

California: Hardships mount for state workers facing furloughs

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7 September 2009

As California's economy continues its slide, state employees are ever more acutely feeling the effects of the three-days-per-month furloughs—increased from two days per month—imposed by Governor Arnold Schwarzenegger and the Democratic-majority legislature. Confronting a 14 percent reduction in their monthly income, many who were just barely making ends meet prior to the furloughs are facing dire circumstances.

An article by Shane Goldmacher in the August 30th *Los Angeles Times*, entitled “State’s workers pay for furloughs program,” points to the rise in car repossessions, foreclosures and bankruptcies suffered by state workers since the furloughs were imposed.

One example in the article is disability application appointment scheduler Rochelle Johnson, who not only “finds herself at the mercy of payday lenders, utility companies’ patience—they shut off her power once already—and co-workers who share their lunch leftovers,” but has seen her 21-year-old son reenlist in the Army National Guard, virtually guaranteeing that he’ll be sent to one of the theaters of war in Afghanistan or Iraq, where he already served a tour of duty. Johnson’s son reenlisted in order to get battle-zone bonuses to help out his mother and 15-year-old sister financially.

A bitter irony of Johnson’s situation is revealed later in the article: “In some limited cases, the furloughs could be waived at little or no cost to the state. The \$2.2 billion in pay cuts is expected to save the state’s general fund only \$1.3 billion in this budget year. The other \$900 million is paid from separate funds or with federal money. Most workers are paid through a combination of sources. Rochelle Johnson’s pay comes entirely from the federal government.”

Another example is the Quintos, a Chino couple—both state employees—who lost their home and car, which was repossessed in their workplace parking lot. Though they got the car back, John and his wife Carrie Ann, along with

their four children, are living with different relatives, 30 miles apart from each other, the *Times* reports.

Johnson and the Quintos are not alone with their difficulties. Goldmacher points out that “bankruptcy attorneys in the Sacramento area, where many state employees live, say that in recent months, as the pay cuts have mounted, many of their clients have been government workers.... Court statistics show that in the district that includes Sacramento’s hub of state government, bankruptcy filings rose 63.6% in the year ending June 30, 2009, compared with the previous 12 months.”

In fact, some state workers are sleeping in their cars and showering at the office when they go to work, claimed Renee Lee, a Franchise Board Technician for 30 years, at a state senate hearing recently. Lee herself defaulted on her mortgage this summer. In an oft-quoted comment, Lee told the committee, “I was living the American dream. I’m living a nightmare now.”

The furloughs’ disastrous effects go beyond the individual state workers. They are affecting the working population as a whole through the deterioration in the delivery of essential services as well as collections of fees and taxes.

Among the negative results of the furloughs reported by the media recently have been delays in the licensing and disciplining of medical practitioners. Californiahealthline.org recently cited a HealthLeaders Media report that “the Medical Board of California and other oversight agencies are facing major delays in completing construction permits, investigations and licensing.”

Additionally, the release of crucial data from the Office of Statewide Planning and Development regarding such issues as health care quality, health facility finances and hospital compliance with seismic standards (essential information in the earthquake-prone state) have been

postponed.

The August 11 article posted on the organization's web site notes that "unlike most California agencies, medical licensing boards collect money from licensing fees instead of the state.... Therefore, observers have started to question why the government continues to impose the licensing board furloughs, which exacerbate investigation delays and do not reduce state spending."

The lead paragraph in an August 26 *Sacramento Bee* article, "Tax agencies criticize Schwarzenegger's worker furloughs," makes a similar point: "The state's two largest tax agencies won't collect an estimated \$350 million in revenue over the next year because furloughs and budget cuts have harmed their ability to audit returns and collect money owed by taxpayers, top state officials said Tuesday" at the August 25 State Senate hearing.

In short, not only is the state's economic crisis being resolved by attacking the living standards of working people, the resolution devised by Sacramento is completely irrational even from the standpoint of balancing the California budget.

The different state employee unions that represent workers affected by the furloughs are opposed to mounting any serious defense of their membership's wages. They accept the claim that some level of significant budget cuts and/or the increasing of regressive taxes (like sales and alcohol taxes), which disproportionately fall on working people, are necessary in the present situation.

Rather than call on the state's entire working class to resist the attacks on their living standards, the unions each seek "to get a place at the table" in order to have a hand in the administration of the cutbacks. The bureaucracies that head these organizations are primarily driven, not by a desire to protect the workers in their organizations, but rather to ensure that their own positions—their jobs, salaries and status as players in the political establishment—are not undermined by the economic crisis.

The web site of the American Federation of State, County & Municipal Employees (AFSCME) carries a statement issued several months ago, May 28, proposing a series of mealy-mouthed alternate measures for resolving the state budget crisis. There is nothing featured on the web site indicating what it intends to do currently to protect its membership.

Several unions, among them the Service Employees International union (SEIU), the California Attorneys, Administrative Law Judges and Hearing Officers in State Employment (CASE), the California Association of

Psychiatric Technicians, as well as CalPERS, the California Public Employees' Retirement System, have filed lawsuits challenging the furloughs.

These efforts are unserious and are aimed at creating the illusion of fighting the attacks on their members' wages when in reality they will do little or nothing to stop them. On the one hand, the union leadership knows that in all likelihood these legal challenges, as has already happened in the past, will fail. While one case filed in San Francisco Superior Court by SEIU Local 1000 has tentatively declared the furloughs for about 6,000 SEIU members illegal, it is sure to be challenged by the governor, who has won all of the cases but one, which he has appealed.

A reader of the *State Worker*, struggling with loan payments, rent, car payments and living expenses on a monthly net paycheck of \$1,508, reported, "our union has given me the names of food banks."

The wages of state employees are under assault not just by Schwarzenegger and the Democratic and Republican members of the State Legislature, but also by the Obama administration, which has repeatedly refused to offer California even a modicum of financial relief. While trillions of dollars are being handed over to the Wall Street banks, the president has insisted that there can be no bailout for the most populous state in the Union. Obama bears direct responsibility for the fact that state employees in California are experiencing a crippling 14 percent pay cut.

The state employee unions, as well as those representing other groups of workers in California, are avid supporters of the Obama administration and defenders of the Democratic Party. They are opposed and hostile to the mobilization of state workers in opposition to the furloughs and the billions of dollars of budget cuts just imposed by the state legislature because this would bring their membership into open conflict with the Democratic Party, and expose the bankruptcy of their own decades-long policy of subordinating the working class to these representatives of the ruling elite.



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