

## President's Letter

Dear Faculty:

We are rapidly approaching the end of the 2000-2001 school year. Obviously this year has had its changes, yet we still have changes ahead of us, but in other cases, things are still hanging.

We successfully hired a new chancellor for the MnSCU system with the direct input of the state universities and the IFO. Chancellor McCormick will begin his duties July 1, but has already made an impact in the State of Minnesota with his extensive telephone calls and monthly visits to the state. My perception of the new chancellor is that he is highly organized, has a tremendous amount of energy and will be a strong advocate for our system. He is an individual who is a fact finder. It is my firm belief that although we will not always agree, we have taken the first step with the chancellor toward agreement on the scope and function of a comprehensive state university.

As you are reading this issue, the Minnesota Legislature is still in session. I just want to take a moment to express a concern that I have regarding adequate funding of higher education in the state of Minnesota. As you and I both know, the State of Minnesota has slipped well below the traditional support levels of public higher education. We have a \$59 million shortfall if we are to achieve the average expenditures of our like national institutions. Salaries of state university faculty are at the 50<sup>th</sup> percentile of pay when comparing ourselves to our peers as public faculty members, and our workload is far beyond what is "normal" when compared with other comprehensive universities. In particular, we need to also place on top of this salary compression those faculty hired within the last 8-14 years. These issues cannot be ignored.

These are just a few of the major issues that we as state university faculty are facing. These are the issues that have been the major thrust in our contract negotiations with the MnSCU office. As you are reading this, the negotiating team is continuing its meetings and bargaining with MnSCU. For more details see Wil Harri's negotiations article on the back pages of this issue.

The last issue that I want to touch upon, and in my mind the most important, is to express my heartfelt **THANK YOU** to all of you who have made my first year as your president a very successful one. Your support of the union on your campuses and your active involvement in ensuring the academic integrity of our programs have guaranteed that the State Universities of Minnesota cannot be ignored by the State, by MnSCU, the legislature, the Governor or the public.

To those of you who have also served on local or state committees, your dedication, effort and time has contributed to the benefit of your colleagues. Again, THANK YOU!! You are the backbone and the strength of our union. You are to be proud!

JAMES C. PEHLER, PRESIDENT  
INTER FACULTY ORGANIZATION

P.S. This will be the last publication of the UPDATE for the academic school year. To stay on top of changes and action taking place during the summer, I would encourage you to check for updates and information on our website:

[WWW.IFO.ORG](http://WWW.IFO.ORG)

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# Jobs Requiring College Are The Fastest Growing

by Russ Stanton, Director of Governmental Relations

In conversations during a Senate Higher Education Committee earlier this session, Senator Tony Kinkel (DFL-Park Rapids) said, "We need to invest more in vocational training; 80% of the jobs in the next decade will not require a four year degree." Kinkel is not the first to make this claim. This statistic has been bouncing around state and federal policy making groups for the last decade. It has often been used to justify less investment in higher education. Unfortunately, the statement is very misleading.

The federal Bureau of Labor Statistics (BLS) projects future job growth every two years. Their last report projects job growth to the year 2008. The BLS projects that 77% of the jobs in 2008 will not require a four year college degree. However, the BLS definition of a job includes any job. A large number of the jobs included in the categories requiring less than a college degree are very part-time, low wage, entry level jobs held by high school students and beginning workers. These are not career jobs upon which one can support a family.

Furthermore, the BLS projections show that the fastest growing job categories are those requiring an Associate degree, at 31.2%, or a Bachelor's degree, at 24.3%. The projected growth rate for vocationally trained workers was only 14.3%, and the overall job growth rate is projected to be 14.4%.

Pay and job stability must also be taken into account. Among workers with a Bachelor's degree, 76.2% are in the top quartile of earnings (\$16.25/hour or higher). Only 7.2% of those with post-secondary vocational degrees fall in the top earnings quartile. College graduates typically have about one-third to one-half the unemployment rate of high school graduates. The current unemployment rates are 1.6% for people with a college degree; 3.0% for people with some college, but less than a Bachelor's degree; and 4.3% for people with a high school degree.

The next time you hear someone make the claim that the jobs of the future will not require a college degree, challenge it. The facts are that the most stable, highest paying, and fastest growing job categories are those that require higher education.

**Table 6. Employment and total job openings, 1998-2008, and 1997 median hourly earnings by education and training category**

[Numbers in thousands of jobs]

Education and training category	Employment				Change		Total job openings due to growth and net replacements, 1998-2008 <sup>1</sup>		Median hourly earnings, percent distribution, 1997 <sup>2</sup>			
	Number		Percent distribution		Number	Percent	Number	Percent distribution	Quartile			
	1998	2008	1998	2008					1	2	3	4
	1998	2008	1998	2008	Number	Percent	Number	Percent distribution	1	2	3	4
Total, all occupations ...	140,514	160,795	100.0	100.0	20,281	14.4	55,008	100.0	25.0	25.0	25.0	25.0
First professional degree ...	1,908	2,215	1.4	1.4	308	16.1	617	1.1	92.2	7.8	...	...
Doctoral degree .....	996	1,228	.7	.8	232	23.3	502	0.9	100.0	...	...	...
Master's degree .....	940	1,115	.7	.7	174	18.6	374	0.7	97.5	2.5	...	...
Work experience plus bachelor's or higher degree .....	9,595	11,276	6.8	7.0	1,680	17.5	3,372	6.1	94.1	3.2	2.7	...
Bachelor's degree .....	17,379	21,596	12.4	13.4	4,217	24.3	7,822	14.2	76.2	19.1	3.3	1.4
Associate degree .....	4,930	6,467	3.5	4.0	1,537	31.2	2,422	4.4	70.5	25.3	4.2	...
Postsecondary vocational training .....	4,508	5,151	3.2	3.2	643	14.3	1,680	3.1	7.2	60.5	17.2	15.1
Work experience in a related occupation .....	11,174	12,490	8.0	7.8	1,316	11.8	3,699	6.7	26.1	50.7	23.1	0.1
Long-term on-the-job training .....	13,436	14,604	9.6	9.1	1,168	8.7	4,411	8.0	15.9	57.7	7.3	19.1
Moderate-term on-the-job training .....	20,521	21,952	14.6	13.7	1,430	7.0	6,218	11.3	0.8	55.9	39.8	3.6
Short-term on-the-job training .....	55,125	62,701	39.2	39.0	7,576	13.7	23,890	43.4	0.7	7.8	35.8	55.8

<sup>1</sup> Total job openings represent the sum of employment increases and net replacements. If employment change is negative, job openings due to growth are zero and total job openings equal net replacements.

<sup>2</sup> The quartile rankings of Occupational Employment Statistics hourly earnings data are presented in the following categories: 1 = very high (\$16.25 and over), 2 = high (\$10.89 to \$16.14), 3 = low (\$7.78 to \$10.88), and 4 = very low (up to \$7.76).

The rankings were based on quartiles using one-fourth of total employment to define each quartile.

NOTE: Detail may not equal total or 100 percent due to rounding.

# Contract Negotiations Scheduled for May and June

by Wil Harri

The IFO and MnSCU Negotiating Teams have scheduled four 3-day joint bargaining sessions in May (14<sup>th</sup> to 16<sup>th</sup> and 21<sup>st</sup> to 23<sup>rd</sup>) and June (4<sup>th</sup> to 6<sup>th</sup> and 18<sup>th</sup> to 20<sup>th</sup>). Although MnSCU is unlikely to present its economic proposal until after the Legislature adjourns, the parties have agreed that no additional language items for the new Agreement will be introduced. The IFO presented its initial economic proposal on March 24<sup>th</sup>.

In response to numerous creative interpretations of the language in the Agreement by MnSCU, the IFO Negotiating Team has adopted the position that contract language should be clear, concise and unambiguous. Although past practice and the intent of the parties when language items were first negotiated is still applicable, codifying such practices and intent in the new Agreement is a high priority. The IFO has put forward over 80 language items compared to MnSCU's 25 items. Like the IFO's economic proposal, the language proposals may be found on our website (<http://www.ifo.org>).

The Teams reconvene on Monday, May 14<sup>th</sup>. Both Teams hope to obtain a tentative settlement before the current Agreement expires on June 30<sup>th</sup> which would be unprecedented in 25 years of bargaining. After a tentative settlement is reached the settlement must be:

1. reviewed and approved by the MnSCU Board of Directors;
2. reviewed by the IFO Board with a recommendation to the membership (an electronic vote of the IFO Board is permitted);
3. approved by a majority of IFO members;
4. approved by the state Department of Employee Relations; and
5. approved by the Joint Legislative Commission on Employee Relations (ultimately the full Legislature must approve the settlement).

Ideally, this process of ratification could be completed by late fall, at which time the Agreement would be implemented.

Unless the parties agree to a news blackout at a critical juncture in the negotiations process, updates on the negotiating sessions will be regularly posted to our website (<http://www.ifo.org>).

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# State Employee Unions and State Management Exchange Initial Proposals

by Wil Harri

On April 10<sup>th</sup>, the Coalition of State Employee Bargaining Unions (which includes the IFO) presented its initial proposal on the insurance portion of our collective bargaining agreements. The IFO's concerns about part-timers' eligibility for insurance coverage under the State plans, domestic partner benefits and meaningful dental insurance throughout the state were incorporated into the initial proposal presented to the State management team. Although many of the proposals developed by the Coalition were technical in nature, the overall package affirmed our position that insurance coverages should be maintained or improved at no additional cost to the employees.

On Tuesday morning, April 24<sup>th</sup>, the State presented their initial insurance package. Still warm from the copier, their proposal did not reflect any of the concerns raised two weeks earlier by the Coalition. Instead, the State proposal suppressed the employer contribution percentage for both employee and dependents (currently at 100% for both in the IFO/MnSCU Agreement) and proposed copays for office visits, higher copays for prescriptions and out-of-pocket amounts for hospital fees (see summary chart below).

In the last round of bargaining it is estimated that 1% of faculty salaries each year went to the continuance of existing insurance benefits. Insurance rates are projected to increase 20% for each year in the new two-year period. Hopefully, the State will get serious about negotiating the insurance article when the Legislature has adjourned (May 21<sup>st</sup>).

<b>ITEM</b>	<b>CURRENT</b>	<b>STATE PROPOSAL</b>	
	<b>FY01</b>	<b>FY02</b>	<b>FY03</b>
Prescription Copay	\$10	\$15	\$20
Clinic Visit Copay	\$0	\$20	\$25
Clinic, hospital, mental health, chemical dependency, chiropractic, transplant Copay	\$0	\$250 per person \$500 per family with balance paid at 90%	\$500 per person \$1,000 per family with balance paid at 80%
Dental Annual Deductible	\$0	\$25 per person \$75 per family	\$25 per person \$75 per family

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