

SPECIAL BARGAINING EDITION**We're fighting furloughs, holiday cuts**

The governor is once again dragging state employees into the state's budget crisis – this time by disguising wage cuts as unpaid “furloughs.” Local 1000 leaders were quick to denounce the governor's latest proposal.

“These proposed measures will not likely take effect next month,” said Local 1000 President Yvonne Walker. “They must be negotiated and passed by the state Legislature. We're not going to allow him to negotiate in the media.”

In Master Table bargaining Sunday, the state proposed a package of takeaways that include one unpaid furlough day per month for 19 months, elimination of two paid holidays, elimination of premium pay for holiday work, and elimination of the use of leave credits for the purpose of calculating overtime.

“Just like the governor said he would cut our pay to \$6.55 per hour and we fought him tooth and nail and saved our pay,” Walker said, “we'll fight these furloughs just as hard at the bargaining table and in the Legislature.”

State services have already been decimated. Over the past year, state programs were cut by more than \$11 billion while more than 13,000 state positions remained vacant. In August, more than 10,000 employees were laid off. These staffing shortages are causing delays in the delivery of important services

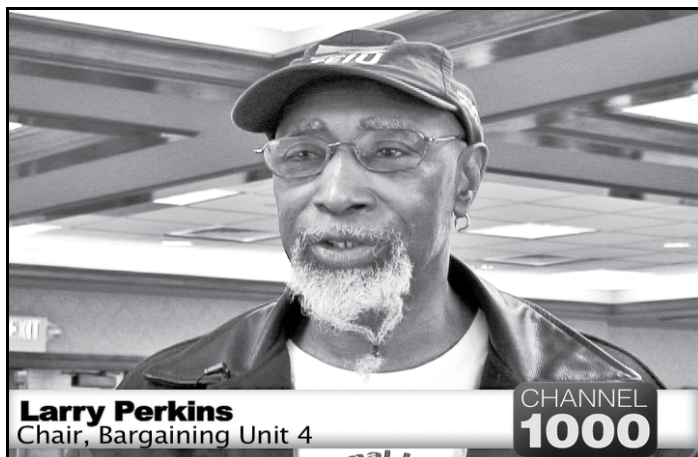
to veterans, the unemployed, people with disabilities and the collection of taxes.

“We need to solve this crisis without destroying the state services that Californians rely upon,” Walker said. “The bargaining table is the place to make proposals, find paths to compromise and solve problems.”

“California's chronic budget deficit is a revenue problem,” said Jim Hard, Local 1000 vice president for organizing and representation. “We must insist that legislators drop their political baggage to take real actions on raising revenue.”

Earlier this year, Local 1000 championed new ways to bring in more revenue by reorganizing the California Lottery and by increasing the efficiency of tax collections. At the same time, Local 1000 identified potential savings totaling billions of dollars, by eliminating wasteful private contracting and increasing inmate education to reduce recidivism, saving on prison costs, but the governor, the Legislature and the state bureaucracy continue to turn away from anything new, innovative or different.

You can take action to fight furloughs and insist on responsible budgeting – send a message to the governor and the Legislature by logging on to seiu1000.org

“California's chronic budget deficit is a revenue problem”**—Jim Hard***Local 1000 vice president for organizing and representation*

Larry Perkins
Chair, Bargaining Unit 4

CHANNEL
1000

“Gov. Schwarzenegger tried to lower our wages to \$6.55. We fought him on that, and we won. We're going to do the same thing with this furlough.” —Larry Perkins, Chair, Bargaining Unit 4



Jim Hard
VP, Organizing & Representation

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“This is not the time to furlough our employees – state services are needed now more than ever ... we have to raise revenues.”
—Jim Hard, vice-president for organizing and representation.



GOVERNOR ARNOLD SCHWARZENEGGER

November 6, 2008

Dear Valued State Worker,

During the six weeks since I signed our state budget, the mortgage crisis has deepened, unemployment has increased and the stock market has dropped significantly. As a result, we are facing a projected \$11 billion revenue shortfall this fiscal year.

These dramatic developments require us to work together and respond immediately. I have called the Legislature into special session to address our fiscal emergency, and I am proposing a combination of economic stimulus measures, programs to keep Californians in their homes, revenue increases and spending reductions to address the real, immediate financial problems facing the state.

If approved by the Legislature, these spending reductions will impact our state workers. Californians rely on you to deliver important services every day, and I am proud of your hard work and dedication to the state. That's why I want you to hear about these impacts from me directly.

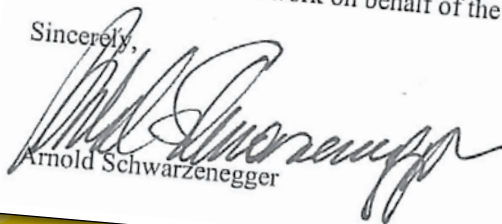
To achieve cost savings and protect vital state services, I am proposing the following measures:

- **Furloughs:** All state employees will be furloughed one day each month for the next year and half, a total of 19 days. This will result in a pay cut of about 5 percent. The pay cut will not affect retirement and other benefits for which you are eligible.
- **Holidays:** The Columbus Day holiday will be eliminated, and Lincoln's Birthday and Washington's Birthday will be observed together on Presidents Day. In addition, we will no longer pay time-and-a-half to employees working on holidays. Instead, employees required to work on holidays will receive holiday credit for use at another time, as they do now.
- **Four-day week:** The law will be amended to make it easier for departments to allow employees to work 32 hours a day, four days a week.
- **Overtime:** The state will no longer count leave time (including sick leave and vacation time) as time worked for overtime purposes. Instead, employees will only become eligible for overtime pay once actual time worked exceeds the required threshold.

These changes will save the state roughly \$1.4 billion over two years. I know these are not easy proposals, and I assure you we are working closely with union leadership to achieve results in the least painful way possible. All the actions we're proposing must first be approved by the Legislature.

I've always said that California has the most talented and most diligent state employees, and I am confident we will make it through this tough time by working together. Thank you for your cooperation and hard work on behalf of the State of California.

Sincerely,


Arnold Schwarzenegger

UNFAIR
AND
WRONG

FOR MORE INFORMATION, CALL LOCAL 1000 TOLL FREE: (866) 471-SEIU (7348) or visit our website: www.seiu1000.org

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