

EXHIBIT 10
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It is an honor to be able to address your committee and I'm going to address the pay plan. Prior to Montana Tech I was in industry both in a research institution and also working overseas as an advisor in natural resource development. In some ways I am typical of the kind of people we like to hire as professors. We are very hands on engineering campus. And we like to have people who have had experience in industry and can bring that experience to the classroom.

I hold a bachelor's and master's degree in geology and my doctorate is in mineral economics.

My experience over the 23 years that I have been at the Montana University System is that the pay raises have been few and far between. The result is that faculty salaries have fallen way behind what they would be simple adjusted for inflation.

Commissioner Stearns has just completed a faculty salary survey for the board of regents and it certainly shows that. There are also a couple of other standard references that we use. One is called CUPA-HR and the other is the American Association of University Professors of annual survey. All of those show the same thing - that in general the faculty salaries lag behind inflation. And in Montana it certainly is the case and our salaries lag behind our competition. We compete on a national basis for new faculty. We compete with industry to keep from losing the faculty. Sometimes you get the feeling that you are running in place.

The salaries that are being offered to our engineering graduates, the bar chart shows the averages. In the hot button fields such as computer technology, computer engineering, mining engineering etc the salaries are much higher. We are sending out our new bachelor's students in mining of about \$52,000 a year. A couple of years ago one of our brand new bachelor students took a job at \$70,000. The other, recently in petroleum, they are going out the door in about the \$60,000 range. One student got

over \$90,000. This is what we are competing against. Trying to lure faculty out of industry and trying to hire new faculty new recent Phd's to try to lure them into an academic career instead of an industrial career. So we are caught between a rock and a hard place. We are competing with low industrial salaries and we are competing with higher salaries amongst our peer institutions-our sister schools throughout the region and certainly throughout the United States. As I said it becomes difficult for some faculty especially the ones with kids who are going to go on to college to remain in the system. It's always a sad thing to see some of our best and brightest have to leave. But that is one of the realities.

This whole university system enterprise that the people have gone before me, have spoken to, is all about teaching students. It's about creating new knowledge to pass onto those students in hopes that we build a stronger, better economy and society. Us professors are the people who are on the front line - who are trying to deliver that teaching and trying to pass on that new knowledge. And it's a rewarding career, but as I said, we have lagged way behind just simply keeping up with inflation. So anything you can do towards helping to redress that slippage and improve salaries and improve competition, that competitiveness with industry, with our peer institutions, it would be most greatly received by faculty. All I can do is urge your support of the Montana University System's budget request. Thank you.