

# Employees: Should State Have Suggestion Awards Program?

In an attempt to determine what state workers want done with the Employees Suggestion Awards Program, OSEA will poll its membership during the next two months.

That decision was made by the Board of Directors at its July 27th meeting in Salem.

The program has been out of business since July 1, 1967, because the 1967 Legislature didn't give it any money to operate during the current biennium.

Leroy E. Nelson, director of OSEA's Law and Legislation Committee, told the board he offered the association's assistance to Lloyd A. Griffiths, chairman of the Employees Suggestion Awards Board, to attempt to find out what employees want done with the program.

Since it was created in 1957, Griffiths said, the state has given employees cash awards for approved money saving suggestions.

Awards were based on ten per cent of the estimated first year's net savings up to a \$500 maximum amount.

Intangible suggestions concerning safety or public relations improvement ideas were awarded cash amounts based on a point evaluation scale rather than estimated savings, he said.

Griffiths said the procedure was somewhat cumbersome and time-consuming but worked like this:

The idea was written on a form provided, then submitted to the board where the name was detached and an identifying number assigned.

It then went to a departmental suggestion evaluation committee for review. The committee returned the form with its recommendations and savings estimate and, if approved and implemented by the agency, an award was made from funds appropriated in the Civil Service Commission's budget.

The last session of the legislature questioned the validity of the savings claimed, Griffiths said, and for this and other reasons did not fund the program for the current biennium.

He emphasized that the board

was not abolished nor the enabling law repealed. It was "just out of business," he said.

Griffiths said he thought the board will recommend a reinstatement of the former program to the 1969 Legislature. One of several courses will be recommended:

(1) Employ a full-time executive secretary to administer, promote and publicize the program with awards to be made from the funds of the benefitting agency, or

(2) Permit each agency to establish its own departmental suggestion awards program, or

(3) A combination of (1) and (2), or

(4) Repeal the Employees Suggestion Awards Board law.

Griffiths said a questionnaire has been sent to each agency head asking for his opinion of the program and recommendations for the future.

"I believe it is equally important to know how the employees of the state feel about the suggestion program and what they want. Both the opinion of the state employee and the top agency administrator is important to the board in making its recommendation to the legislature," Griffiths said.

Unless there is a strong indication that the program is beneficial to the state and desired by a substantial majority of agency heads and state employees, Griffiths said he is inclined to recommend repeal.

OSEA President Smith French instructed district directors to take the four alternatives outlined by Griffiths to the chapter presidents in their districts.

The presidents have been asked to poll their members as to what course of action they would like.

OSEA's 1967 General Council adopted a resolution putting "OSEA on record as urging the re-establishment and adequate funding of the employees suggestion program."

## New Eastern Oregon Credit Union Open

A new credit union for city, county, state and federal employees in Malheur, Baker, Harney and Grant Counties is now in operation.

George R. Siler, president of the Credit Union, urged employees to open saving accounts. He said money may be borrowed at "very low rates."

Employees wanting more information should contact George R. Siler, Rt. 1, Box 8, Vale, Oregon, 97918, telephone 473-2190 or Oliver Parker, 680 S. W. 4th St., Ontario, Oregon, 97914.

Telephones - Extra Long Beds  
Television - Room Coffee  
Two Blocks to City Center

## PLAZA MOTEL

Phone 382-1621  
Mr. and Mrs. Quentin Newton  
1430 Hill St., Bend

# Future of Variable Annuity in Doubt

The future of the new "variable annuity" provision of the Public Employees Retirement System is very much in doubt due to a ruling by Marion County Circuit Court Judge Val D. Sloper.

He declared a 1967 law creating the Oregon Investment Council unconstitutional July 29.

The law would have allowed the council to invest money from the Public Employees Retirement Fund and Industrial Accident Fund in common stocks.

Peter S. Herman, an assistant attorney general, said he was not certain what effect the ruling would have on the variable annuity provision of the PERS.

That provision permits investment of PERS funds in common stock.

Herman has filed notice of appeal of Judge Sloper's decision to the Oregon Supreme Court.

The "friendly" suit contended the law violated a provision of the state constitution forbidding the state from having any interest in the stock of any company.

It was filed to test the law by former Gov. Charles A. Sprague and Fred H. Paulus.

Defendants were State Treasurer Robert W. Straub and members of the Oregon Investment Council -- Straub, Max Manchester, W. P. Stalnaker, Howell Appling Jr. and Don Ellis.

Sloper agreed that the law violated a constitutional provision against the state having an interest in the stock of any company.

In addition, he said the act violated the constitution in that it required the Oregon Supreme Court to rule on the validity of each investment. That, he said, would be requiring the court to exercise an executive rather than a judicial function.

## 10% Dry Cleaning Discount Given to State Employees!

Item	Reg. Price	You Pay
Suit or Dress	\$1.50	\$1.35
8 lbs. Cleaning	\$3.00	\$2.70
Slacks or Jacket	.75	.67
Bedspreads	\$3.00	\$2.70

## OAK HILLS POLY CLEAN

1599 Edgewater N.W., Salem

Telephone: 585-5266

• Laundry Available • One-Day Service

# Board Requests State Medical-Hospital Pay

(Editor's Note: OSEA's Board of Directors, at its July 27 meeting, adopted the following recommendations made by the OSEA Insurance Committee concerning a state contribution toward employee medical-hospital insurance premiums. The recommendations are in line with two existing policy resolutions.

Since 1953, resolutions of the annual General Council of OSEA have called for a state employer contribution towards the premium of the employee's medical-hospital insurance plan. This is a type of fringe benefit common in private industry and other governmental units with whom the salaries of state employees are usually compared.

In its annual Salary Survey dated Dec. 1, 1967, the Oregon State Civil Service Commission stated: "Of all the non-salary benefits to employees, our state government lags most with regard to medical insurance for state employees. The state makes no contribution to the premium cost of employee medical insurance. All of the states included in the recent salary survey pay part of the premium cost for employee medical insurance with the amount varying from \$4.00 per month to 100% . . ."

Research by OSEA indicates that most Oregon cities, counties and school districts pay from 50% to 100% of the employee's medical-hospital insurance premium.

Successive governors have favored the contribution. Governor Hatfield included a token contribution in his budget proposal for the 1965-67 biennium. Testifying before the Ways and Means Committee of the legislature in favor of an adequate salary appropriation in 1967, Governor Tom McCall stated that the medical-hospital contribution should have first priority after the retirement system improvements which were accomplished in that year's legislative session.

The legislature has failed to act on a series of bills specifying an amount of state contribution or directing that a contribution should be part of the state compensation plan. When the matter has been given serious consideration, employees have been faced with the choice of an appropriation necessary for the contribution being deducted from funds available for salary adjustments.

The Insurance Committee of OSEA makes the following recommendations:

(1) A medical-hospital contribution should be given top priority, after an adequate salary improvement appropriation, in the 1969 session of the legislature;

(2) The contribution should be in addition to, and not deducted from salary funds, if state compensation is to achieve comparability to private industry and other governmental units;

(3) The amount of contribution should be at least the average of the employer contribution of Oregon cities, counties and school districts;

(4) The employee's present choice of medical-hospital plans must be maintained, and contribution should not be contingent upon participation in an employer-selected plan.

A medical-hospital contribution is long overdue. It will be obtained only when and if employees make their insistence upon this benefit known to the executive and legislative branches of the government.

Employees are urged to ACT NOW, by writing Governor Tom McCall and their state senators and representatives, asking that an employer medical-hospital contribution be included in the 1969-71 budget proposal and appropriations by the 1969 Legislative Assembly.