

# Opinion / Local

— GUEST OPINION —

## Taxes, unions and business

By Rep. Greg Barreto

A couple of weeks ago I had a meeting with some constituent members from one of the public sector unions, along with the union lobbyist. These unions want to understand how candidates running for political office line up with their ideology and legislative agenda. They sent me a questionnaire to fill out and then in all fairness, gave me an interview. Many of these public sector unions are promoting the \$6-billion-dollar hidden sales tax called IP28 or now known as Ballot Measure 97. Many of you have heard about this measure and, if you haven't, you should become educated. If it passes, many Oregon businesses that can, will be moving out of state. Ballot measure 97 is a 2.5% tax on total sales instead of profits on larger corporations that have gross sales of \$25 million or more. This will raise the cost of food, fuel, health care, cars, electricity and almost everything you purchase at big box stores such as Wal-Mart, Home Depot, Costco, Lowes, etc. and add considerably to an already high cost of living in Oregon.

My objective in this letter is not to bash or attack the public sector unions, but to show how they contribute to the lack of fairness we have in our electoral system. Public sector unions contribute an enormous amount of money and in-kind assistance to Democrat races and ballot measures throughout Oregon. There are many hard working government employees who, because they happen to be employed by a federal, state or local government, belong to these unions by no choice of their own. They are not a part of this issue. They are forced to join the unions simply because they have accepted a government job, not because they necessarily desire to be a member of a particular union.

This was the first question that was asked on a union questionnaire:

"There are ongoing efforts to use the courts, the ballot, or the legislature to limit the effectiveness of worker's voices by attacking unions. These attacks can be limiting the ability for union members to contribute to politics or they can be attempts to force unions to provide services without fair compensation. Will you oppose these efforts and support worker's rights to form unions and engage in the political process as a collective group?" My answer to the first question was a definite "no". I then went on to explain the difference and the importance between the private sector and the public sector. Many people, including our government employees don't understand this relationship. So, I would like to explain as simply as I can how it works.

The private sector is any business or employee of a business that is not a part of the government. The public sector is the government and those employees of the government.

Private sector workers and businesses create and produce all of the money that the public sector (gov-

ernment) collects in taxes and fees and then proceeds to spend. Perhaps the state might sell some natural resources, but this revenue is minimal. The money collected from the private sector by the state is used to pay for government services, government programs and government employee salaries and benefits. The public sector fills an important part in the operation of the state and the state's services to Oregonians. Employees of the state should receive fair benefits and wages comparable to those in the private sector and they should be well managed, efficient, and valued according to their occupation level and performance, just as in the private sector. We need a certain amount of government to provide services and most government employees I that I know who help with that service are great folks who are conscientious and hard working.

That being said, everyone who votes, works and pays taxes in this state should have a clear understanding as to how revenue is created within the state and how it is spent.

Again, public sector (government) and its employees produce no revenue. The money use to operate the state is only derived from the private sector by way of taxes and fees and this money covers the expenses of the state.

Now, public sector (government) workers also pay taxes, but because those taxes come from their paychecks and those paychecks originate from revenue produced by the private sector taxes and fees, the taxes that government employees pay are simply a revolving fund that produces no revenue to operate the government. If we logically follow this process and apply it to public sector union dues, those union dues, which amount to millions of dollars each year that are taken from the public employee's income, are produced from private sector taxes. So, we see that the private sector tax payers actually pay these union dues. So then, when we look at how union dues are spent, it becomes a cause for great concern.

Jil Gibson and James Huffman wrote in a brief filed Sept. 11, 2015: "Since 2006 ... Oregon teacher unions have contributed over \$4 million to political candidates, and approximately 98 percent of that amount has gone to Democratic candidates."

100% of the SEIU political donations in 2016 nationwide have been donated to elect progressive liberal candidates and progressive liberal agendas.

This week \$1.5 million dollars was donated from Oregon Education Association PAC and SEIU Local 503 PAC to the "Yes on 97" tax on businesses. An additional \$650,000.00 has been donated by unions to the "Defend Oregon" PAC, also to dedicated to passing this \$6-billion-dollar tax on Oregon businesses.

To me, as a taxpayer in Oregon and as a Republican; I question the fairness of this process and to that end have been a serious advocate for Oregon to become a right to work state. Again, this has nothing to do with the people employed by the state, but has everything to do with a flawed system and the influence in the political arena by public sector unions. These unions, as is their purpose, simply view things from one perspective, and that is: what is the best deal they can cut to benefit their union members and themselves? But if their demands

cannot be sustained by the private sector, then the health and the well-being of our state will suffer. This is easily seen from our flawed PERS system which is currently strangling our state budget with \$22 to \$40 billion in unfunded liabilities.

Now, if we compare the public and private sector in the state to a simple business, the public sector (government) acts as the administrative or overhead costs of a business. When the overhead costs become so high that the income from the service or product a company produces is not able to create enough income to afford the cost of the overhead, the company loses money. If this is not corrected and reversed in a timely fashion, the company will go insolvent and collapse. The inefficiency and wasted money spent by this state, along with our PERS unfunded liability, is taking Oregon to that end. To see that we don't have the income to meet the expenses is fairly simple. Decisions on how to deal with it can be argued, but one solution being pushed by the public sector unions in IP28 or now what is known as Ballot Measure 97 is not viable.

When we take a look at the economic predictions from the independent Legislative Revenue Office (LRO) on Ballot Measure 97, this \$6-billion-dollar gross receipts tax (or hidden sales tax) is projected to create 18,000 new public sector jobs while at the same time, losing 38,000 private sector jobs. This is insanity. The private sector, public sector relationship must be sustainable. If not, businesses will leave this state and move to another state that offers better opportunities. And there are plenty of states wooing them. This leaves the businesses and people who stay in Oregon to make up the difference from those who left. If this ballot measure passes, Oregon becomes a huge loser. The originators of this ballot measure are from the progressive left and it is being driven and funded by the public sector unions. This is a perfect example of seeing things from only one selfish and foolish perspective and once again demonizing business. A one sided perspective that if passed will produce a reckless and catastrophic outcome for the state of Oregon. In biology 101, I learned that a good parasite keeps its host alive. I'm not sure the public sector unions and progressives understand this principle.

I hope the people of Oregon get educated and vote intelligently.

Thank you and God bless you.



Submitted Photo

Rep. Greg Barreto of Cove is an American businessman and politician. He represents House District 58 in northeastern Oregon.

## Toxic algae warning for Brownlee, Snake

The Idaho Department of Environmental Quality (DEQ) has issued a Public Health Alert warning of a blue-green algae bloom affecting public lands, including those managed by the Bureau of Land Management's (BLM) Vale District in Oregon.

The blooms have occurred along the Snake River as well as in Brownlee Reservoir. According to the Idaho DEQ Alert, the affected portion of the Snake River is 10 miles north of Oxbow, Idaho to the Hells Canyon Dam.

Public lands managed by the BLM are also affected, including developed recreation sites at Westfall, Bob Creek, Airstrip, and Copper Creek. Anyone wishing to recreate in or around the affected bodies of water should be aware of the risks associated with blue-green algae and should know how to identify these algal blooms.

According the Oregon Health Authority, water that is foamy, scummy, thick, pea-green, blue-

green or brownish red should be avoided.

The Idaho DEQ has advised that areas affected by blue-green algae blooms should be avoided, as drinking the water; even direct skin contact can cause severe illness in humans and animals. The following precautions have been advised by the Idaho DEQ:

- Humans, pets, and livestock should not drink the river water.
- Humans and animals should stay out of the river. Swimming, wading, or other activities with full body contact of river water should be avoided.
- Fish should be cleaned and rinsed with clean water. Only the fillet portion should be consumed. All other parts should be discarded.
- Pets and livestock are vulnerable to blue-green algae and should stay out of water where blooms are visible. Pets and livestock can be exposed to blue-green algae through drinking, swimming, or

self-grooming by licking their wet coat or paws. A reaction will likely require immediate veterinary attention.

- In addition, pets should not be allowed to eat dried algae.
- If river water contacts skin or pet fur, wash with clean potable water as soon as possible.
- Areas of visible algae accumulation should be avoided.

According to the Centers for Disease Control and Prevention, people who are exposed to water with high concentrations of blue-green algae may experience nausea, vomiting, diarrhea, difficulty breathing, skin irritation, allergic responses, liver damage, or neurotoxic reactions such as tingling fingers and toes. Symptoms in humans are rare, but anyone with symptoms should seek medical attention.

Boiling or filtering the water will not remove blue-green algae toxins.

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