

Bureaucrats Seeking New Methods To Control Employees' Pay Scales

ABOUT three years ago, a Texas businessman, who also has a branch in Oklahoma, posted a notice in one of his plants that any employee who was on the job for 90 days without a layoff, except for illness, would receive a bonus check for \$100.

He hasn't had to pay off yet! A number of his employees qualify for food stamps and welfare if they keep earnings low, so they lay off part of each week to protect their "rights." Some of them will work only three days a week.

This unworkmanlike attitude sometimes requires employers to keep two or more people on the list for each job, hoping to get enough for a crew every day. Fringe benefits must be provided for all employees, even those who lay off regularly.

This circumstance possibly does not prevail among higher-paid skilled workers, but it is serious because the public has to pay taxes to support the welfare and then pay higher prices made necessary by

higher cost of doing business.

Now that the federal government has dipped both hands into regulation of private employment and pay rates, Congress and bureaucrats are looking for new ways to dabble with it.

Legislation is pending in Congress that would raise minimum wage rates to \$3 an hour and provide for future pay increases based upon percentage changes in the Consumer Price Index (CPI). Labor leaders think it might be passed in 1977, especially if a Democrat is elected president.

The CPI is a device prepared by the Department of Labor, in which a theoretical family of 2.9 persons (or some other number) buys a typical market basket of foods and the cost is compared to the preceding week, month or year.

Fractional percentage point changes are announced with gravity, often stimulating strong reaction among militant consumer group spokesmen and labor organizations seeking higher wages.

For example, on June 22, the Labor Department said that the largest increase in food costs in 10 months helped push consumer prices up .6 of 1 per cent in May. The report also showed that "real spendable earnings" climbed 1.2 per cent in May, after decreasing for two consecutive months.

The increase in spendable earnings was double the food price increase, but newspapers and commentators proclaimed: **PRICES SENT UP AGAIN BY HIGHER FOOD COSTS.**

Congress enacts laws concerning employment and pay, and it also delegates authority to various bureaus and agencies to write regulations, and they are using this authority.

One such regulation was amended, effective May 17, to require those with federal contracts of more than \$2,500 to take "affirmative action" to hire and promote the mentally and physically handicapped. This seems to mean that contractors must hunt them up, hire them and promote them to responsible jobs.

Congress has before it a bill which would provide a government job for anybody who couldn't find a job which suited him or her in private business. This raises a question as to how far government might be required to go in hiring the mentally incompetent.