

WILL DEMOCRATS BROWBEAT GOV. BROWN INTO ACCEPTING CALIFORNIA BUDGET?



The economic downturn has seen drastic cost cutting measures and even as issues, pertaining to cuts in programs for the poor were under discussion, the budget sent by the California Legislature, sent to Governor Jerry Brown for approval, advocated concessions to public employees. California lawmakers passed a \$92 billion budget on Friday, without support of the Republicans, to ensure that their paychecks were secure and safe, but put the contentious issues of welfare cuts and other challenging issues in Gov. Jerry Brown court. The Democrat controlled Legislature also eliminated language that Governor Brown proposed, that would have allowed him to initiate payroll-cutting moves against state workers, if their unions did not agree to discuss a 5 percent pay reduction. The Unions have been urging the Democrats in the Legislature to make requisite changes in the language that would leverage their position in negotiations with the management that was seeking to cut a total of \$839 million from the state's payroll costs. A survey has revealed that when Gov. Brown and other lawmakers were running for elections, labor was among the highest funders of their campaign. Unions contributed \$76.7 million to California politicians, according to data compiled by the National Institute on Money in State Politics. Unions are arguing that they have already accepted enforced unpaid days off, thrice a month, from 2009 onwards. In monetary terms this was equivalent to a 14 percent pay cut. The unions said that they had also accepted to increase their contributions towards pension and retiree health-care costs and gave up some paid holidays. They were not willing to concede more and said that any further concessions must come only through negotiations. "It's pretty clear who the winners in this budget plan are," Senate Republican Caucus Leader Tom Harman of Orange County said during a floor debate June 15. "It's the public- employee unions and not students, beneficiaries of state services or taxpayers." Republicans called the plan inadequate and urged Gov. Brown to veto the bill. Gov. Brown has not yet made it clear, whether the budget is acceptable to him or he is going to reject it. "Today we are voting on half a dozen budget-related bills when there are at least 29 needed to balance the budget," said Sen. Bill Emmerson, the ranking Republican on the Senate Budget Committee. "Despite the spin, this budget is full of borrowing and gimmicks." The budget embraces a \$400 million general fund savings in state personnel costs. Gov. Brown proposes to meet that by having employees work 9.5 hours on 4 days, rather than the current 8 hours in 5 days. Yvonne Walker, president of the 95,000-member strong union Service Employees International Union Local 1000, said that unpaid time off is "not on the table." As an alternative to Gov. Brown's suggestion, her union has proposed reducing the number of state contracts with private vendors; limit the number of retirees and student assistants that are hired. This will save money, they wrote on their website. Senate President Darrell Steinberg, a Democrat from Sacramento, responding to a query why he removed the furlough language out of the budget said, "The negotiations are still ongoing and we know there is more work to do and we wanted to give some time for the governor and the unions to finish their negotiations." There are some agencies, like prison guards, forestry firefighters, mental-health hospital staff and the California Highway Patrol, that have a 24x7 duty and cannot close for even a day. Unions are exploring other means to cut costs and increase savings. According to a newspaper report, the aforesaid agencies have already accepted to have their pay reduced by the equivalent of eight hours a month. Leaders of the Professional Engineers in California Government, a union of 13,000 workers, said they would agree to a 5 percent pay cut only if the state withdrew their proposal for a 1-percentage-point increase in the number of private contractors that can be hired by the Transportation Department. "One of the things we talked to the administration about initially was that outsourcing our jobs costs twice as much," Bruce Blanning, the union's executive director, said, "We told them that if they would stop wasting money on outsourcing, then we would talk about saving some money through our members as well. Outsourcing costs money and they should get rid of that first," he said. What is ironical is that even as pay reductions are being discussed and hotly debated, many state workers are poised for raises in July next year. Erstwhile Governor and Brown's predecessor, Republican Gov. Arnold Schwarzenegger had agreed to raise salaries by 2 percent to 5 percent for workers at the top of their pay scales in return for concessions. Aaron McLearn, Schwarzenegger's former press secretary "Unions don't exist to solve the state's problems. They exist to get the best deal for their members, and in California, they're really good at what they do." California's new financial year will commence on the first of July. The state must have a budget in place by then, failing which it will be unable to pay the salaries and meet other expenses. Hence, it is imperative that all budget related issues are resolved by then.