

EDITORIAL

Employment Stabilization Act casts out free enterprise

Oregon and Columbia County saw a significant increase in unemployment as lumber and plywood mills were forced to close or to curtail their operations in 1980. But the reason for those closures was often outside the control of the companies.

The Federal Reserve Board raised the price of money by increasing the interest rates paid on bank loans. Then local banks in turn had to raise the interest rates they charged for home loans. People could no longer afford to buy homes and home construction plummeted. With a reduced demand for lumber and plywood the forest industry had to close many of its operations. A company can't afford to saw logs and

pay wages and overhead if it does not bring in money from selling lumber on the other end.

Labor groups in Oregon are very concerned about plant closures and the effect they have on employees and local communities. So, they plan to introduce legislation in the 1981

the firm failed to notify the Bureau after closing its plant.

But the bill would do much more than requiring a one-year's notice before closing a plant. It would give the Oregon Department of Economic Development the right to enter the firm and investigate the reasons for

move to that plant, but preferred to move to another location and take a job with another firm, the Department of Human Resources would have to pay the moving costs as well as provide training in other occupations offering similar wage levels.

There are other parts of the bill, but the point is it not only penalizes a company for something outside its control but demands that the company notify everyone affected far in advance of actual circumstances. A patently absurd notion.

Timber supply has caused other lumber and plywood mills to close. If the logs aren't available a mill can't keep operating. Because various government agencies own 62 percent of the commercial forest land in Oregon, the flow of logs to the mills depends on their actions.

Government actions have forced the closure of many plants in Oregon. Requirement of the Clean Air Act by the Environmental Protection Agency cost mills millions of dollars to comply. Some mills had to close in the early 1970s because of that heavy cost.

A company manager must deal with the economic environment as best he can. He must find a continuing flow of raw materials, keep a strong work force operating, keep the mill as efficient as possible and try to market the finished products. If any part of that system breaks down it could force a closure. It's a difficult chore, especially in an industry as competitive as the forest products industry. The benefit of the system is that it rewards efficiency and innovation.

There is much labor can do to avoid mill closures. It can work side by side with management in seeing that valuable timber is not locked up in wilderness. Labor can also oppose government policies that close markets for lumber and plywood.

Penalizing the forest industry, or any industry for that matter, for these actions doesn't make much sense.

The Employment Stabilization Act of 1981 is aimed at the wrong target. Sure, mill closures are bad. They're bad for everybody, including the companies, but we can't just cast the free enterprise system away because we've hit rough times. This bill tries to treat symptoms instead of the disease. And if it passes, a lot of companies will think twice before moving to Oregon. Industrial growth will suffer because if this bill passes companies who might fill the gaps left by timber industry closures would shun Oregon completely.

All in all, the Employment Stabilization Act of 1981, as proposed, is an ill-advised procedure at an inopportune time, promoted by the unthinking.

PUBLIC FORUM

Oregon Legislature aimed at solving the problem or at least reducing the disastrous effects of these plant closures. The problem with this proposed legislation is it tries to cure the symptoms instead of the disease.

The bill, called the "Employment Stabilization Act of 1981", would require a business to give one-year notice prior to reducing employee levels. The bill would affect any type of business or association employing at least 50 people in a single workplace. And the one-year notice would be required if employment is reduced by 15 employees or more for a period exceeding three months.

If a business did close a plant without notifying the Bureau of Labor and Industries it could be fined \$10,000 for each affected employee. It could be fined another \$1,000 for each affected employee for each day

closure, prepare an economic impact statement including the loss of jobs, taxes to local government, effect on retailers and wholesalers in the community and much more including the social and emotional impact on employees and the community in general.

A firm closing a plant would also have to provide 85 percent of wages to all affected employees for a year after closure. And it would have to pay 85 percent of the taxes it would have paid to local governments for a year after it closes.

The company would also be required to pay the cost of relocating an employee to another plant owned by the same company. This includes moving expenses, the difference in interest rates on home loans, and so on. If the employee did not wish to

Direct calls to Rep. Bugas

State Representative Ted Bugas has announced a way people from this area can call him toll free during the current legislative session.

"By using the state's WATS line, people from District 2 can call me in Salem without it costing them. The number is 1-800-452-7813," said Bugas.

Bugas explained how the system operates. "When a caller dials the WATS line number, an operator answers and asks to whom the caller wishes to speak. At that time the caller should ask for me, Rep. Bugas. The operator then will transfer the call to my office," said Bugas.

Bugas said then he or a member of his staff will ask the caller for his name and phone number and return the call.

"The reason we call back is to save the state money. The incoming WATS line costs more to use than the phone lines in our legislative offices. In addition, returning the call frees the toll free WATS line for other callers," said Bugas.

"The toll free information line will also be open again this session. That number is 1-800-452-0290," said Bugas.

"People who want to find out the status of legislation, committee hearings or other general information about the Legislature should call that toll free number and an operator will assist them," said Bugas.

"I want to stay in close touch with the people of this district. I was elected to serve you, and that's what I intend to do. If you have a problem with state government I want to know about it," said Bugas. "As I said during the campaign, government should serve the people, not be master to them."

CPAC election notice

Notice is hereby given that the Upper Nehalem Valley Citizens Planning Advisory Committee has fixed the 28th day of January, 1981, at 7:30 pm at the West Oregon Electric Building as the time and place for the election of committee members whose terms of office expire January 1981. These members presently represent Pittsburgh-Stoney Point, Timber Route, Highway 47, and at-large neighborhoods of the CPAC.

Any resident or property owner within the CPAC boundary is qualified to serve as a member or as an elector. Any elector present at the meeting may be nominated by himself or by any other elector present but must be a resident or property owner in the area he is to represent. Also, any qualified person absent from the meeting may be nominated for a position on the CPAC, but only in writing signed by the nominee.

For further information contact the planning and building department at

397-1501, St. Helens.

Signed,
Cora May Freeman,
CPAC coordinator.

ColCo fair dates set

July 29, 30, 31 and August 1st are the dates set by the Fair Board for the 1981 Columbia County Fair. "The Future Of Our Fair?" was selected as the theme and "Not The Biggest—Just the Best" as the motto.

Jamboree meeting set

There will be a Jamboree Association meeting in February. This will be our 25th year.

We will elect new officers and start planning for this year's Jamboree.

ESD BOARD MEETING

The Columbia ESD Board will meet in special session on Wednesday, January 28, 1981, 7:30 pm at the Columbia Education Service District Office, 1290 Deer Island Road, St. Helens, Oregon, to consider:

1. Request from OSEA Chapter 143
2. Board Member Applications
3. Superintendent Replacement Process.

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