

CEO pay continues to explode

By Don McIntosh
Associate Editor

The national AFL-CIO has updated its online feature Executive Paywatch, which tracks just how high CEO pay can go. The compensation information—drawn from reports that publicly-traded companies are required to file with the Securities and Exchange Commission (SEC)—is presented in an easy-to-follow format at aflcio.org/Corporate-Watch/Paywatch-2015.

In a nutshell: CEO pay continued to soar in 2014, despite the growing disgust of the peons down below. Within the S&P 500—the 500 largest companies whose stock is traded on NASDAQ and the New York Stock Exchange—the average CEO was paid 373 times as much as the average American worker in 2014. That's a big jump from 2013, when CEOs on that list made 331 times the average American worker.

Executive Paywatch also shows state-by-state results, listing CEO compensation for publicly-traded companies that are headquartered in each state.

Among the 26 Oregon firms listed in the Russell 3000 (the biggest 3,000), CEO pay averaged \$3.63 million. The average Oregon worker made \$40,386.

And Washington state had a lot more millionaire bosses: The average CEO among the 59 firms listed made \$16.1 million, while the average Washington worker made \$50,578.

To compute its CEO-to-worker pay ratios, Executive Paywatch uses figures for the median worker in the state or the nation—not the median worker at the company. Yet it's been nearly five years since Congress passed a law requiring corporations to disclose CEO-to-worker pay ratios. That requirement was part of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which was passed in 2010 to rein in some of the financial abuses that led to the 2008 financial market crash. But the SEC still hasn't implemented the CEO-to-worker rule. In effect, the executive branch (the branch of government headed by Barack Obama) has failed to execute the law.

In March, 58 members of the U.S. House of Representatives signed a letter to the chair of the SEC, complaining that it's long past the time to finalize the rule. [Democrats Peter DeFazio of Oregon and Jim McDermott and Adam Smith of Washington were among the signers.]

"The current culture of paying CEOs hundreds of times more than the typical employees hurts working families, is detrimental to employee morale, and goes against what research shows is best for business," wrote the members of Congress.

ONLINE EXTRA

Explore Executive Paywatch at aflcio.org/Corporate-Watch/Paywatch-2015

Oregon's 10 highest-paid CEOs (2014)

NIKE	Mark G. Parker	\$14,678,349
PRECISION CASTPARTS	Mark Donegan	\$9,699,876
STANCORP FINANCIAL GROUP	J. Greg Ness	\$9,693,107
SCHNITZER STEEL INDUSTRIES	Tamara L. Lundgren	\$6,428,402
GREENBRIER COMPANIES	William A. Furman	\$5,300,463
MENTOR GRAPHICS	Walden C. Rhines	\$5,195,071
FLIR SYSTEMS	Andrew C. Teich	\$4,616,007
UMPQUA HOLDINGS	Raymond P. Davis	\$4,030,810
LATTICE SEMICONDUCTOR	Darin G. Billerbeck	\$3,935,231
NORTHWEST NATURAL GAS	Gregg S. Kantor	\$3,610,061

Washington's 10 highest-paid CEOs (2014)

MICROSOFT	Satya Nadella	\$84,308,755
BOEING	James McNerney	\$28,861,920
STARBUCKS	Howard Schultz	\$21,466,454
T-MOBILE	John J. Legere	\$18,567,001
ZILLOW	Spencer M. Rascoff	\$10,587,170
PLUM CREEK TIMBER	Rick R. Holley	\$9,855,958
EXPEDIA	Dara Khosrowshahi	\$9,642,406
WEYERHAEUSER	Doyle R. Simons	\$8,144,434
F5 NETWORKS	John McAdam	\$8,143,742
ESTERLINE TECHNOLOGIES	Curtis C. Reusser	\$8,130,161

BUILDING COMMUNITY



LABOR REPRESENTED AT PORTLAND PRIDE PARADE: Union kids hitch a ride aboard the American Federation of Government Employees (AFGE) jeep at the Portland Pride Parade June 14. Festooned with lavender balloons and rainbow-colored signs, the jeep was part of a contingent of marchers that also included the Oregon AFL-CIO, Oregon AF-SCME Council 75, Amalgamated Transit Union Local 757, UNITE HERE, Teamsters Local 206, National Association of Letter Carriers Branch 82,



the Painters Union, Oregon Federation of Nurses and Health Professionals, and the Carpenters. Oregon Tradeswomen Inc., Health Care for All Oregon, and 15 Now also took part in the march.

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