State workers blast Schwarzenegger pay cut plan

Published Saturday, Jan. 09, 2010

State workers and union leaders on Friday blasted Gov. Arnold Schwarzenegger's budget proposal to cut employee pay by up to 15 percent next year as a move to circumvent labor talks, although an administration spokesman said bargaining with the unions would begin "right away."

Under the governor's 2010-11 budget plan, about 200,000 state employees who are losing 14 percent of their pay to three furlough days each month would go back to work full time starting July 1. But they'd be working for less money, since Schwarzenegger wants to cut their wages by 5 percent and impose a 5 percent increase in employee contributions to their retirement plans.

Unless the federal government comes up with more money for the state – an unlikely scenario – Schwarzenegger would cut state worker pay another 5 percent.

The governor's plan would fill in $1.6 billion of the state $20 billion budget gap between now and June 2011.

Dave Low, chairman of Californians for Health Care and Retirement Security, a state union coalition, said trading furloughs for pay cuts is a "terrible deal" for government workers.

"Pay cuts, unlike furloughs, are permanent and ongoing forever," he said. Pay cuts also would affect pension calculations. Furlough wage reductions do not.

Still, the budget proposal could be a starting point for labor talks. Schwarzenegger spokesman Aaron McLear said that the administration would quickly reopen bargaining with the 11 unions that have been working under expired contracts since June 2008 or longer.

"We're going to pursue dual tracks," McLear said Friday afternoon. "We intend to sit down with the unions right away. We'll also be talking to the Legislature."

But any deals negotiated with the unions would have to include some concessions that will require union rank-and-file ratification and sign-off by two-thirds of the Legislature.

That could be a tough sell. Republican lawmakers last year twice killed a tentative deal with Service Employees International Union Local 1000 that included concessions, including furloughs and new rules that would have cut down on overtime.
The union, which represents nearly half the state work force, blamed the Republican governor for walking away from the deal in favor of imposing two-day and then three-day furloughs by executive order.

That episode, along with about two dozen bitter furlough court fights in federal and state courts from Los Angeles to Sacramento, has left many state workers feeling that Schwarzenegger is untrustworthy, bent on busting the unions or, at the very least, unfairly punishing them for his failure to manage the budget.

"I'm a 20-year state scientist and have never felt so disrespected by a governor," said David Rist, who works for the Toxic Substances Control Board. "Shouldn't a boss first seek to gain the respect of his employees before trying to gain their support for making tough choices during hard times?"

Still, some state workers such as Valerie Brown have adapted to furloughs and say returning to a full schedule without full pay would be a hardship. Brown would face three more days of child care expenses and she'd lose time on "Furlough Fridays" that she now spends tending to her ailing mother.

"But the most important thing isn't my salary and pay and benefits, it's the work I do," said Brown, who processes X-ray license and certification renewals for medical professionals. "This will just make it harder to recruit and retain quality scientists."

The budget proposal also mandates that state departments chop employee costs by 5 percent through layoffs, attrition and lower pay for new hires.

That sounds better than furloughs or pay cuts to state Department of Forestry and Fire Protection employee Judy Bankert, who thinks Schwarzenegger should mandate budget cuts and let departments find the savings. "I'd rather have layoffs," she said, "and get the hurt over with."