



Cost Cutting? Or War on Government Workers?

Wisconsin Gov. Scott Walker on Ending Collective Bargaining Rights: 'You Can't Negotiate if You Don't Have Any Money'

By HUMA KHAN

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When House Speaker John Boehner uttered "so be it" if federal government jobs are lost, [Democrats](#) pounced on his words. But the Ohio Republican's not-so-carefully crafted words are a sign of a bigger battle over government jobs being fought across the country.

As lawmakers figure out ways to trim the budget deficit, both federal and state worker jobs are coming under renewed scrutiny.

The House Republicans' continuing resolution that would fund the government for the remainder of the year, if it passes, calls for hefty cuts in federal agency budgets and would directly affect salaries and jobs.

Even [President Obama's budget](#), released Monday, includes a two-year freeze on [federal employee salaries](#), although they would still be eligible for pay raises under promotions.

State workers across the United States are in a similar -- if not worse -- conundrum.

In a case that has perhaps triggered the most uproar, [Wisconsin Gov. Scott Walker](#) is trying to strip public employees of their collective bargaining rights. Some observers say it is a deliberate attempt to undermine unions.

Walker says though they may seem politically bold, the cuts he's proposing are modest and needed.

"If we don't do this, there will be layoffs. By July 1, when the next budget starts, we'll have to have layoffs of 5,500 state workers plus a similar number of county and city workers," Walker told ABC News. "You can't negotiate if you don't have any money -- and we don't have any money. We're not negotiating on the budget."

Walker insisted that he offered to negotiate with unions but they didn't bite.

"I offered to negotiate with the unions earlier and they had no interest," he said. "This controversy over

collective bargaining is a red herring at the tail end. Unions didn't want to negotiate with me, and now they claim they do."

Elsewhere, California Gov. Jerry Brown has enacted a state hiring freeze.

Florida legislators are looking at changing state worker benefits so that employees have to contribute to their own health care and retirement plans, as private-sector workers do.

"We've seen it before but never to this extent," said Jeffrey Keefe, associate professor at the School of Management and Labor Relations at Rutgers University in New Brunswick, N.J. "This is a very coordinated campaign nationwide by the Republicans to basically destroy public-sector unions and public-sector workforce and eliminate their opposition.

"These public-sector unions tend to support Democrats and this is a way of eliminating one way the Democratic Party raises money."

But others say the conversation about how to re-tool government jobs is one that should've begun years ago, when President George W. Bush added a slew of new positions.



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"Over the last decade, [federal wages](#) and benefits have soared, on average, far above the private-sector level, so something is going on in the federal workforce that really needs to be investigated," said Chris Edwards, director of tax policy studies at the libertarian-leaning Cato Institute.

At the state level, "wages are reasonable but it's the benefits that are way out of whack," he added.

In many states, "pension plans are vastly underfunded or overpromised, so they have big financing gaps."

A [USA Today analysis](#) in August found that federal workers' average salaries have grown to more than double their private-sector counterparts, and that they've been awarded better pay and benefit increases for nine consecutive years.

Some experts say those numbers should be taken with caution because federal government workers are likely to be more skilled and higher-educated than their private-sector counterparts.

Battle Over Government Workers

The story on the state level, however, is different. Keefe's analysis, published by the nonpartisan Economic Policy Institute, found that in Wisconsin, Indiana, Ohio and Michigan -- where state workers' benefits are under scrutiny -- public-sector employees earn lower wages and receive less in total compensation, including benefits, than comparable private-sector workers.

Targeting public sector employees isn't a new phenomenon. There were similar outcries during the fiscal crisis of the 1970s, but the severity of the crisis today far exceeds that of four decades ago.

"The current economic crisis is more severe than what happened in the mid-1970s," said Joseph McCartin, a labor historian and director of the Kalmanovitz Initiative for Labor and the Working Poor at Georgetown University in Washington, D.C. "Second, the public sector labor movement is more vulnerable today than it was then.

"Today, public sector workers are more easily scapegoated than was true 30 years ago."

With union presence in the private sector dwindling, much of their membership in many states comes from public-sector employees.

Union membership varies from state to state. It's higher in the Northeast and some Midwestern states,

with virtually little or no presence in the South. Fewer federal government workers are part of unions, roughly 20 to 30 percent, Keefe said.

At the state level, the push to alter the way unions can bargain on behalf of their employees has been brewing for years.

In 2004, Indiana Gov. Mitch Daniels barred highway police, hospital attendants, mechanics and other state employees from collectively bargaining for pay and benefit increases. Similar measures are now being discussed in Wisconsin and Ohio.

On the national level, Boehner's "so be it" statement Tuesday may have come as a shock to some, but the rhetoric isn't new.

In September, the then-minority leader called taxpayer subsidies of federal jobs "nonsense."

"It's just nonsense to think that taxpayers are subsidizing the fattened salaries and pensions of federal bureaucrats who are out there right now making it harder to create private sector jobs," he said.

Republicans campaigned on the promise of cutting federal agency budgets and putting "Uncle Sam on a diet," in the words of now Majority Leader Eric Cantor, R-Va.

ABC News' Alan Farnham contributed to this report.



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