

California state workers to vote on strike authorization

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Members of Local 1000 of the Service Employees International Union (SEIU) began voting this week on strike authorization after reaching an impasse in contract negotiations with the state of California. The 95,000-member union covers a variety of bargaining units including state IT workers, nurses, administrative and clerical staff, Department of Motor Vehicles employees and prison staff.

Contract negotiations with the state have now dragged on for more than six months. The union authorized the strike vote last July. However, while many state workers are eager to express their opposition to poverty level wages and diminished health care coverage by supporting strike action, the SEIU is determined to prevent this outcome based on its alliance with the Democratic administration of California Governor Jerry Brown.

In any event, even if workers vote in favor of a strike, the union would first have to declare an impasse in negotiations before an actual work stoppage takes place. This would be followed by the intervention of a state-appointed mediator.

The state's latest offer includes a meager 2.96 percent salary increase during the first year that will be more than offset by its demand for a 3.5 percent increase to employee retiree health care contributions. Wages would then increase under the state's offer by 12 percent over the subsequent four years.

This inadequate offer, which amounts to a wage freeze or even a wage cut when inflation is taken into account, comes in spite of the fact that the state has experienced its third annual budget surplus in a row after nearly eight years of deficit. In fact, successive state administrations were able to "resolve" the state's budget crises entirely on the backs of workers and especially on state workers who have seen their

incomes and living standards drop precipitously.

According to the web site PayScale.com, the average hourly wage for a California state worker is less than \$20 per hour, or \$40,000 per year. Monthly rent for a typical one-bedroom apartment in California by contrast is \$1,750. In other words, an individual state worker often has to pay 65 percent or more of his or her wages after taxes in order to afford a place to live. Median one bedroom rent in San Francisco was \$3,560 in 2015 making housing completely unaffordable for state workers in that city.

In 2013, California ranked as the sixth most expensive state in the country in relation to childcare costs, with an average annual infant care cost of \$12,068. This is only slightly less money than the average cost of tuition at one of the 10 University of California campuses.

Moreover, other costs of living remain extremely high in the state. According to research compiled by GasBuddy.com, California had the second highest gas prices in the country after Hawaii at \$2.811 per gallon. Providing a healthy diet to a single individual or family of two will result in a weekly grocery bill of \$100 or more as well.

The burden is even more onerous for retirees, especially given continuous cuts to pension benefits under the Brown administration in collusion with the unions.

Earlier this year, the state assembly passed the Secure Choice Pension Bill mandating state workers pay 3 percent of their earnings into a state-sponsored IRA. The bill follows the 2012 Pension Reform Act signed into law by Governor Brown.

The pension bill increased the minimum retirement age for most state workers from age 55 to age 67 while also creating a two-tier pension system. Under the two-

tier system, workers hired after January 1, 2013 will have to make greater contributions to their benefits than their more vested colleagues.

Last August, a San Francisco appeals court ruled that public retirement plans were not immutable and could be reduced without the consent of workers. The ruling now goes before the state supreme court. Most state workers have their pensions paid through CalPERS, the largest single pension fund in the US. CalPERS suffered losses in 2008, having made significant investments in the housing market. As such, the fund and other pension funds like it have hundreds of millions of dollars in unfunded liabilities and have been targeted by Democratic and Republican administrations alike over the supposedly “overly generous” benefits they offer.

The unions have collaborated in the attack against pensions, including the leadership of SEIU Local 1000. In 2012, during the debate on Brown’s Pensions Reform Act, Local 1000 president Yvonne Walker called it, “a good starting point for a new conversation about retirement security for all Californians.”

Furthermore, after the passage of the Secure Choice Pension Bill (SB 1234) Walker attempted to turn reality on its head, claiming that, “Governor Brown’s signature on SB 1234 will strike a significant blow against an epidemic of senior poverty and lift up those people most at risk: our state’s women, people in low wage jobs and people of color.”

These last remarks also demonstrate the union’s use of identity politics to create divisions within the working class. As more than 66 percent of local 1000 members are female, the union is hoping to use the issue of gender as a wedge to split the workforce. “Even more alarming [than the extreme poverty faced by state workers] is the gender inequity we’re facing,” reads the union’s latest statement regarding strike action. “The state has made deals with male-dominated state worker groups that include wages 43 percent higher than our average pay.”

The SEIU represents 9 of the 21 state government bargaining units and 14 are working with expired contracts. No attempt is being made to mobilize other sections of public workers against cuts.

In fact, last July, the SEIU shut down a three-day unfair labor practices strike involving more than 4,400 San Joaquin County public employees without reaching

agreement on a contract.

Above all, the union fears a mobilization of 95,000 state workers against Sacramento could encourage broader resistance within the working class to the attacks on jobs, wages and pensions and provoke a confrontation with the Brown administration.

Meanwhile, Walker and other SEIU leaders are seeking to increase their own salaries and stipends. Walker receives \$58,000 per year for her nominal job as a Department of Justice Secretary. Under proposals delivered to the union board, Walker, along with three other union officials would receive a stipend of \$100,000 along with a base salary increase going to the 1,000 highest paid workers in the local.

The *World Socialist Web Site* urges all SEIU workers to vote in favor of strike action over the coming week. However, a successful struggle requires a rebellion against the SEIU. This further requires the building of new rank-and-file-based organizations independent of the union structure. No serious struggle is possible based on organizations that are in alliance with the sworn enemies of the working class.

Workers must reject the alliance of the unions with the Democratic Brown administration and forge a new leadership and program based on the struggle for socialism and the international unity of the working class.



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