is true, there are times employees feel it is necessary to go on strike. The last figures I am aware of show less than 2% of all negotiated contracts result in employees going on strike. This means 98% of all contracts negotiated each year are settled without going on strike.

SB 81 is a blatant insult to your intelligence. Proponents of this bill would have you believe that whenever a strike occurs, regardless of circumstances leading to that point, it is the employee's fault. This attitude is absurd! There is always two sides to an issue.

All we want is to maintain fairness for both the employer and employees. This cannot be accomplished through passage of this bill.

Again, I ask you to OPPOSE SB81, and thank you for your consideration.

TESTIMONY OF BILL POTTS BEFORE THE MONTANA SENATE COMMITTEE ON LABOR AND
EMPLOYMENT RELATIONS - Senate Bill 81 - 1:00 PM - January 22, 1985

Mr. Chairman, members of the Committee, my name is Bill Potts and I am a member of Hellgate Local 885 of the United Paperworkers' International Union, Missoula, Montana.

We oppose Senate Bill 81 because it would be unfair to workers. Senate Bill 81 would tilt the balance even further against workers and in favor of employers. Senate Bill 81 would allow an employer to force workers out on strike or lockout and then deny them unemployment benefits.

The present situation which denies benefits when there is a work stoppage is fair. It encourages constructive bargaining since both workers and management have a powerful economic incentive to resolve the dispute. The government remains neutral.

However, if an employer hires scabs and strikebreakers to prevent a work stoppage, then it is only fair that those workers who have been replaced receive unemployment benefits.

Workers are already at a distinct disadvantage when dealing with their employers and Senate Bill 81 would make that disadvantage even greater. This bill would unfairly place the state on the side of employers.

Senate Bill 81 makes the unfair and mistaken assumption that a labor dispute is always the fault of the workers; that management is always right. Nothing could be further from the truth. It should be remembered that 98% of the labor agreements are negotiated with neither strikes nor lockouts.

As it is, workers and union members are forced to subsidize unfair and unjust employers with tax incentives and other forms of corporate welfare.

Please vote for Montana's workers and against Senate Bill 81.

NAME BILL MORTON BILL NO. S.B. - # 81
ADDRESS P.O. Box 335 DATTON MT. 59433 DATE 1-22-85
WHOM DO YOU REPRESENT Montana Painters District Council # 59
SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: Mr. Chairman & Committee Members

Montana Painters D.C. # 59 feels that this bill is unfair to our members as it makes them ineligible to unemployment benefits if they are forced off the job because of a breakdown in negotiations or if negotiations comes to an impasse.

If a strike occurs and our people leave the job and the employers business stays in operation either with supervisory personell or new hired, then the work that our people normally do is infact being done by someone else, and we should be able to collect unemployment benefits.

If our people are not allowed to collect unemployment benefits under these conditions, they are forced - "because of survival" to cross our own picket lines and return to work.

This is a form of union Busting and we feel it is unfair.

Therefore Montana Painters D.C. # 59 is opposed to S.B. # 81

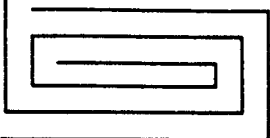
Thank You.

Senator Lynch and members of the Committee:

My name is Susan Willard from Sidney Montana. I oppose Senate Bill 81 because :

~~It~~ Montana has closed shops. Some people who work under this sort of system , are forced into unions just to get the job. Thus when the union strikes they are forced to strike too. It is not fair for someone to suffer just because he wants a job (2). In today's society with our high unemployment we can be easily replaced. Workers realized this and consider carefully before they go strike. They usually have a very good reason. If the proposed bill is passed the ^{employer} administration would use it to hold over the laborers heads. They would be between the proverbial rock and hard place. The labor will be forced to go along with the administrative demands.; ~~A~~ strike is a bargaining chip on the labor side and labor would not want to strike because of losing unemployment benefits. * If they would strike, as the savings runs dry, they would give in to the ^{employer} administration without reaching their goals which must have been extremely important in order for them to have decided to strike in the first place.

Employers could just hold out until the workers are forced to give in. ~~very~~



PROFESSIONAL
MEMBER OF
 AMERICAN
MARKETING
ASSOCIATION

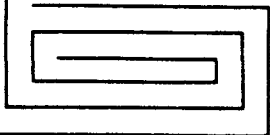
J.M. SHONTZ & ASSOCIATES



My chairman

~~Senator Lynch~~ and members of the Committee:

My name is Kelly Frank. I am ^{2 Student} from Sidney, Montana. I am opposed to Senate Bill 81. In my opinion people who strike are justly entitled to unemployment benefits. In most circumstances they have, or they feel they have, justified reasons to strike, and strong beliefs behind it. We know that there are arguments revolving around unions. My father is an unionized teacher and recently undergone contract negotiations in an attempt to support his beliefs and was supported by the union. ^{in Keweenaw} I feel that the anti-union supporters ^{in Sidney} were looking out for their own interests and not for those of the teachers. ^{striking} The union was there in an attempt to help support the teachers and their beliefs. For example, better insurance coverage, pay scale increases, and generally better working conditions. These were not unjustified reasons according to the supporters of our local teachers. ^{see no reason} to exclude people who are supporting their beliefs from unemployed benefits. People who strike are just as deserving of unemployment benefits, as those who are no longer working because of such reasons as quitting or being fired. It is my desire to keep the status quo.



PROFESSIONAL
MEMBER OF
 AMERICAN
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ASSOCIATION

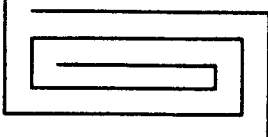
J.M. SHONTZ & ASSOCIATES



Senator Lynch and members of the Committee:

and while strike
My name is Jana Williamson from Sidney. I oppose Bill No. 81. I understand both viewpoints of either having unemployment benefits or not. ~~I know~~ there are a lot of strikes that occur for no reason but just greed ~~and~~ draw unemployment. For those people, they should not be able to receive benefits. That's just more money that's taken out of our paychecks plus the money spent on strikes could be used in other areas, such as on new highways, social security etc.

But then there are those who are in jobs and in order to work have to join the Union such as teaching, even if they do not want to belong. They say this Union goes on strike and some of the people don't want to strike but have to ;in ordinary to keep their jobs. There are some contracts however, that states a person can cross the picket lines. But for those ~~you~~ have to go on strike they should be able to get benefits. Especially if their reason ^{for not} going on strike ^{is that} was because they can't afford ;not to go without A paychecks. These people can't afford to strike. Also because I am looking at ^{my} future. I plan on going in the field of education and if I have to in ordinary to keep my job and they go on strike. I am going to want to be able to get unemployment benefits, so that I can support a family. For those two reasons I feel very strongly that Bill 81 should not be passed.



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MARKETING
ASSOCIATION

J.M. SHONTZ & ASSOCIATES



NAME: R. Nadine Jensen DATE: 1-21-85

POB 5356

ADDRESS: Helena, MT 59604

PHONE: 442-1192

REPRESENTING WHOM? AFSCME, AFL-CIO

APPEARING ON WHICH PROPOSAL: SB 81

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENT: AFSCME is opposed to SB 81. We feel the
word "strike" is opportunistic and gives an undue
advantage to the employer. In the instance
that the employer would no longer have to
deal with the question of work stoppage
and lock the workers into a position of taking
a concerted action.

In the last six years AFSCME has been
involved in one work stoppage issue which
took three years to resolve.

The law as it presently stands, is no "utopia"
but by inserting the word "strike" makes it
less so.

AFSCME urges the committee to vote
PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

do not pass on SB 81



Montana Nurses' Association

2001 ELEVENTH AVENUE

(406) 442-6710

P.O. BOX 5718 • HELENA, MONTANA 59604

TESTIMONY SB 81

The Montana Nurses' Association strongly opposes this bill. The right to strike as a means of economic pressure on an employer is a fundamental right of all organized workers of America; it is sometimes the only way to persuade an employer to reach agreement on a contract. To arbitrarily deny unemployment benefits to workers involved in a strike is unfair, and puts undue pressure on employees to reach settlement prior to strike at any cost.

Employees who decide to withhold services from an employer do not make the decision to do so lightly; only after much consideration of the status of negotiations. Almost always a mediator is involved in the bargaining process prior to a decision to strike. He/she assists the parties to attempt resolution of differences; if unsuccessful, impasse results. Organized employees then have only two choices: accept the employer's last offer or strike.

If the decision to strike is made employees must retain the right to unemployment benefits as long as a stoppage of work does not result from the strike. If there is not work being done by the employer, no unemployment benefits need be paid. However, if the employer keeps the business going and refuses work to employees on strike by refusing to bargain further on contract proposals, then striking employees must be paid unemployment benefits.

At this point a striking employee's only leverage is the strike; if the right to strike is denied them by refusing earned unemployment benefits, collective bargaining is no longer an equal process between the employees and employers.

I urge you to kill this bill.

Respectfully submitted,

Eileen Robbins
January 22, 1985

Exhibit-25
DATE - 1/22/85
Bill - 2B 81

NAME: Curt Wilson DATE: 1/22/85

ADDRESS: RR 5214

PHONE: 965-3032

REPRESENTING WHOM? Myself

APPEARING ON WHICH PROPOSAL: SB 81

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENT: I oppose this bill because I feel
it will take away any possible MPAs. A
man would have to feed his family if he was
forced into a situation where he had to go
on strike. No one wants to go on strike, but when you
feel you are in the right and make that decision, it
seems to me that you should be allowed to feed
your family even though some one else is
doing the job that you have worked at for
years. At this point in time the only time you can
draw the benefit is if you have been replaced. I
believe the law should remain as it is.

Thank you, Curt Wilson

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Name: James L. Schwind

Date: January 22, 1985

Address: 1918 Wilder, Helena, Montana, 59601

I do not ~~by~~ represent anyone.

I support SB 81

The purpose of a strike, as I understand it, is for labor and management to undergo economic hardship to resolve wage benefit disputes. It's similar to putting a hand of management and a hand of labor in a ~~vis~~ vise and slowly tightening it up. The first one to say "Uncle" gives in. Now labor has a little advantage over management, they can draw unemployment. I think this is an unfair advantage. It also contributes to inflation when labor gets more without producing more.

James L. Schwind

CENEX
Tel. 612/451-5547

Al Baldus
Director
Governmental Affairs



January 9, 1985

Gary Langley
Montana Mining Association
Box 132
Helena, Montana 59624

Dear Gary:

This is the position paper that we discussed in our December meeting. We agreed then that it should have a Montana identification.

I hope you find this usable; we have no pride of authorship. Make changes you find useful.

If it is of value, we do have the Montana media list (personalized) in our computer and could use that to assist in a mailing.

Sincerely,

A handwritten signature in cursive script, appearing to read "Al Baldus".

Al Baldus
Director, Governmental Affairs

Enclosure

c: Joe Keating
Lou Day
Harold Ude
Roxene Phillips
Darwin Van De Graaff

MONTANA UNEMPLOYMENT COMPENSATION
POSITION PAPER

As the Montana legislature enters the 1985 session, unemployment compensation reform promises to be a hotly debated issue. The impetus for that debate is the financial condition of the Unemployment Compensation Fund, which cannot meet its benefit obligations without falling deeper in debt to the federal government. While dealing with the fund's financial problems must remain a high legislative priority, the 1985 session will also provide an appropriate opportunity to deal with the fairness of Montana's unemployment compensation law.

As former associate U.S. Supreme Court Justice Potter Stewart once said, "Fairness is what justice really is." There is solid evidence that Montana state unemployment compensation law, in some areas, is neither fair nor just.

Consider the court enforced definition of "work stoppage" under Montana statutes--a definition that allows striking Montana workers to draw unemployment compensation while on strike unless the business or organization which is the target of the strike is shut down.

That provision has been used to support striker employment benefits in such recent strikes as the 1975 Billings Teachers strike; a 1975 strike at Conoco; a 1980 strike by Billings city employees; 1980 strikes at the Exxon, Conoco and CENEX refineries in Billings and Laurel; the 1981 air traffic controllers strikes; a 1983 strike at the Great Falls Paintery; a 1983 strike at Vida Rich Dairies; a 1983 strike at Cyprus Industrial Minerals of Columbia Falls; and a 1984 strike at the CENEX refinery.

In each case, the organization being struck was faced with a very real need to maintain its operations--both in terms of economics and its obligation to those it serves. In each case that need could be met only at considerable cost. And, in each case, the organization being struck was forced to finance not only their own operations during the strike, but that of the strikers as well (by virtue of the fact that employer contributions underwrite the Unemployment Compensation Fund).

Does that situation serve justice? Is it fair?

As Billings Gazette columnist Roger Clawson wrote in the Gazette's May 12, 1983 edition, that interpretation of the law "puts employers, who must pay unemployment taxes, in the position of financing strikes against their companies or organizations."

In short, the payment of unemployment benefits to strikers simply because the organization or company being struck is willing to bear the additional expense of continuing its operations or services is neither fair nor just to employers.

That particular provision by the law also fails to meet the fairness test in terms of negotiation. For negotiations to be accomplished on a fair and equitable basis, each side must face a substantially equal risk. Under current law, union workers can go into a strike situation with the knowledge that there are only two likely courses of events. First, that they be successful in shutting the business down or, secondly, that the business will continue operations (at considerable additional expense) and strikers will receive unemployment compensation. Either situation weighs the delicate negotiation balance in favor of labor, regardless of who finances unemployment compensation benefits.

Ironically, the law also fails to pass the fairness justice test when measured against its impact on employees, despite its negative impact on employers. Clearly, it is more than fair to the union employees who benefit during strikes not accompanied by business or service shutdowns. But union employees make up only 12 percent of the Montana workforce. What about the other 88 percent of our workers? As state legislator Thomas F. Keating wrote in a guest column in the July 15 Billings Gazette, "This minority (union workers) has an advantage over those workers who do not strike." In very simple terms, the law is neither fair nor just in terms of 88 percent of the state's workforce.

And what about the state as a whole? Is the current situation fair to the average citizen or taxpayer? Let's look at the impact of the law. First, knowing business will have to support striker efforts through the unemployment compensation fund hardly provides unions a bargaining incentive--and may actually work to prolong costly strikes. Consider the comments attributed (in a April 10 Billings Gazette article) to a key union leader in the 1984 CENEX refinery strike. That union leader told reporters the strikers were surviving with little financial disruption, that they were losing money, but that they were also on "vacation" and that some strikers had actually been able to save money during the strike. One of the main reasons the union was able to continue its strike with little financial disruption was employer underwritten unemployment compensation benefits they received.

And, who suffers when we operate with laws that provide little incentive for meaningful negotiations, that may actually provide an incentive to strike? Each and every Montana resident--for economic disruptions have an impact on our overall business climate, our tax load and the cost to taxpayers of human service efforts. Once again the law falls short of the standard of fairness and justice.

In short, the Montana unemployment compensation law, as it relates to payment of unemployment compensation in cases where an organization does not shut down as a result of a strike is unfair to: Montana businesses and organizations; nearly 90 percent of the overall Montana workforce; and to the state's citizens as a whole.

Further, it appears the application of Montana's unemployment compensation law--through the definition of work stoppage, is also unfair to the legislators who wrote that law. Its current application would not pass the test of legislative intent--for it is unlikely those who penned that statute intended it to provide a means to force Montana businesses; municipal governments; or educational institutions to finance strikes against their own organizations.

Further, it would be hard to believe legislative intent in drafting that section of the law was to give union employees an advantage over non-union workers or to tip the negotiating balance in favor of union workers.

When we look at all the facts, it is clear the 1985 legislature should redefine "work stoppage"--providing in law that unemployment compensation benefits not be paid to striking workers, and ensuring Montana unemployment compensation law can meet the "fairness and justice" test.