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MEETING NOTICES

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Several thousand Oregon public employees and their allies converged on the state Capitol in Salem May 20 to send a message to legislators and the governor not to balance the state budget on the backs of workers alone. The rally was staged after the release of the state's May revenue forecast, which came out May 12.

Thousands at Capitol rally for a 'Better Way'

State workers call for more efficient government, fewer managers, and more taxes on the wealthy

By DON McINTOSH
Associate Editor

SALEM — “We took our fair share of the burden last time, and we’re prepared to do it again,” said state worker union leader Heather Conroy. “However, we should not, can not, and will not do it alone.”

Conroy — executive director of Service Employees (SEIU) Local 503 — made that declaration May 20 in front of several thousand supporters outside the state Capitol. But the message was aimed at the lawmakers behind her. State workers are being asked to agree to pay and benefit cuts in light of the state’s budget shortfall, but they want to know that they’re not the only ones sac-

rificing. Corporations and the wealthy need to pay a bigger share of taxes, and the state needs to find efficiencies by thinning management’s ranks. Those suggestions are some of the highlights of a 62-page report SEIU Local 503 published March 21, entitled “Moving Oregon Forward: A Better Way.”

Better Way was also the title of the May 20 mass rally at the state Capitol, which was organized by SEIU, an affiliate of the Change to Win labor federation, and the other large state workers union, AFL-CIO-affiliated American Federation of State, County and Municipal Employees (AFSCME), with support from dozens of labor and community groups. The rally took place on the last of the 10 unpaid furlough days that most state workers were required to take in the current state budget biennium.

In ongoing bargaining over the next two-year contract, Local 503 and Oregon AFSCME are seeing proposals for a de facto 6 percent pay cut — in which the state would take back the pension “pick-up” it first gave under Republican governor Vic Atiyeh in lieu of a pay increase. State worker contract bargaining takes place in a sort of two-step dance simultaneous to the legislative budget process, since the state only can spend what legislators approve. Lawmakers this year are working on a state budget proposal that assumes a freeze or reduction of the salaries and benefits of the governor, statewide elected officials, legislators, and agency managers — and concessions from state workers on salary, health care, and pension costs.

It’s in that context that Local 503 asked its state worker members to suggest ideas for savings. Many of their suggestions are contained in the report.

“An all-cuts budget is simply unacceptable, both for us and those who rely on our work every day,” Conroy told rally-goers. “There is a better way.”

Some of the Better Way proposals are getting traction:

- SEIU’s finding of 1 manager for every 5.7 workers embarrassed the state; House Bill 2020, still alive as of press time, would direct state agencies over 100 employees to aim for an 11-to-1 ratio (with exceptions to be worked

WSLC calls workers’ comp reform ‘shameful’

By DAVID GROVES

OLYMPIA — In a special 30-day overtime session, the Washington State House and Senate passed labor-opposed workers’ compensation legislation May 23, without amendment, that Gov. Chris Gregoire calls “some of the largest reforms in the system’s 100-year history.” The bill — which had no public hearing and no fiscal note explaining its costs — was made public for the first time at about noon that day, passed the House 69-26 in the afternoon, and passed the Senate 35-12 in the evening.

The special session ended May 25.

EHB 2123 was the product of closed-door negotiations between the Democratic governor and legislative leaders of both parties, who held a news conference May 22 announcing the deal, which passed both houses within 24 hours. It will make Washington the first state in the country that offers what Gregoire calls “structured settlements” to injured workers 55 years and older (lowered to 50 by 2016), which are essentially the lump-sum buyouts op-

posed by labor but spread over periodic payments. Next year alone, the state anticipates injured workers will get settlements that are \$335 million less than they would otherwise receive, and a total of \$545 million less over 2012-15.

“The passage of EHB 2123 without public hearing, without public debate was shameful,” said Jeff Johnson, president of the Washington State Labor Council, AFL-CIO. “I am astounded by the ability of a Democratic Legislature to celebrate the 100th anniversary of our unique workers’ compensation system, only to begin its second 100 years by dismantling that which makes it unique. You can re-label compromise-and-release settlements as ‘structured settlements’ and you can deceive yourself into believing that workers have real protections in this bill, but you cannot avoid the fact that more than a half billion dollars in benefits will be taken from injured workers from this section of the bill alone.”

EHB 2123 also freezes injured workers’ cost-of-living adjustments for

one year, reducing benefits by an estimated \$31 million in 2012 and \$124 million in 2012-15; deducts prior disability awards from pension awards and eliminates interest payments of permanent partial disability awards, which cuts benefits by \$99 million in 2012 and \$133 million over 2012-15; and makes several other changes.

Advocates on both sides of the issue — from the labor federation to the right-wing Washington Policy Center — expressed concerns about the haste of EHB 2123’s passage, the lack of public hearings, and the likelihood for confusion and drafting error. In the hours after the bill was publicly released at noon May 23, the Washington State Labor Council issued an “action alert” and legislators received about 1,500 e-mails in opposition to the proposal. But in the end, the vote had been decided long before the bill even existed.

In Southwest Washington, 49th District State Rep. Sharon Wylie opposed the bill while State Rep. Jim Moeller and State Sen. Craig Pridemore voted

for it. All three are Democrats.

In the 18th District, State Representatives Ann Rivers and Ed Orcutt, and State Sen. Joe Zarelli all supported the bill. All three are Republicans.

In the 17th District, State Representatives Tim Probst, a Democrat, and Paul Harris, a Republican, voted against the bill, as did Republican State Sen. Don Benton.

Some legislators celebrated with business lobbyists after the vote.

Said Johnson: “As Boeing and business lobbyists celebrated with glasses of wine after the House vote, and House members of both parties joined them in the celebration, it reminded many of us in labor of the after-midnight gutting of our unemployment insurance system and attacks on workers’ compensation in 2003. It is almost as if the defeat of Initiative 1082 (to privatize the workers’ compensation system) never happened.”

(Editor’s Note: David Groves is publications director for the Washington State Labor Council.)

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