

Montana public employee unions: Public enemy or middle-class champion?



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By GAIL SCHONTZLER Chronicle Staff Writer

At a pro-union rally held in front of the Montana Capitol this month, one woman supporter held up a homemade sign that read "Public Employees - NOT Public Enemies."

It's just one indication of how demonized public employee union members feel these days, as collective bargaining rights are being stripped away from public workers in states like Wisconsin and Indiana.

The Great Recession has driven many states' governments into economic crisis, and several have responded with both spending cuts and efforts to curb the power of public unions. As Wisconsin's Republican Gov. Scott Walker put it at the start of his battle with employee unions, "We're broke."

Are public employee unions really the public enemy, driving state budgets into the ditch, using their muscle to gain bloated pay and pensions?

Or are unions the champions of the public good, the foundation of America's middle class?

Eric Feaver, president of the MEA-MFT, represents 18,000 members in Montana's largest union, many of them teachers. He sees unions not as villains, but as the good guys.

"Where did the 40-hour week come from?" Feaver asked. "Where did weekends come from? Where did health care (benefits) come from?

"Unions created the middle class, the standard of living most of us enjoy."

Despite legislative battles to shrink public union power in states like Ohio, Idaho, Iowa, Michigan, New Hampshire and Colorado, the same hasn't happened in Montana. No bills have been introduced in the Republican-dominated 2011 Legislature to mimic what's been happening in Wisconsin.

"You have to give a little credit to the public employee people" in Montana, said state Sen. Art Wittich, R-Bozeman.

Hardly a big union supporter, Wittich requested drafting a right-to-work bill, the "Workers Freedom Act," which would have given workers the right to refuse to join unions, but ran out of time to introduce it in this session.

"In recognition of tough times, (state unions) scaled back their wants," Wittich said. "The expectations by public employees were more modest here."

Plus, he added, "We have budget problems, but not like a lot of other states."

Sen. Dave Lewis, R-Helena, chairman of the powerful Senate Finance and Claims Committee, said he introduced bills to cap the public employee retirement system and require higher-paid state employees to cover a portion of their health insurance.

"The bills are not anti-union, they're simply a move to put retirement and benefits on a par with the private sector," Lewis said. "I don't think

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there's a real anti-union thing" in this Legislature, adding with a laugh, "as annoying as Eric Feaver can be sometimes."

Montana's labor tradition

Democratic Gov. Brian Schweitzer argued recently on the "PBS NewsHour," where he appeared opposite Indiana's Republican Gov. Mitch Daniels, that collective bargaining works well in Montana.

Schweitzer said that two years ago when the recession was looming, his office negotiated with Montana's unions and they accepted zero increases in pay and benefits for two years. Rather than criticizing state employees as underpaid and overworked, he praised them for accepting a pay freeze and for "doing work that matters."

"In Montana, over half of our ... state employees, make less than \$40,000," Schweitzer said. "They teach our children. They take care of our disabled people, and they keep our streets and highways safe."

Daniels argued that average government worker in America earns a lot more than the average private-sector worker, gets more generous benefits and "almost total job security."

Daniels said he struck down collective bargaining in Indiana six years ago to make government more efficient, and "we have saved bushels of money."

"You couldn't move a Xerox machine from one room to the next under the agreement that was in place ... without the unions' permission," Daniels said.

Schweitzer replied that he was able to cut spending and gain efficiencies by collective bargaining with unions.

"We're not going to the table, guns blazing, saying 'Give us the money," Feaver said. The deal unions hammered out last fall with Schweitzer would give Montana employees a 1 percent pay increase starting next January and 3 percent the year after.

If the Legislature ratifies the agreement, he said, state workers will have gone three years with a pay freeze.

Feaver's theory as to why Montana isn't following Wisconsin's example is that Montana has a strong labor tradition, going back a century to the copper miners of Butte and Anaconda. Butte teachers unionized in 1936 and negotiated "the very first public employee agreement ever bargained in the U.S.," he said.

"I think collective bargaining is here to stay in Montana," Feaver said. Still, he added, "Union members should be very concerned about their future. ... We may be only one election away from looking like Wisconsin."

Overpaid?

One of the chief charges against public employee unions is that they've won salaries and benefits so generous that the public cannot afford them.

The conservative Montana Policy Institute, based in Bozeman, prepared a "Montana Pork Report" that says public workers' wages outpace those of private workers. Citing figures from the libertarian Cato Institute, it reported that state and local government employees in Montana "received an average total compensation of \$60,435 a year in 2008." Total compensation combines wages, health benefits and pensions.

State pension plans have a \$3.3 billion unfunded liability, the Pork Report added. Montana's top retiree gets \$116,587, and 29 others receive more than \$70,000, it said. It quoted Feaver saying that the median teacher pension is less than \$23,000.

The Montana Pork report also said in seven mountain states, total compensation equaled \$36.14 an hour for state and government workers, compared to \$26.18 an hour for private employees. It suggested Montana should follow Virginia's example and ban collective bargaining and forced union dues.

Feaver responded that a major reason public employees' pay can be higher than in the private sector is that public jobs often require a higher level of education. Teachers, for example, have to have college degrees.

That idea is backed up by a recent report by the Montana Department of Labor and Industry's Research and Analysis Bureau.

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"Overall, the average wage for Montana's government workers is higher than private workers," said the report by Barbara Wagner, senior Labor economist.

However, the report also concluded that, after adjusting for education and skill level, there is "little pay differential between" public and private workers.

The Labor report said in 2009, average salaries were:

- -- Federal workers, \$57,800
- -- Montana workers, \$42,900
- -- Local government workers, \$33,200
- -- Private payroll workers, \$32,200.

The Labor report cited two major reasons that government workers averaged higher pay. One was that state workers were more likely to work full-time, 40-hour weeks (66 percent), compared to private workers (58 percent).

Second, state jobs often require more education than private jobs. State nurses, professors, researchers and program administrators require more education or experience, than many private sector jobs for retail salespeople, cashiers and hotel clerks.

The Labor report said 78 percent of private jobs require less than a bachelor's degree, while 25 percent of state jobs require a master's degree or higher.

When it comes to low-paying jobs requiring less education, like clerical jobs, the report found that state workers earn more than private workers.

When it comes to jobs requiring a bachelor's degree or higher, private sector workers earn more than state workers, the report said.

Feaver agreed.

"Doctors in the private sector make significantly more than the public sector," he said. "Lawyers make more in the private sector. CPA's make more in the private sector."

On worker benefits, the Labor report said Montana state workers' health and retirement benefits are less than national averages. In Montana, benefits amount to 21 percent of total compensation, compared to 34 percent nationally.

Union boss

Tami Phillippi doesn't fit the old stereotype of a cigar-chomping, rough-tough union boss.

Today things are "more evolved," Phillippi, said over coffee.

Petite and pretty, she taught English and social studies at Bozeman High for 20 years until becoming three years ago president of the Bozeman Teachers Association, the union representing about 400 teachers. She's a Bozeman High grad herself and mother of a 7-year-old.

What's happening in Wisconsin is disturbing and sad, she said, and different from what's happening in Montana.

"I focus on Bozeman teachers, that's what I'm passionate about," Phillippi said. "I want the best school system Bozeman can offer, and teachers are a huge part of that equation."

Back in 2000, Bozeman teachers nearly went on strike for higher wages. At the time teachers complained of going years with paltry raises, which hurt morale and meant many could no longer afford Bozeman's pricey housing market.

"When I started on the negotiating team as a single teacher, I could barely afford to make ends meet," Phillippi said, recalling the day her hot

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water heater went out. The other side's negotiators would say, "'There's 300 people in line for your job - if you don't like it, leave."

After a strike was barely averted, the School Board, administrators and union abandoned traditional, confrontational collective bargaining and tried a more cooperative approach based on building consensus. Now, Phillippi said, the two sides work together as a team.

"It's a partnership," she said. Teachers are "part of the solution."

When school administrators want to start a mentoring program for young teachers, or update teacher evaluations, the union and district share the cost or work together to find the best, research-based practices.

Consensus has also meant significant pay increases. In 2007, both sides agreed to a three-year contract that raised beginning teachers' pay to \$35,000 and pay for the most educated teachers with more than 20 years experience to \$66,850.

Last year, because of the recession, Bozeman teachers agreed to a one-year contract with zero raise in base pay. Some still got raises for education and experience.

Last year, Phillippi said, teachers felt strongly that elementary schools really needed "intervention specialists" to give more attention to students struggling with math and reading. So the union gave up one-third of the money on the table for additional pay so that the schools could hire intervention specialists.

Phillippi wiped tears from her eyes as she talked about one friend, a respected longtime teacher, who is struggling, relying on sick leave benefits negotiated by the union over the years.

"She has dedicated her life to kids," Phillippi said. "Ask her if she got a golden parachute."

Phillippi reached for a Kleenex. "Ever thought you'd see a union president cry, big bad mobster that I am?" she joked.

"We're doing good things here. We're working hard. We're not the bad guy. We're your friends, your neighbors.

"I believe in Bozeman Schools, that's why I'm so passionate about what we do."

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