More unions agree to concessions ahead of new Wisconsin law

Nick Rodriguez 22 March 2011

More unions in Wisconsin have agreed to impose concessions on their members in exchange for preserving automatic dues deductions and other interests of the labor bureaucracy before a new law, stripping workers of collective bargaining rights, goes into effect.

Last week Dane County District Court Judge Maryann Sumi issued a temporary restraining order delaying the imposition of the anti-worker law signed by Governor Scott Walker. She said Republicans violated the state's Open Meetings Law—which requires a 24-hour notice prior to meetings—when they rushed the measure through the Joint Conference Committee of the state legislature on March 9.

A full hearing on the legality of the procedural maneuver by the Republicans is scheduled for Tuesday, March 29. Republicans have appealed Sumi's restraining order rather than organizing another vote on the bill—this time with proper notice—for fear it would provoke a resumption of the mass protests that rocked the state from mid-February to mid-March.

Trade unions around the state have used the delay to sign contract extensions with school districts and municipalities that include the sharp reductions in takehome pay that Governor Scott Walker has demanded from the state's 375,000 state and local government employees. By doing so, they have locked in the dues check-off system, which is prohibited under Walker's law but only when current contracts expire.

City officials in the state capital of Madison announced deals last week with American Federation of State, County and Municipal Employees (AFSCME) Local 60, the city's largest union, and other AFSCME bargaining units covering bus drivers and mechanics, Street Division and other laborers, stagehands, building and trades and fire supervisors.

The state's largest public employee union, Wisconsin Education Association Council (WEAC), which bargains for 98,000 teachers and school employees, has signed similar deals in Madison and school districts across the state.

The concessions contract in Madison will extend labor agreements through March 2014 pending approval by a special meeting of the City Council this week. Under the new agreement wage increases at the end of 2011 and 2012 would drop from three to two percent and remain at three percent in 2013. Additionally, employee contributions to healthcare premiums would increase to six percent in 2013 and further to 12 percent in 2014. Workers will also be compelled to contribute a massive 50 percent of their pension costs beginning next year. Their benefits will also be shifted to something more similar to a 401(k) investment.

These contracts underscore the willingness of the unions to enforce the dictates of the governor and business interests. At no point in the month-long struggle against the bill did the unions oppose the devastating cuts proposed by Walker. On the contrary, AFSCME and WEAC officials announced their willingness to work with the Republican governor to impose the cuts if he would drop his attack on their institutional interests.

The state Democrats who blocked a vote on the bill by fleeing the capitol on February 17 also supported the cuts. Their departure was aimed at forestalling an upheaval by workers and youth—including the thousands that were occupying the state capitol the night of the planned vote by the Republican-controlled state Senate—and create more time to work out a deal to dissipate social anger.

The Democrats repeatedly castigated Walker, saying

that under his Democratic predecessor, Governor Jim Doyle, they had imposed the deepest cuts in state history—including pay freezes and furloughs for public employees—by working with the unions.

After AFSCME officials signed the deal, which will save the city an estimated \$5.3 million in labor costs in 2012, Madison's Democratic mayor, Dave Cieslewicz, praised his relationship with the union bureaucracy. "And it proves again, I want to underscore this, that collective bargaining works. This wasn't the city coming in and saying, 'AFSCME, take it or leave it.' This was the union coming to the city saying, 'We have some ideas on how we can help us all solve the budget problem that Scott Walker is creating," Cieslewicz said.

AFSCME Local 60 representative Jennifer McCulley returned the compliment, saying, "We came to the mayor with changes for our contract because we know it is important to work together and negotiate to address the budget challenges we're facing."

The sharp fall in living standards will have a devastating impact on the state's economy, according to a new study reported in the *Wisconsin State Journal*. Steven Deller, professor of applied economics at University of Wisconsin-Madison, estimates that the loss of income contained in the concessions in the Walker bill, and essentially met by the new union contracts, will lead to nearly 22,000 lost jobs over the next two years because of reduced spending by public employees.

Deller's estimates are based on an estimated 7.7 percent decrease in purchasing power of the 375,00 public workers as their take-home pay decreases due to increased contributions for health and retirement. With funding to city and local governments slashed the number of jobs lost is likely to climb higher. Madison, for instance, will see its aid from the state decrease by \$8.5 million in 2012.

This is only a slice of the picture. Walker's public proposal calls for a \$900 million reduction in state aid for public schools and prohibits any local tax increases to make up for the loss. Milwaukee Public Schools has released proposals for school closures and mergers to address its \$74 million deficit. Another list of proposed closures and mergers is expected next month. This move will inevitably result in significant layoffs as well as increased class sizes.

When it comes to these pressing issues—which will have the greatest impact on the lives of workers and youth—the unions and the Democrats join the refrain of shared sacrifice. Under such conditions, their demand to protect "collective bargaining" becomes a hollow phrase.

In an effort to conceal their capitulation to Walker, the unions have sought to divert the social anger that erupted last month into a toothless campaign for the recall of state Republicans and their replacement with Democrats. The deals signed by the unions over the last week only underscore the fact that workers and youth face not only an attack by rightwing Republicans like Walker and his corporate backers, but also the Democrats and union apparatus.



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