Bills of Interest To State Employes

HOUSE

HJR 5 Joint Resolution for amendment of Oregon constitution to provide for annual legislative sessions. See Senate Joint Resolution 5.

HB 1003 Tax bill excluding PERS benefits from taxable income.

HB 1076 Investment Council to invest PERS and other state funds. Liberalizes investment authority.

HB 1077 Legislative Fiscal Committee retirement system improvement bill.

HB 1105 "Compromise" bill to improve apprenticeship and training program. Allows public employees to participate in programs. (This bill has already been reported out of the House Labor and Management Committee with "do pass" recommendation.)

HB 1137 Permits public employee, other than one engaged in law enforcement, to strike if his organization has been certified as bargaining representative and employer has refused to bargain.

HB 1138 Longevity increases for classified state employees at rate of $15 per month after 5 years and additional $5 per month for every additional 5 years, to a maximum of $35 per month per employee.

HB 1139 Additional compensation for state or county employees required to work "swing" or "graveyard" shifts.

HB 1152 Declares that if legal holiday falls on Saturday, preceding Friday is a holiday for full-time salaried public officers and employees.

HB 1156 Permits public employees to participate in political activities. They may voluntarily contribute to political parties and candidates but cannot be solicited for funds.

HB 1170 Allows larger unsecured loans by credit unions, annual or semi-annual dividends.

HB 1177 PERS Board bill to liberalize investment policies. Retains authority in PER Board.

HB 1181 Increases from $4,800 to $6,600 the amount of annual salary of academic employees exempt from purchasing supplementary retirement benefits.

HB 2001 Appropriates $4,009,332 from general fund for early implementation of salary adjustments; increases expenditure limitations of self-supporting agencies for same purpose.

HB 2076 Appropriates $3,934,255 from general fund, and increases expenditure limitations of self-supporting agencies, for mid-biennium salary adjustments. Also provides for group insurance appropriation.

SENATE

SJR 5 Joint Resolution for amendment of Oregon Constitution to provide for annual legislative sessions. Differs from House Joint Resolution 5 in that sessions in even-numbered years may consider only legislation relating to state government budgeting, revenue and taxation matters.

SJR 13 Proposes amendment to Oregon constitution to provide for annual legislative sessions.

SB 1 Exempts from garnishment or other legal process all earnings for performance of services.

SB 17 Removes prohibition against certain (non-civil service) public employees making political contributions or supporting or opposing candidates.

SB 30 Prohibits contributions by public employees to campaign for any person having authority to terminate or altar conditions of their employment.

SB 107 Collective bargaining supervision under Labor Commissioner, repealing 1965 law putting supervision under Civil Service.

SB 109 Experimental crime prevention division in the Department of Justice.

SB 141 Empowers governor under certain conditions to authorize continuance in public employment of persons who have reached the age of 70.

French Tells Solons Early Salary Raises Will Boost Sagging Morale

(Editor's Note: On January 12 the Salary Subcommittee of the Joint Ways and Means Committee met to discuss the Civil Service Commission's proposed compensation plan for the 1967-69 biennium. OSEA was represented at the hearing by President Smith French, Executive Secretary Thomas C. Enright and Wage and Salary Analyst Everett B. Stiles, all of whom testified. The NEWS is printing the testimony given by President French for the information of OSEA members. See page 1 for additional salary story.)

"State employees were shocked yesterday to hear of a story in the Salem Capital Journal reporting that the Ways and Means Committee is unwilling to follow the recommendations of Governors McCall and Hatfield regarding early implementation of the Civil Service salary plan for state employees.

We are aware that the purpose of this hearing is to consider the salary plan for the next biennium separate from any question of early implementation. However, we do not believe this is possible.

It is our belief that the proposed plan is adequate only if implemented early. If it is to wait until July 1 for implementation, we feel that sizeable upward adjustments must be made in it if it is to accomplish its stated objective.

Salaries Lag

Two-thirds of state employees have received no salary adjustments since January 1, 1965. They are receiving salaries estimated to be comparable with *salaries paid in* private industry and other governmental units on July 1, 1964.

During the 24 months since state employees in general received salary adjustments, we have seen salaries with which we are supposed to be compared raise 13.5 per cent.

The Civil Service Commission has made a salary recommendation which is estimated to raise salaries on an average of 10.5 per cent.

Even if the plan were implemented today, state slaries would not be fully comparable to private industry and other governmental units. By July 1 they will be another six months behind.

Stem the Tide

Last July 1 about one-third of state employees received emergency salary adjustments.

No claim was made at that time that comparability would be achieved in the classifications which received adjustments. It was just a case of making the money which was available go as far as possible, raising some employees enough to try to stem the tide of turnover and leaving the rest without relief.

Morale Low

I can say in complete honesty that in the years I have been in state employment, I have never seen the morale of large numbers of employees, such as the maintenance employees in the Highway Department, as low as it was last July 1.

At the time that these employees were being told that there was no money available for adjustment of their salaries, although the need was great, the Department of Finance and Administration was telling the newspapers that unexpected tax revenues resulting from inflation were resulting in a surplus in the state treasury amounting to more than $30 million.

Seek a Solution

The same inflation which was causing the surplus of state funds was causing rises in living costs, followed by increased private industry salaries, resulting in less value of the dollar paid to state employees and less comparability of their pay in relation to other employees.

Yet the state employee had to be told that for the time being, nothing could be done about it.

Only the assurances of Governor Hatfield and the then Secretary of State, Mr. McCall, made last summer and fall, that they would seek a solution as soon as the legislature met in January, were able to maintain any reasonable level of morale among state employees.

Even then the number of employee terminations went to a new high of 4,861 for the months July to October, more than 1,000 over the figure for the same period in the preceding year.

Reasonable Requests

We in OSEA feel that we have been reasonable in our salary requests.

Although we have not felt that the salary plan proposed by Civil Service went as far as it should go, we have been willing to recommend it to our fellow employees if implemented early and accompanied by an adjustment fund adequate to cope with inflation during the next two years.

Since reading the Capital Journal story, however, our Executive Committee has met and instructed me to advise you that in our opinion the salary plan is adequate only if implemented fully by February 1.

Right Foot

If the committee feels that it must hold up full implementation until July 1, 1967, we ask that the plan be adjusted to reflect comparative salaries as of July 1, 1967, not July 1, 1966.

As will be explained by our Wage and Salary Analyst, the statistics are available to make reliable projections of what comparative salaries will be at that time.

Although not compensating for what has been lost up to *now, state salaries for once* would be off on the right foot for the next biennium.

Inadequate Salaries

In conclusion I want to say that we realize fully that the legislature is in no way bound to honor any salary commitments made to state employees by Governors Hatfield or McCall last year.

However, we hope legislators will realize that these assurances were not given lightly.

Both of these men, working as day to day administrators, of state government, knew the problems inadequate salaries were causing. They both apparently felt that they could count on the members of the legislature to do justice to the needs of state employees at the first opportunity they had to do so.

That is all we are asking today.