

OSEA Suit Argues Common Stock Investment Legal

Thomas C. Enright, OSEA general counsel, has filed a petition with the Oregon Supreme Court asking that he be allowed to file an amicus curiae (friend of the court) brief in a case involving common stock investment of Public Employees Retirement System funds.

Enright has also been authorized by the Oregon Education Association and the Oregon School Employees Association to appear in the suit in their behalf.

The two education groups and OSEA jointly sponsored retirement legislation in the 1967 Legislature.

The position taken by the three associations is in support of the Attorney General's appeal to the Supreme Court from a ruling by Marion County Circuit Court Judge Val D. Sloper, holding that investment of PERS and State Industrial Accident funds in common stock is unconstitutional.

Judge Sloper's opinion was based on Article XI, Section 6 of the Oregon Constitution which states that "the state shall not subscribe to, or be interested in the stock of any company, association, or corporation..."

The Attorney General and the associations claim that the industrial accident and retirement contributions are not state money.

They argue that once the funds are contributed by employers and employees, the state has lost any proprietary interest in them, and serves only as a trustee of the funds for the benefit of the employees.

The Circuit Court ruling also held that the State Investment Council, composed of the State Treasurer, two representatives of PERS and two persons appointed by the Governor, is unconstitutional.

The bill creating the council was introduced by the Legislative Fiscal Committee and supported by the employee associations in the 1967 legislative session.

Enright's petition stated that the lower court decision made no comment on the status of the variable annuity provision in the PERS law. This provision would allow an employee to elect to have 25 per cent or 50 per cent of his retirement con-

tributions invested in equities or common stocks.

He said that regardless of which way the Supreme Court ruled on the appeal, it should clarify the status of the variable annuity program before the next session of the legislature.

Enright said that proponents

of the Investment Council Act and the retirement improvement bill were aware that the question of constitutionality of stock investments would arise.

If the Supreme Court rules against the stock investments, the employee groups will probably work for an amendment to the Oregon Constitution.

OSEA Awards Program Needs Chapter Support

Chapter presidents have been urged to take the initial step in OSEA's program to select a State Employee of the Year by Public Relations Director Ralston E. Smith.

He said that step consists of each chapter president appointing an Awards Committee to nominate candidates for Chapter Employee of the Year awards.

"Action at the chapter level is essential to the success of this new program," Smith said, "since that is the foundation of the entire awards program."

He outlined the program as follows:

Step 1. Each chapter selects a Chapter Employee of the Year from those nominated by its Awards Committee. Nominees do not have to be members of OSEA. The names of chapter award winners must be received at headquarters by Dec. 2.

Step 2. Each district will select a District Employee of the

Year from the list of chapter award winners. District directors will select a panel of non-state employees to choose district recipients.

Step 3. The State Employee of the Year will be selected from the district award winners. The selection will be made by a panel of prominent citizens.

The state award winner will be announced at an awards banquet in January.

Smith asked chapters to keep in mind that it is the employee and not the job that is being evaluated. "Neither pay status nor job classification should be considered in choosing the nominee for this award," he said.

Last year, 35 of OSEA's 79 chapters participated in the program. Mrs. Martha Collins, an accounting clerk in the University of Oregon's business office, was selected State Employee of the Year.



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IBEW Union Ousted By UO Electricians

For the first time since collective bargaining began in state government, the Civil Service Commission has held a decertification election. It has scheduled another later this month.

Local 280 of the International Brotherhood of Electrical Workers, AFL-CIO, was decertified as the exclusive bargaining representative of the University of Oregon Electrical Shop employees.

It was ousted by a vote of 5 to 4.

The IBEW was elected bargaining representative in July, 1966, OSEA did not contest the election.

After the decertification election, OSEA submitted a petition to the commission requesting another representation election. So far no other group has petitioned to get on the ballot.

The election will be held by mail. Ballots will go out Nov. 18 and must be returned by Nov. 25.

Another decertification election is scheduled for the Tongue Point Job Corps Center Physical Plant employees.

They have asked that the AFL-CIO Clatsop County Building Trades Council be decertified as bargaining representative.

This election will also be conducted by mail. Ballots will be sent out Oct. 14 and must be returned by Oct. 21.

Every District Gains Members

For the first time in some months, every one of OSEA's nine districts had net gains in membership during the reporting period ending September 16.

The association had a net gain of 116 members.

District Two led all districts with a net gain of 25. It was followed closely by District Six with 22.

District Nine was in third place with 19. Then came District Three with 13, District One with 12, District Five with 10, District Four with 7, District Eight with 5 and District Seven with 3.

Emerald Chapter 88 in Eugene led all chapters with a net gain of 12.

It was followed by Fairview Chapter 57 in Salem with 12 and University of Oregon Medical School Chapter 41 in Portland with 11.

Corvallis Chapter 29, with 1,040 members, is still OSEA's largest chapter. Fairview Chapter 57, with 791 members, is the second largest chapter in the state.

As of September 16, OSEA's total membership was 15,933.

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