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## GOP targets state workers' fringe benefits

### *Contracts rejected on party line*

Republican legislative leaders, fresh from killing state employee labor contracts, today went gunning for employee fringe benefits.

Fringe benefits continue to grow at an alarming rate, said Assembly Speaker John Gard, R-Peshtigo, and Senate President Alan Lasee, R-De Pere, in a letter to Employment Relations Secretary Karen Timberlake.

We ask that you work to bring fringe benefit costs closer in line with those available to private sector workers as part of the new contract proposal you will offer, they wrote.

The letter cited state law that the Legislature's Joint Committee on Employment Relations (JCOER) be involved before any contract proposal is made to state employee unions.

On Thursday that committee, controlled by Republicans, voted 5-2 to reject 15 labor contracts, covering more than 31,000 workers, which have been approved by unions.

Unionized state workers, many of whom have not had a pay increase in 30 months, last year had ratified the contracts, which had been negotiated by the McCallum administration. Details of the major contracts had been negotiated over the Thanksgiving weekend, three weeks after Scott McCallum had lost the gubernatorial election.

Republican legislative leaders have been concerned the pay increases would add problems to the 2003-2005 state budget.

Gov. Jim Doyle repeatedly had said his 2003-2005 budget would provide enough funds to cover the McCallum-negotiated labor contracts. Doyle, a Democrat, will submit his budget to the Legislature on Tuesday.

That budget is expected to call for the elimination of more than 1,500 state employees in a major downsizing of state government.

During the gubernatorial election campaign Doyle had warned he might propose about a 1,200-person reduction in state payroll as part of a no tax increase state budget. But Doyle said Thursday the state budget situation has grown worse. Expectations of a 1,500 cut in the number of state jobs was unreasonable, the governor said.

The downsizing of government will be the likes of which we have never seen before in state history, the governor said in a speech to the Wisconsin Economic Development Association. Doyle would not put an exact number on the reduction of state jobs, but he said it would be unreasonable to think that there are not going to be layoffs.

State Budget Director David Riemer said the work force reductions will be rough but he said it was impossible to know how many might be laid off, noting retirements and resignations are difficult to predict.

The Republican bid to reduce fringe benefits isn't new. Assembly Republicans last year had sought to require that all state workers contribute to health insurance premiums. The budget repair bill, signed by McCallum last July, eliminated the money for the annual length-of-service benefits paid to classified employees. The labor contracts rejected Thursday by JCOER would have continued the payments.

In their letter on fringe benefits, Gard and Lasee said the total fringe benefit cost exceeds \$1 billion annually. In 2001-2002 about \$471 million came from general fund revenues.

Total health care costs that year were \$441

million, including \$192 million from the general fund, they said. About two thirds of state workers don't contribute to health insurance premiums.

"We would ask you to take particular care in searching for ways to achieve savings in health care offerings of the new contract proposal," wrote Gard and Lasee.

Hours of pleas from state employees turned to anger and possible job actions minutes after a legislative committee rejected 15 employee union contracts Thursday.

"What happens tomorrow is difficult to predict and nearly impossible to control given the level of anger and hurt caused by this committee's irresponsibility," warned state employee union leader Marty Beil. "One thing I know for sure - we are not going back to the bargaining table."

Five Republicans on the Joint Committee on Employment Relations voted to reject the contracts and return them to the Department of Employment Relations. Two Democrats voted against rejection, and one Republican - Senate Majority Leader Mary Panzer of West Bend - said she had to leave before the vote because her mother was gravely ill.

Senate Minority Leader Jon Erpenbach, D-Middleton, tried first to ask that non-union compensation, which generally follows union raises, be rejected to help provide money for the contracts. Some testimony by workers during the six-hour committee hearing at the State Capitol focused on large raises and bonuses for non-represented employees beyond their regular raises.

Erpenbach also failed twice, on 2-5 votes, with motions to delay a vote on the contracts until next Thursday. That would be after Doyle presents his budget proposal Tuesday night. "Just wait five days and see how he pays for it," Erpenbach said, referring to Doyle's promise to fund the raises.

"We're going to take the vote tonight," replied

Gard.

"If contract increases like these are passed, additional layoffs are likely. When you add \$120 million in the new biennium, that money has to come from somewhere. We are on the brink of a crisis in this state. When I say everything has to be on the table, I mean it."

After the vote, Beil, executive director of the Wisconsin State Employees Union, said the legislators had destroyed years of positive labor management cooperation.

"A tyranny of the minority has turned its back on fundamental fairness and denied the full Legislature a chance to do the right thing," Beil said. "We know that the state faces difficult financial times, but our workers didn't cause the problem. They didn't chair the committees where countless bad decisions were made."

Noting that the proposed raises - 1 percent the first year, 2 percent the second, and another 2.5 percent this April - cover a two-year period that will end on June 30, Beil said they were long overdue for the 31,000 workers involved.

"Our members have been lied to and lied about. They have had their intelligence insulted and the value of their work repeatedly questioned," Beil said.

Bob Beglinger, president of the Wisconsin Federation of Teachers, called the vote shocking, though he handed out a prepared statement for the press.

"Reason and the facts are on the side of a very patient work force; however, it appears that a few strong-willed individuals are determined to ignore the facts, test the patience of a dedicated work force, and risk sending our state spiraling toward chaos," Beglinger said.

"The infrastructure of our great state is at risk of a meltdown. The well-being of our citizens has been threatened. This cannot stand. The Wisconsin Federation of Teachers-State

Employee Council calls upon Governor Doyle to bring his strong leadership to the resolution of this crisis.â

Gard and Erpenbach put much of the blame for the contract situation on the McCallum administration. Gard said that top officials had refused to give Department of Employment Relations Secretary Peter Fox authority to move the contracts to the Legislature, and that union leaders also had played a role in delaying consideration of contracts, some of which were approved a full year ago.

âClearly the past administration did a disservice to the current administration,â said Assembly Minority Leader Jim Kreuser, D-Kenosha.

âWe've been dealt a pretty crummy hand by the previous administration,â agreed Rep. Dean Kaufert, R-Neenah. But he added that private business owners and their workers also are hurting considerably and that Moody's is threatening to lower the state's already wobbly credit rating.

The blame game didn't count much with the hundreds of state employees who came to the

Capitol to plead with the committee to give them their raises.

Bonnie Manske, who works in food service at the Wisconsin Resource Center, a care and treatment center near Oshkosh, has worked for the state 11 years and earns \$11 an hour.

âI supervise 24 inmates a day. I am a psychologist in food service,â Manske said. âThe inmates want to rally with us. That's pretty sad!â

Randy Brink, an animal keeper in a research lab at the University of Wisconsin-Madison, said he has worked at the UW for 17 years and earns \$11.79 an hour.

âI see Katharine Lyall got a \$90,000 raise. I have two daughters and a very modest home. Is that the way it works in Wisconsin? My medication co-pays went up 70 percent. When times were good in the '90s, our raises were modest. You don't seem to have trouble finding money for your legal defenses,â he said.

*Votes to reject: Gard, Lasee, Kaufert, Darling, Foti.*

*Votes not to reject: Kreuser, Erpenbach.*

*Absent: Panzer.*