EMERGENCY BOARD APPROVES NEW SALARY IMPLEMENTATION

Action of the 48th Legislature in making available a specific sum for salary adjustments represents fulfillment of a long sought OSEA principle. This establishes the desirable precedent of shifting minute salary study from the legislature to Civil Service and Administration. Thus relieved of the perennial, biennial salary hassle, more time would be available for the broader legislative consideration of prevailing economic conditions.

The emergency fund of $2,774,000, if spread evenly over 15,000 state workers would have provided an increase of $7.70 per month per employee. Thus a system of priority had to be devised in the interest of fairness to the most distressed areas. The priority works out in the following manner.

(1) Salaries currently below the new minimum:
Immediate adjustment.

(2) Salaries of employees now at top of old range:
- a. Immediate adjustment if at top of old range over 12 months.
- b. Adjustment at next merit increase anniverssary date if at top of old range less than 12 months.

(3) All other "within range" adjustments:
When the annual "merit review" comes up, administrators will have three choices:
- a. Leave the salary unchanged.
- b. Advance the employee to the nearest step of the new pay plan or
- c. Advance the employee to the nearest step plus a full additional step.

Example:
Old range ....250 - 261 - 272 - 284 - 296 - 309
New range ......250 - 265 - 280 - 295 - 310 - 326

Assuming that employee is on the 3rd step (272) of the old range he may:

3. a. Remain at that step if merit increase not earned.
   b. Be adjusted to next higher dollar step on the new range ($280) or
   c. Since that is $4 less than he would have received under the old scale, be awarded an additional merit increase to the next step in the new range ($295). This would have the effect —short of one dollar—of giving him a two step increase under the old plan.

Applying this rule to a class with a wider range.
Example:
Old range ....296 - 309 - 322 - 336 - 350 - 364
New range ......326 - 342 - 360 - 380 - 400 - 420

Here it will be noted that if the employee on the 4th step of the old range ($336) received an increase to the next higher rate in the new range ($342) he would be $8 short of the amount he may have received under the old range. He may receive, therefore, an additional merit increase to the 3rd step in the new range or $360. Though this is only the 3rd step of the new range, he is $10 better off than under the old plan. Moreover, three more steps can be anticipated before reaching the ceiling. Some of the new ranges are so much wider that an increase to the next higher step actually moves an employee back two steps. It is advisable not to be "step conscious" in view of the brighter long-range potential.

Members of the Legislative Emergency Board who met in Salem June 17, and approved unanimously the new salary plan are from left to right: Rep. Loran Stewart, Rep. Edward Geary, Sen. Howard Belton, Sen. Elmo Smith (chairman), Sen. George Ulett, Sen. John Merrifield, Rep. Henry Semon and Rep. Leon Davis. (Rep. Alfred Corbett absent).

Funds available are insufficient to provide for an automatic adjustment to the corresponding numerical step on the new range that the employee held on the old range. Civil Service reported that the number of standard pay ranges were cut from 52 to 36 but that most job classifications remained unchanged. Maximum cost of the plan is estimated at $2.3 million which leaves a cushion for such further adjustments as are found necessary on the basis of Civil Service's continuing studies.

The Civil Service Commission has noted that if merit increases are handed out indiscriminately by state administrators the pay plan will not operate successfully.

It must be noted that the entire salary plan is flexible. OSEA will assist Civil Service and Administration with constructive suggestion particularly in those known problem areas where the plan has been accepted mindful that the door is open for adjustment.

PAY DAY JULY 1?

Harold Phillippe, Manager of the Accounting Division, reported every effort would be made to release the June payroll on July 1. He noted the task was complicated by July 1, marking the beginning of the new biennium which forces changes in records, accounts, etc.

A man is not paid for having brains, but for using them.