ONA Wage Proposal is More Than Reasonable!

Our ONA wage proposal is more than reasonable considering what the Bureau of Labor & Statistics’ data tells us about cost-of-living adjustments (COLA), how Fidelity plans out nurses’ target retirement savings and the $70 million in profits St. Charles Medical Center (STC) made just last year.

Your nurse negotiating team proposed to adjust nurse incomes based on the increase to the COLA in the western states (compiled by the Bureau of Labor & Statistics).

This is the least amount nurses could possibly receive from St. Charles without accepting a decrease in pay. This is also the least amount nurses could possibly receive from St. Charles without creating a wage scale that would have a compounding negative impact on nurses’ retirement.

Inflation vs. Cost of Living

The phrases “cost of living” and “inflation” are often used synonymously. Although closely related, they are not the same.

- **Inflation** is a general big picture rise in the cost of goods and services. As the general costs of goods and services rise, the buying power of your dollar falls. The Bureau of Labor & Statistics’ Consumer Price Index (CPI) is the most popular indicator of inflation. **Currently the CPI is 2.3 percent for the past 12 months.**

- **Cost of Living** is a more focused picture that averages the cost of an accepted *standard of living* that includes food, housing, transportation, taxes and healthcare. Cost of living is used to compare life in different locations, so using more targeted Bureau of Labor & Statistics’ Consumer Price Index (CPI) data can gets closer to the real cost of living in the Bend area. ONA is currently using the Western Consumer Price Index (WCPI) for our cost of living adjustment. **Currently the WCPI is 3.8 percent.**

It’s especially difficult to keep up with the rising cost of living when your paycheck isn’t growing at a similar rate!

Financial Impact of Not Getting a COLA

- Any wage increase that is less than a cost-of-living adjustment proposed by ONA will be a St. Charles pay cut!

- Any wage increase that is less than a cost-of-living adjustment proposed by ONA will force every nurse employed by St. Charles to work significantly longer into retirement!
Fidelity manages the retirement accounts for nurses at St. Charles by applying an algorithm to calculate the target “estimated retirement age.” This algorithm makes certain assumptions in order to calculate the age at which the account holder will have adequate savings to retire. The two main assumptions are:

- The employer provides an established inflation adjustment, currently 2.3 percent (CPI).
- The employer provides an annual constant real wage growth of 1.5 percent.

In order for Fidelity and the nurses to honestly plan for retirement, St. Charles needs to provide an annual wage increase of 3.8 percent which is the current ONA cost-of-living adjustment wage proposal. If St. Charles does not meet the obligation to provide these wage adjustments, a nurse planning on retiring at age 65, will need to push out that age of retirement possibly to 70!

It goes without saying that Fidelity expects that St. Charles will do the minimum and assure the nurses receive the inflation adjustment (2.3 percent) plus 1.5 percent in order to maintain their retirement savings targets.

The Bottom Line

_St Charles made $70 million last year with a profit margin of 10.6 percent._

- The ONA 3.8 percent COLA wage proposal is beyond reasonable to simply maintain the cost of living in the Bend area for nurses.
- Fidelity’s retirement assumptions require a 3.8 percent wage adjustment to maintain age targeted retirement planning for nurses.
- Any wage increase that is less than the 3.8 percent cost-of-living adjustment proposed by ONA will be a St. Charles pay cut!
- Any wage increase that is less than the 3.8 percent cost-of-living adjustment proposed by ONA will force nurses to work longer at an older age, and further complicate retirement planning. Ouch!

Next Bargaining Update Meeting

**Monday, Nov. 19, 2018**

Classrooms A/B

6 - 9 p.m.

ONA Green-Out Mondays

Join us in our new, official ONA Green-Out Mondays!

A new tradition has been launched to wear your green ONA scrubs every Monday, every month, every year! Put on your green scrubs and be proud to advocate for our nursing profession, patient care and our community. Go crazy and add an ONA button or two for bling!

Scrub handouts are in the East Dining Room on Sunday, Nov. 18, 2018 from 10 a.m. to 2 p.m.

If you are not working please come to the hospital and pick up your scrub top.

This is the last day for scrub handouts, so come get a scrub!