

May 17, 1973

living changes, or is it that you have just set in a figure of 6.8 or 9?

SENATOR F. LEWIS: No, as you have the amendment before you, there is a 2% original add-on and then the cost of living and the wage price index is, is added at that point and then, of course, the social security is added later so the figures show that to be about 6.9.

SENATOR WHITNEY: Well then I want to speak to that point. If this is the case, the current cost of living changes are running at the rate of around 6% and the, also it indicated in the, at least the, LB 571, that there was going to be a increase, due to increase in social security which last year was .65 so that will give you about 6.65, then you add 2.0, that gives you about 8. and a half, something like that, change. If this is based upon LB 571.

SENATOR F. LEWIS: Mr. Chairman, if I may address my remarks to that. It's based on two factors--

PRESIDENT: Go ahead.

SENATOR F. LEWIS: --and I have the information here before me. The consumer price index which is one of the factors which is basically the cost of living with 3.65, the wholesale price index was 6.49 so by the time you add the 2% factors the average would be 6.96 and this is from the statistics that have been provided to me and I have a copy of these and by month, Senator Whitney, if you're interested.

SENATOR WHITNEY: Another question then, Mr. President.

PRESIDENT: Go ahead.

SENATOR WHITNEY: As I understood LB 571, the consumers cost of living index applied to salaries, but the wholesale cost of living applied to things other than salaries. Now, do you have that in this bill the same way?

SENATOR F. LEWIS: Yes.

SENATOR WHITNEY: So you do.

SENATOR F. LEWIS: About 80% would be related to the consumer price index which is 365. About 20% estimated to non salary related items which would be the 6.49 factor.

SENATOR WHITNEY: Yes, so when you, Senator, when you average this out then, did you apply the 80% factor to the salaries and the 20% --

SENATOR F. LEWIS: Yes.

SENATOR WHITNEY: --to the other--

SENATOR F. LEWIS: Yes.

SENATOR WHITNEY: -- to get the 6.9?

SENATOR F. LEWIS: Yes. Those two totals come to, including social security increase, comes to about 4.74. The other 2 percentage would put you about 4.96--6.96.

SENATOR WHITNEY: Well, Senator Lewis, my figures that I have seen with reference to the cost of living index presently are running, compared to a year ago, closer to 6% so 6 plus 2 is 8.