

NINETY-FIFTH LEGISLATURE

Legislative Document

No. 477

H. P. 804 House of Representatives, February 7, 1951 Referred to the Committee on Appropriations and Financial Affairs. Sent up for concurrence and 1000 copies ordered printed.

HARVEY R. PEASE, Clerk Presented by Mr. Martin of Augusta.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED FIFTY-ONE

RESOLVE, Appropriating Moneys to Effectuate Salary Plan for State Employees.

Emergency preamble. Whereas, because of the advancing high cost of living, salaries of state employees must be adjusted to such cost of living; and

Whereas, great hardship will be caused among the employees unless such salary scale is adjusted; and

Whereas, efficiency of the administration of state government in all departments is vitally affected; and

Whereas, efficient administration of state business is vital to the wellbeing of the state and to its citizens; and

Whereas, in the judgment of the legislature these facts create an emergency within the meaning of the constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it

Appropriation for proposed salary plan. Resolved: That there be, and hereby is, appropriated from the general fund of the state, sufficient moneys for the balance of the fiscal year ending June 30, 1951, to place into effect as

of January 1, 1951, the proposed salary plan for the employees of the state of Maine developed in accordance with chapter 201 of the resolves of 1949; and be it further

Resolved: That there is also appropriated for the same period an additional sum sufficient to grant to each state employee affected by the salary plan, a salary increase of one step in said salary plan by assigning each class of employment to the salary range next above that range to which it is allocated in the salary plan for which funds are provided by the 1st paragraph of this resolve; and be it further

Resolved: That no part of such increase shall be granted, to any employee, which has the effect of placing such employee's salary above the adjusted maximum salary rate established for his class; and be it further

Resolved: That the salary rate of any employee who is regularly being paid at or above the adjusted maximum rates established for his class shall not be changed as a result of the approval of this resolve.

Emergency clause. In view of the emergency cited in the preamble, this resolve shall take effect when approved.

STATEMENT OF FACTS

The 94th legislature, in chapter 201 of the Resolves of 1949, provided for a general reclassification and compensation survey. This resolve was passed, and intensive work on the reclassification survey was begun during a period of relative economic stability. During the month of June, 1950, and while the classification survey was well under way, the outbreak of the Korean War greatly accelerated the economic readjustment which had begun in May, and resulted in a rise in industrial wages and in living costs of almost unprecedented magnitude. The salary plan developed by the reclassification survey staff is current as of early October. There is abundant evidence that the rise in living costs and in industrial wages has continued unabated since that time. It appears, therefore, that the salary plan fails by some 3 months, of being current, and that it should be adjusted upward in the amount of approximately 41/2% in order to reflect current living costs and wage levels. The total effect on the state payroll of installing the plan will be approximately \$292,500, of which approximately \$140,000 would be chargeable to the general fund. The cost of raising the salary plan by one step, as provided in the 2nd paragraph of the resolve, will be an additional amount of approximately \$360,000, of which \$157,500 would be chargeable to the general fund.

This resolve will place the proposed pay plan into operation at the same time as it brings the plan up to date. The 1st paragraph adjusts to the proposed minimum rate for his class the salary of each employee whose present rate is below the minimum, and adjusts to the next higher step in the pay range for the class the salary of each employee whose pay rate falls within the proposed range but not exactly at one of the steps. Salaries which fall exactly on a step in the appropriate range would not be adjusted as a result of the approval of this section. The 2nd and 3rd paragraphs grant increases averaging $4\frac{1}{2}\%$ to employees to take into account the increases in living costs and in private and public wage scales which have taken place in the last several months.