

'I may not agree with what you say but I will defend unto death your right to say it'—VOLTAIRE

Some suggestions on the budget

The *Tundra Times* applauds Gov. Bill Sheffield for his proposals to cut state spending.

Although it's difficult to adequately assess each recommendation since few details are available, there is much room for praise.

There are three major pieces that make up the governor's proposed plan: cutting the operating budget by 15 percent, eliminating a substantial number of the proposed capital programs and asking state employees to renegotiate their contract to take a pay cut.

Of those three, the elimination of capital programs and the potential reduction of state services will hurt rural Alaska the most.

Jeff Smith, deputy commissioner of the state Department of Community and Regional Affairs, puts it simply when he says the Bush is really going to feel this round of budget slashing. He points out that many people say blithely, 'Well, villages will just have to expand their economic base.'

But he also says that's not really an immediate answer for villages that right now don't have anything to develop.

So, bearing that in mind, as the state looks to cutting its budget there are a couple of suggestions we'd like to make. The first is a call for increased contracting with Native nonprofit organizations. The Native nonprofits can provide the same services as state agencies for less money because they pay more reasonable salaries and do not have the costly fringe benefits which have been bestowed on state employees over the last decade.

In addition, the nonprofits have been much more successful in hiring Natives than has the state government.

Another idea which might be looked into would be the capping of cost-of-living adjustments placed on state salaries in most rural areas. As state Sen. Frank Ferguson has suggested in the past, it would seem to make sense to have the cost-of-living adjustment apply only to some base amount, say \$30,000, than to the entire salary no matter how high it is.

Finally, we believe that as the state cuts the budget it is far preferable to cut state salaries than it is to cut positions. This is particularly true in rural Alaska, where a limited number of state employees reside in any case.

We are fearful that if positions are cut rural Alaska may be the first to be hit hard because the bureaucracy is headquartered in Juneau and Anchorage. Bureaucrats may be less likely to cut people sitting down the hall from them than they would be to cut those living in places such as Bethel and Dillingham.

No matter who you support for governor in this election, you have to give some credit to Sheffield for taking the direct approach in facing the state's declining oil revenue.