

Workforce Standards Boards: Explained

There is growing interest in workforce standards boards as a way for states to address low wages and poor working conditions prevalent in many industries. This fact sheet explains the basics of workforce standards boards, also known as wage boards, industry committees, or workforce stabilization boards.

What is a workforce standards board?

A workforce standards board is a public body created by the legislature that establishes minimum wages and working standards for an entire industry.

Who makes up a typical workforce standards board?

Workforce standard boards consist of workers, employers, and public officials or members of the public. Board members are appointed by the Governor or another public official such as a Labor Commissioner.

How do workforce standards boards function?

Workforce standards boards can be empowered to set legally binding industry minimum standards. They do so through the following ways:

- A workforce board is authorized to evaluate and make recommendations on a wide range of worker issues, including wages, benefits, and working conditions.
- Boards may summon witnesses and gather evidence pertinent to their investigations; they may also have the authority to issue subpoenas and conduct hearings.



- After investigations, the board makes recommendations on wages and other working conditions, followed by a public hearing before any final implementation.
- Once the board adopts the recommendations, they are legally binding and must be followed by all firms operating in the industry.

Who benefits from workforce standards boards?

Workers: By raising wages and improving working conditions, workforce standards boards make workers more economically secure. Because low-wage industries employ a disproportionate number of workers of color and women, standards boards can help reduce racial and gender disparities.

Businesses: Better pay and working conditions can lead to a more stable, productive workforce less prone to turnover. Also, setting and raising workforce standards helps responsible businesses. For example, it eliminates the incentive for businesses to misclassify workers as independent contractors — a practice that can undercut honest employers by reducing labor costs.

All Oregonians: Ensuring that all workers have the income needed to support their families, and businesses have a stable workforce sets the conditions for strong local economies. Raising pay for low-wage workers increases spending in local businesses, which stimulates other economic activity.



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