

Illinois public employees' union agrees to concessions contract

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Last week the state of Illinois and the American Federation of State, County and Municipal Employees (AFSCME) Council 31 announced they had reached an agreement on a new three-year contract. The 35,000 AFSCME-represented workers have been without a contract since November, after Democratic Governor Pat Quinn refused to continue extending the one that expired June 30. Leaked details of the deal indicate workers will face a host of concessions, including effective pay cuts as well as increases in health care costs.

In regard to pay, AFSCME has agreed to a pay freeze in the first year of the contract followed by raises of just two percent in the second and third years. Given the rate of inflation, this amounts to an effective pay cut for most workers over the course of the contract, especially younger ones and those most recently hired. The agreement keeps in place step increases for approximately 40 percent of workers, and gives those with more seniority an extra \$25 a month in "longevity payments." The union hopes the latter provisions will secure the votes of long-time workers for the sellout deal.

The agreement worked out with the Quinn administration also addresses the 5.25 percent raise, which had been approved by former governor Rod Blagojevich. AFSCME had initially agreed to defer the raise in order to aid the Democrats' budget plans and also agreed that AFSCME members would take unpaid furlough days. Quinn later canceled the raise entirely, claiming that the legislature did not make the necessary appropriation of \$75 million to fund it.

After a court sided with AFSCME in December, Quinn announced the state would appeal. Under the terms of the new contract, Quinn will drop the appeal, and workers will receive the raises owed to them from

the previous contract. This is no great victory. The years-long delay has seriously eroded the living standards of workers and the state will not be compelled to pay what they owe workers retroactively.

Even more significant than the concessions on wages are those relating to health care. According to published reports, workers will have to pay increased health care costs equaling approximately one percent of their wages in the form of higher premiums, co-pays, and deductibles. Furthermore, retired workers will be forced to pay for health care now, after the Illinois legislature passed a bill eliminating the provision of subsidized health care to retirees.

Workers will be further victimized in coming months and years by ongoing state budget cuts and layoffs. These are being demanded by the banks and credit rating agencies as a condition for further financing of the state's \$9 billion unpaid bill to service providers and state agencies. Already, the governor has closed 54 state facilities, including mental health centers and centers for those with developmental disabilities. Quinn has also closed a number of prisons, which lead to layoffs, as well as hellishly overcrowded conditions at the remaining prisons, including one where inmates recently went on a hunger strike.

In addition, the Illinois legislature is currently in the process of drafting legislation to cut pensions. Aimed at eliminating some portion of the \$96 billion "unfunded pension liability," legislators want to raise the retirement age, increase worker contributions and eliminate many cost-of-living increases. It would also shift newly hired teachers' pension costs from the state to individual school districts, which will result in cuts and layoffs at the local level. The pension liability is the result of a deliberate scheme by the state and municipalities to essentially borrow from the state

pension funds by skipping planned payments.

That workers will face layoffs, wage cuts, and increases in health care cost is a complete indictment of AFSCME and the whole AFL-CIO, which have worked closely with the Democratic Party in order to impose austerity on workers. In exchange for stifling working class resistance and disarming workers facing imminent layoffs and pension cuts, the unions will be able to keep collecting their dues.

In mid-February, the union sent a memo to its members telling them to prepare for a possible strike. Since AFSCME does not operate a strike fund, much of the memo was devoted to advising workers on how to financially prepare for the strike by setting aside overtime, stocking up on prescription drugs, eliminating unnecessary household spending, and holding off on major purchases. As the memo patronizingly stated, “planning now will prepare you financially to cope with the effects a strike can have on you and your family.”

AFSCME has not called a strike by state workers in Illinois since unionizing the workforce in 1973. Rather than preparing workers for a walkout, the memo was aimed at threatening them with financial ruin if they voted down the sellout deal and went on strike.

The AFSCME leadership fully agrees with the Democratic Party and the rest of the bourgeoisie that workers must make do with less because of an economic crisis they did not cause, even as stock markets and corporate profits soar. Henry Bayer, president of AFSCME Council 31, said, “AFSCME is very pleased that we were able to reach an agreement that protects our members’ standard of living, and is fair to them and all Illinois citizens, even in these very challenging economic times.”

The new contract, in fact, will further undermine the position of workers. At the same time, Bayer is making it clear that AFSCME will sacrifice the pensions and livelihoods of workers in order to maintain its relations with the state Democratic Party machine.

Over the course of the contract negotiations, AFSCME has blocked any serious mobilization of state workers, organizing instead token, ineffectual protests against Quinn and court appeals. Now they are calling for workers to ratify the agreement beginning March 4, claiming that they beat back Quinn’s attempts to impose harsher terms. This is a farce. AFSCME

supported Quinn’s election as governor and has worked with his administration behind closed doors to craft these concessions. Workers should reject the agreement and contract, and form rank-and-file committees to defend their jobs and living standards.



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