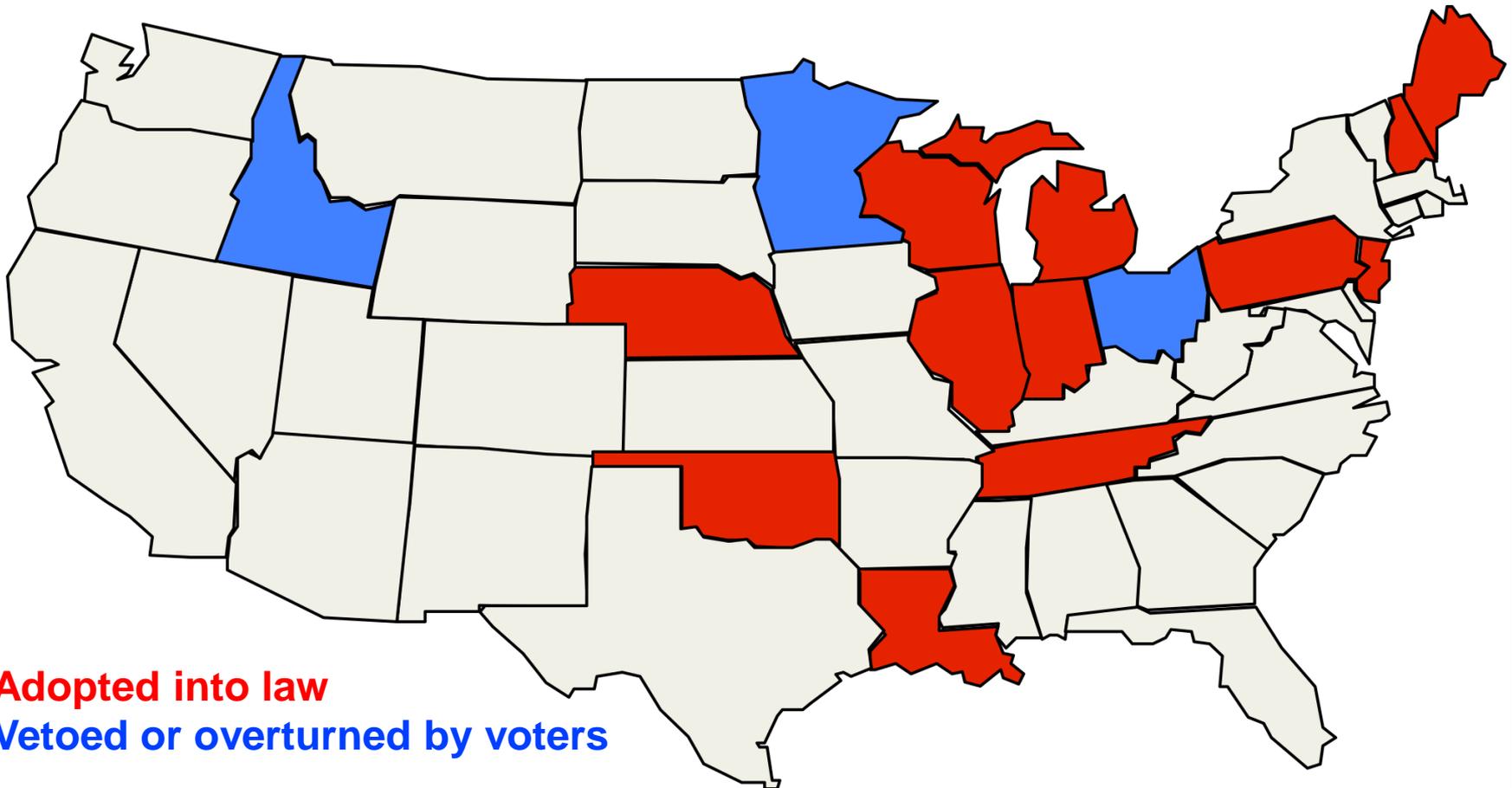


LEGISLATIVE ATTACKS
ON PUBLIC EMPLOYEES,
PUBLIC SERVICES
AND LABOR STANDARDS,
2011-13

Prof. G. Lafer
University of Oregon
January, 2014



Legislation restricting public employees' right to collective bargaining, 2011-12.



Ontario's Bill 115

- Revokes right to bargain wages – 2-year freeze unilaterally imposed.
- 3 forced days off= 1.5% paycut
- 2-year strike ban
- Requirement for ongoing payscale reform
- No one can challenge law in courts or Labour Board.





“Our people are weighed down paying for a larger and larger government” and “we can no longer live in a society where the public employees are the haves and taxpayers who foot the bills are the have-nots.”

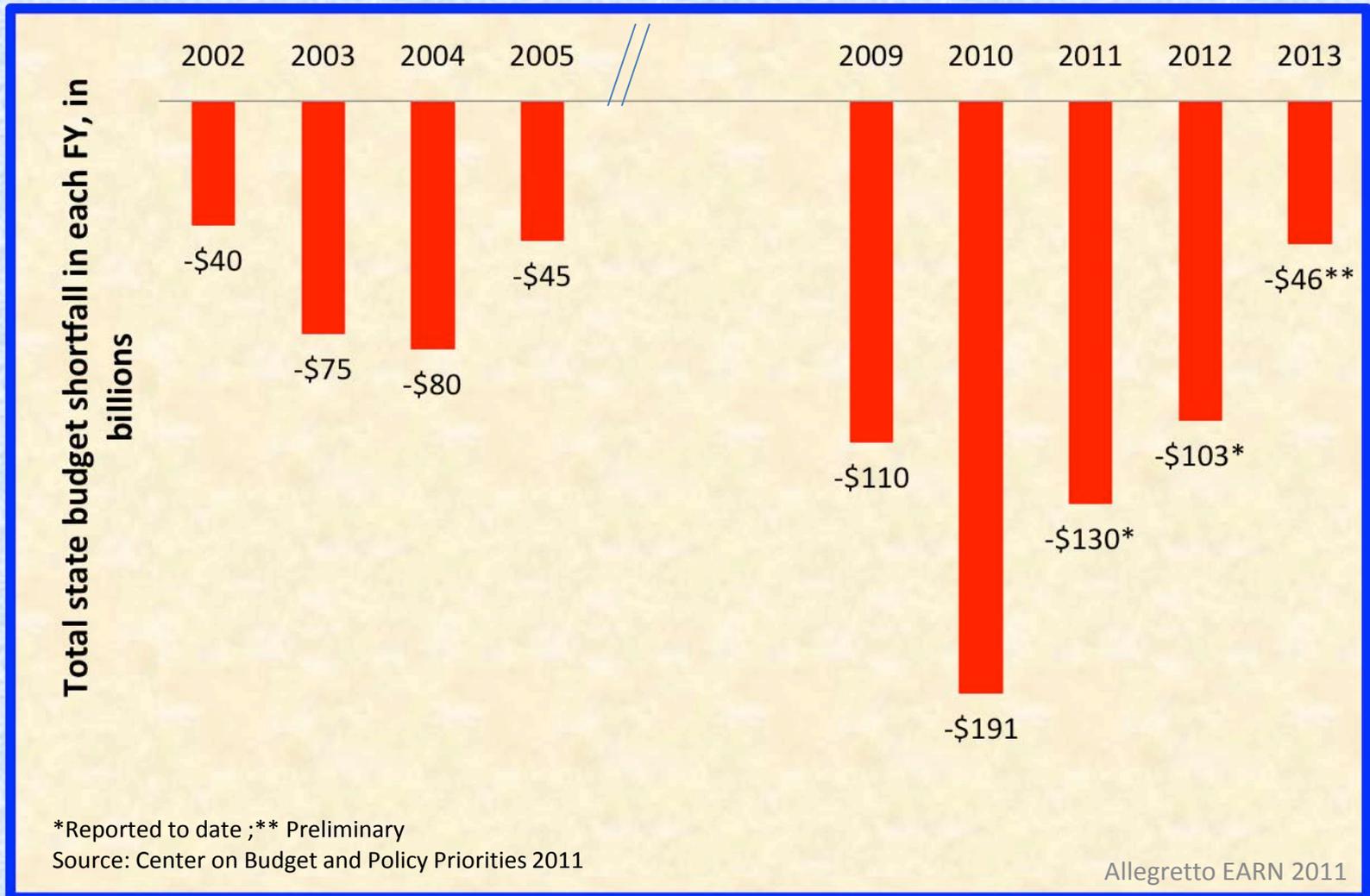
Wisconsin Gov. Scott Walker

“Bill 115 was critical to putting education funding on a sustainable path.... [and needed] in order to eliminate the deficit.”



Ontario Premier Dalton McGuinty

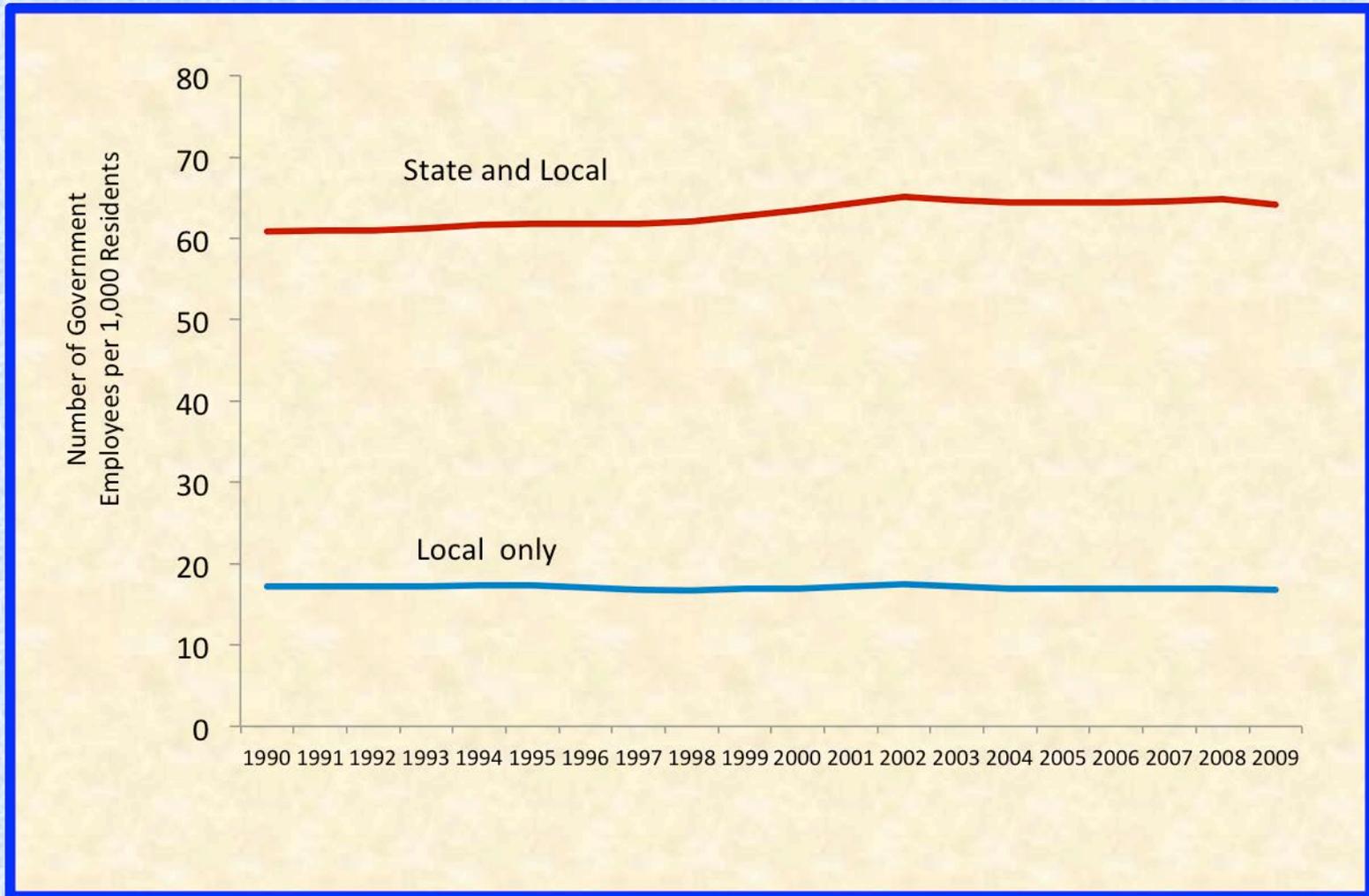
Are Lazy Government Workers to Blame for State Budget Deficits?



Public vs. Private sector wages

- 53% of Michigan's public employees have 4-year college degrees, compared with 31% of private sector workers.
- Comparing similar types of employees, Michigan public employees make about 5% less than similarly skilled workers in the private sector.

The Number of Government Workers Per Capita Hasn't Increased

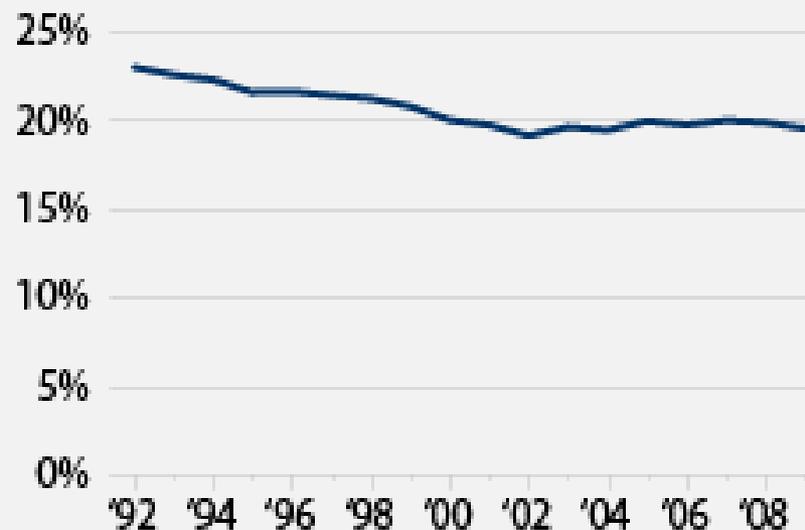


Source: U.S. Census Bureau and the U.S. Bureau of Labor Statistics

Allegretto EARN 2011

The share of government spending devoted to employee wages hasn't increased

Salary, wages, and benefits as a share of total state expenditures has declined over time



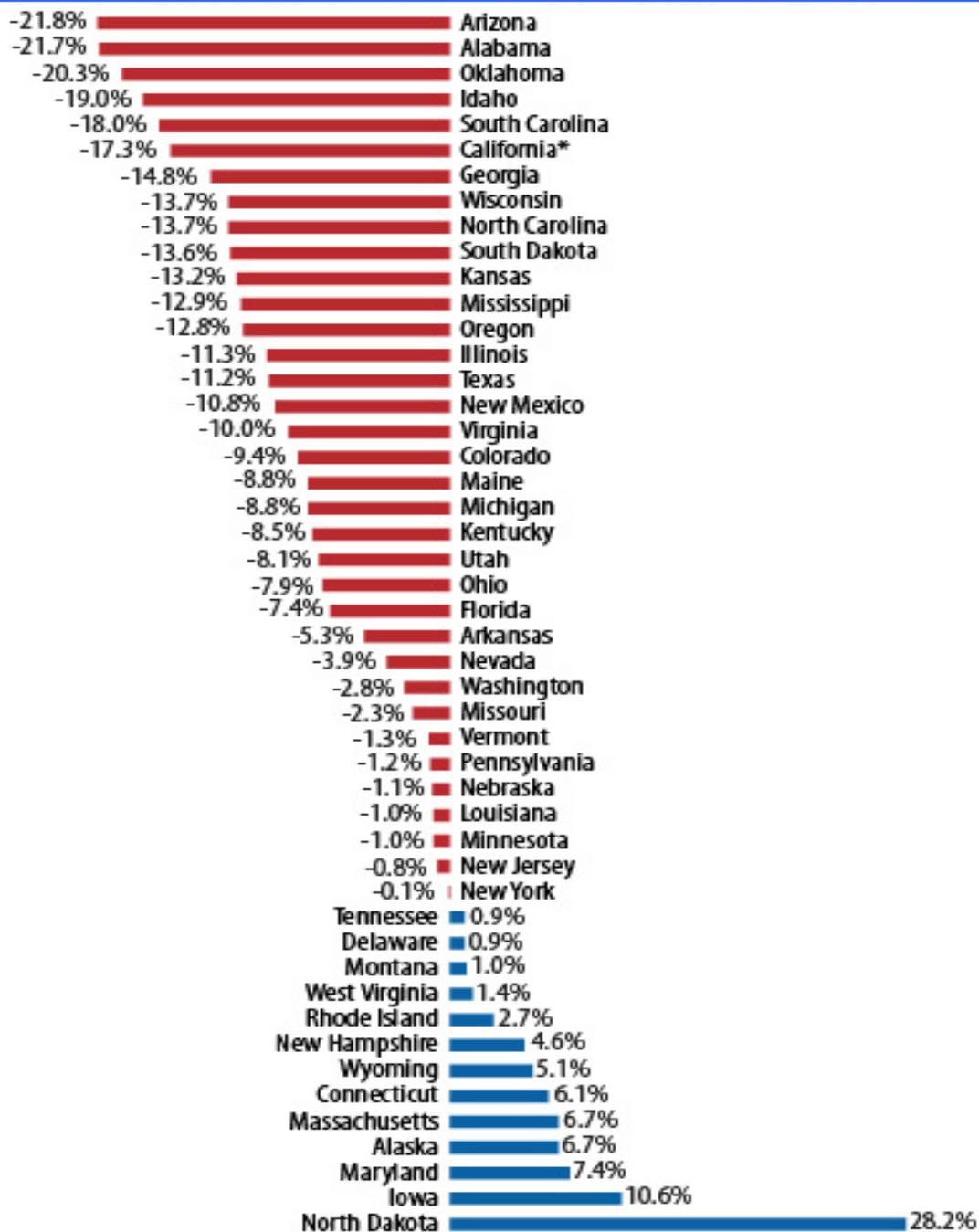
Sources: Salary, wage, and expenditure data from U.S. Census Bureau, "State and Local Government Finance"; benefit data from Bureau of Labor Statistics, "Employer Costs of Employee Compensation."

Budget deficits were caused by loss of revenue, not increased expenses

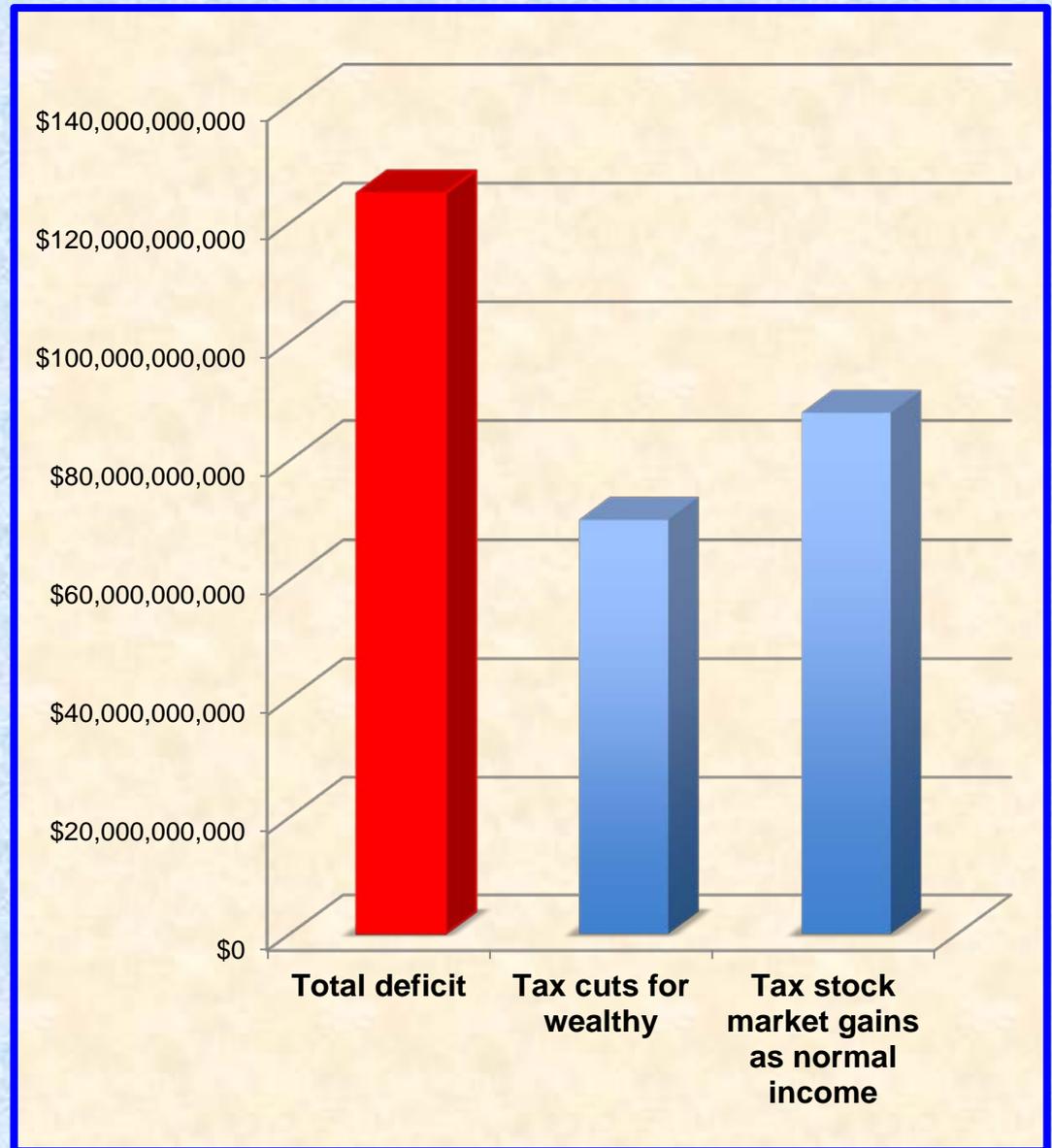


Cuts in education spending per student, inflation-adjusted, FY 08 – FY 13

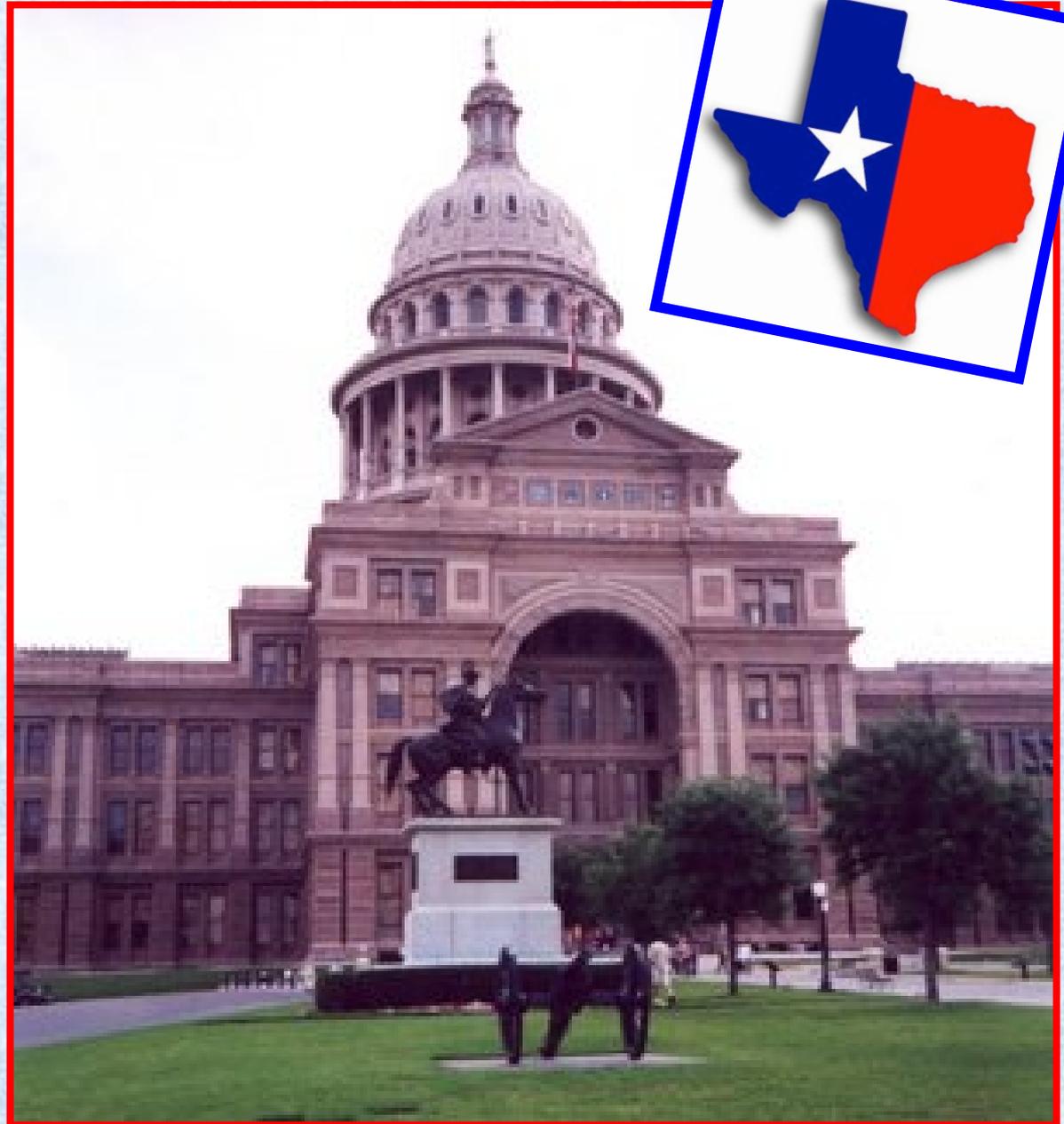
Source: Center on Budget and Policy Priorities



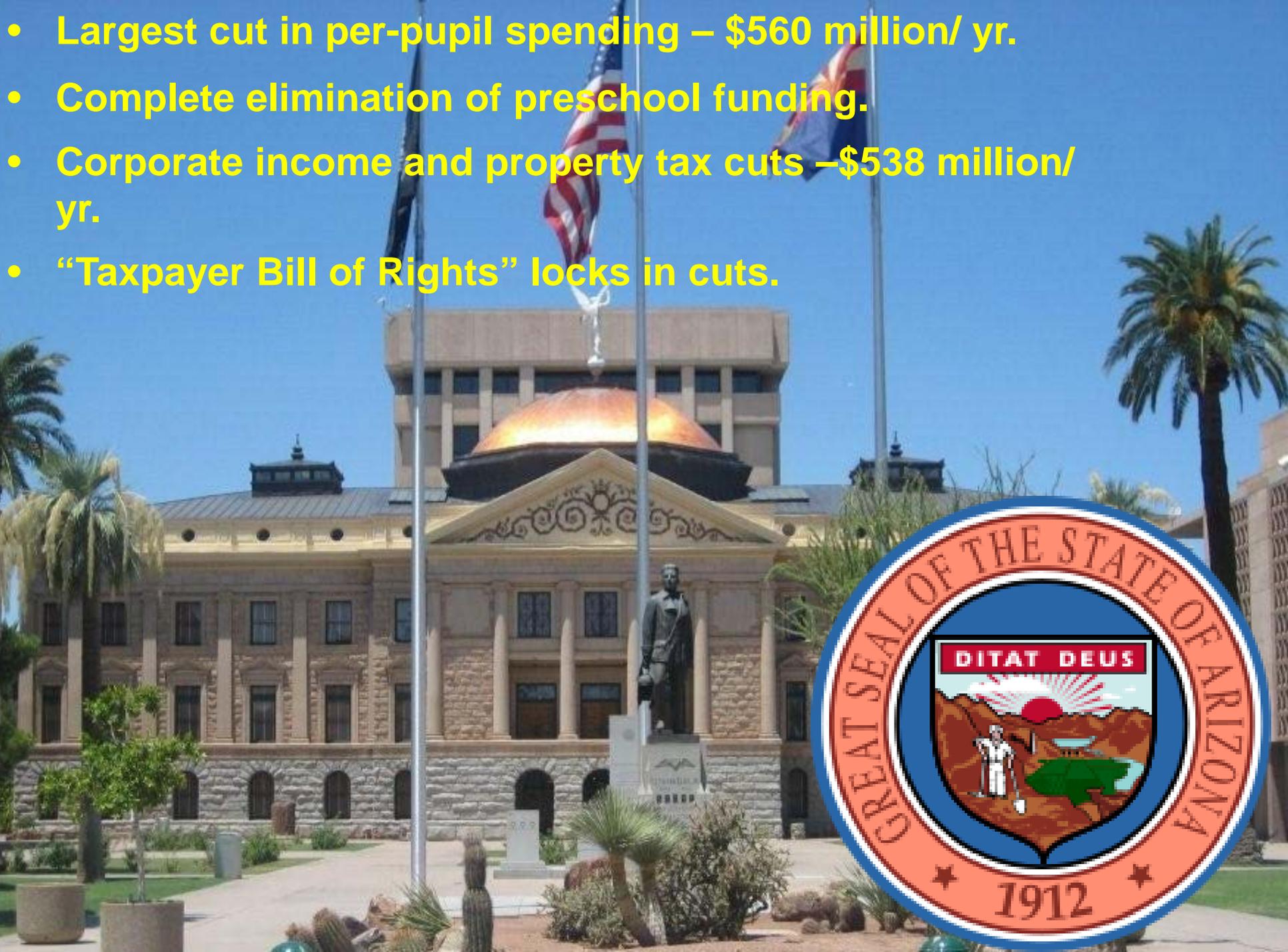
All states' budget deficits could be eliminated by undoing the Bush tax cuts for the wealthy, and by making those who earn money on the stock market pay the same income tax rates as the rest of us.



- **Cut over 10,000 teaching jobs.**
- **Cut full-day pre-k funding for 100,000 at-risk kids.**
- **K-12 budget 9.4% below minimum required by law.**



- Largest cut in per-pupil spending – \$560 million/ yr.
- Complete elimination of preschool funding.
- Corporate income and property tax cuts –\$538 million/ yr.
- “Taxpayer Bill of Rights” locks in cuts.



Citizens United decision allows for massive corporate spending in state politics; 2010 elections are first conducted under new rules



American Legislative Exchange Council

Altria/Philip Morris

Amoco

Anheuser-Busch

AT&T

Bristol-Myers Squibb

Chevron

British Petroleum

Conoco Philips

Crown Cork & Seal

Dow Chemical

DuPont

Ebay

Eli Lilly

Exxon Mobil

FedEx

Georgia Pacific

GlaxoSmithKline

Imagine Learning

Koch Industries

News Corp

Pfizer

Price Waterhouse Coopers

Sprint Nextel

State Farm Insurance

T-Mobile

UPS

Verizon

Visa USA

Wal-Mart

Amazon

Coca-Cola

Best Buy

Gates Foundation

Cargill

Dell

General Motors

Hewlett-Packard

John Deere

Johnson & Johnson

Kraft Foods

Kaplan, Inc.

Mars

McDonalds

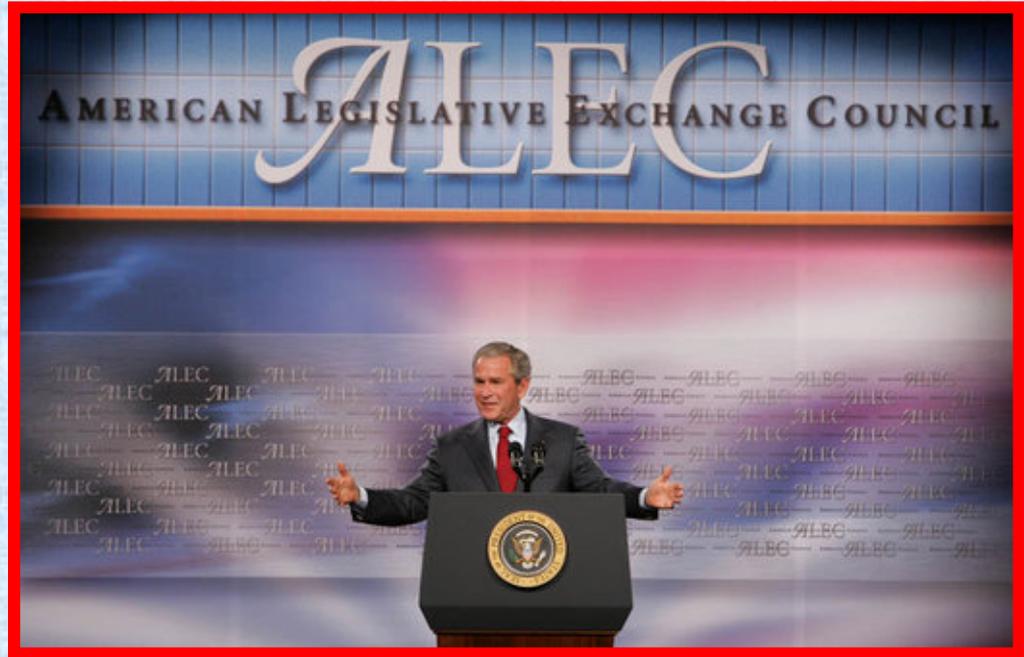
Miller Coors

Pepsi

Walgreens

Ticket Master

K-12 Inc.



CORPORATE LOBBIES' AGENDA FOR LOWERING WAGES, BENEFITS & LABOR STANDARDS

- **Minimum wage (4 states)**
- **Waiters/Waitress wages (1 state)**
- **Child labor (4 states)**
- **Sick leave (9 states)**
- **Overtime pay (1 state)**
- **Employment discrimination (2 states)**
- **Occupational safety (1 state)**
- **Unemployment benefits (16 states)**

The minimum wage is now worth 16% less than it was in 1968



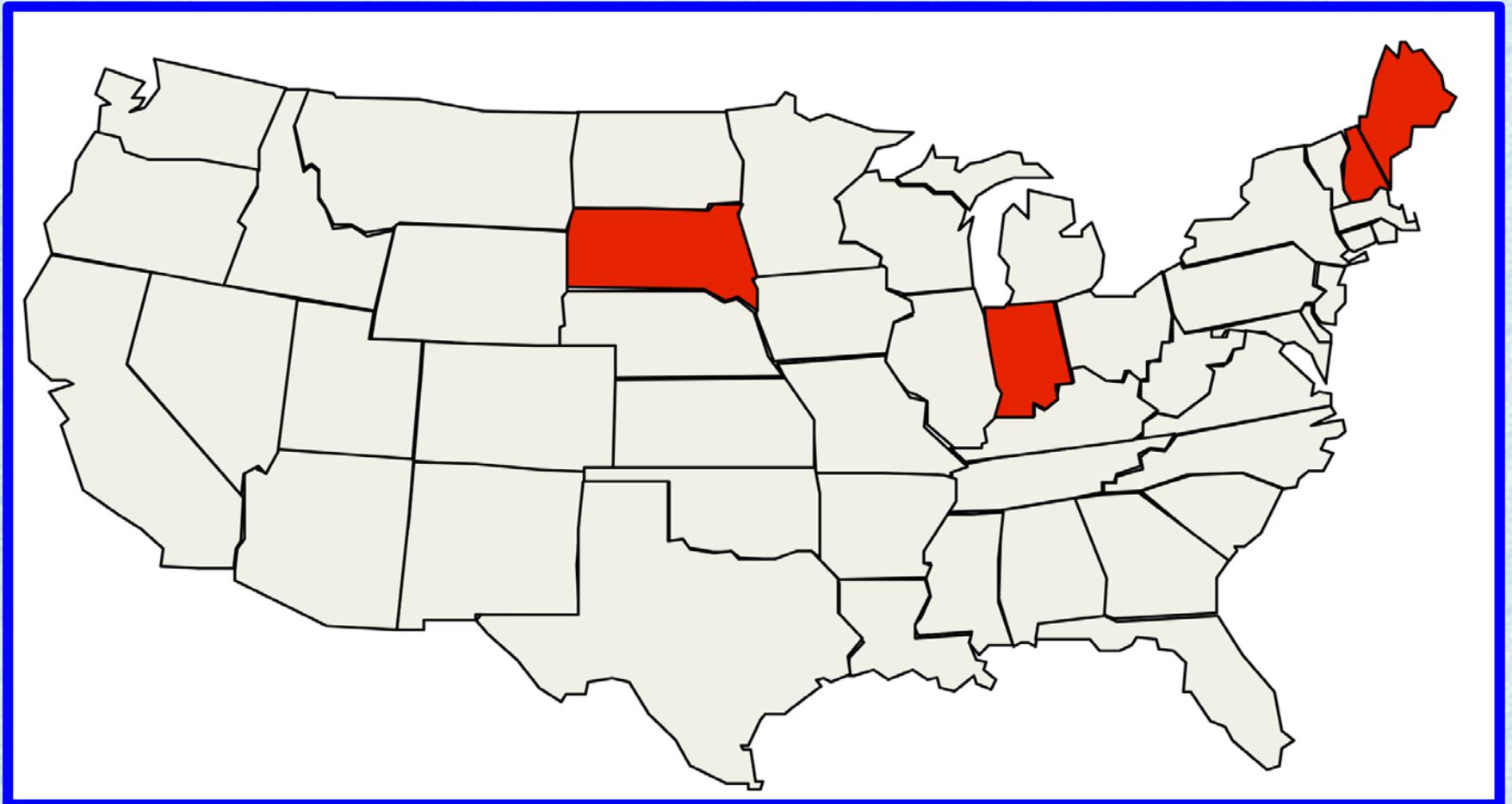
AMERICAN LEGISLATIVE EXCHANGE COUNCIL
ALEC

Minimum wage laws “represent an unfunded mandate on business by the government.” The free market “forces of supply and demand...are more capable than the government” of determining fair wages.

“We don’t think the government ought to be in the business of setting wages.”

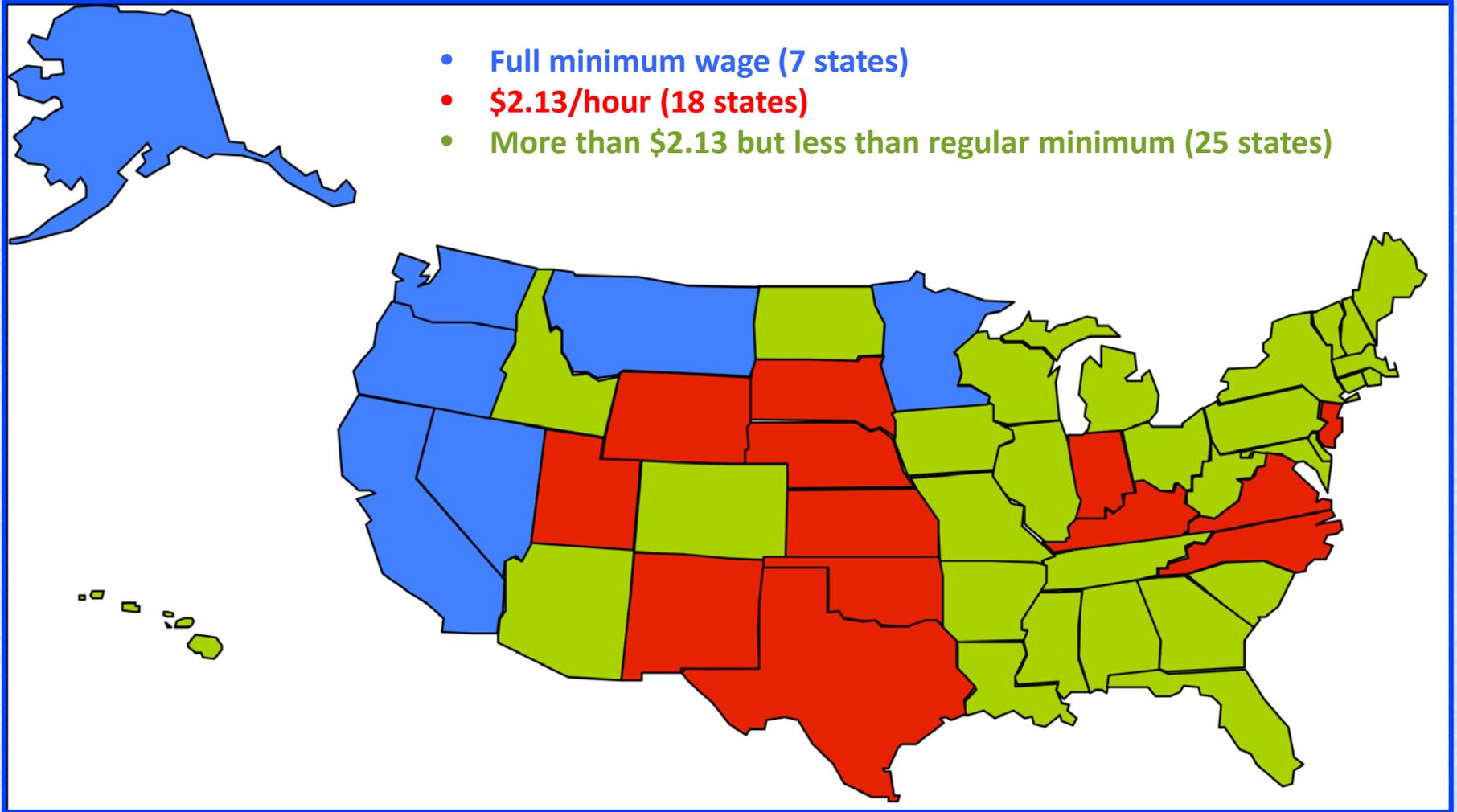


Laws passed undermining minimum wage, 2011-12

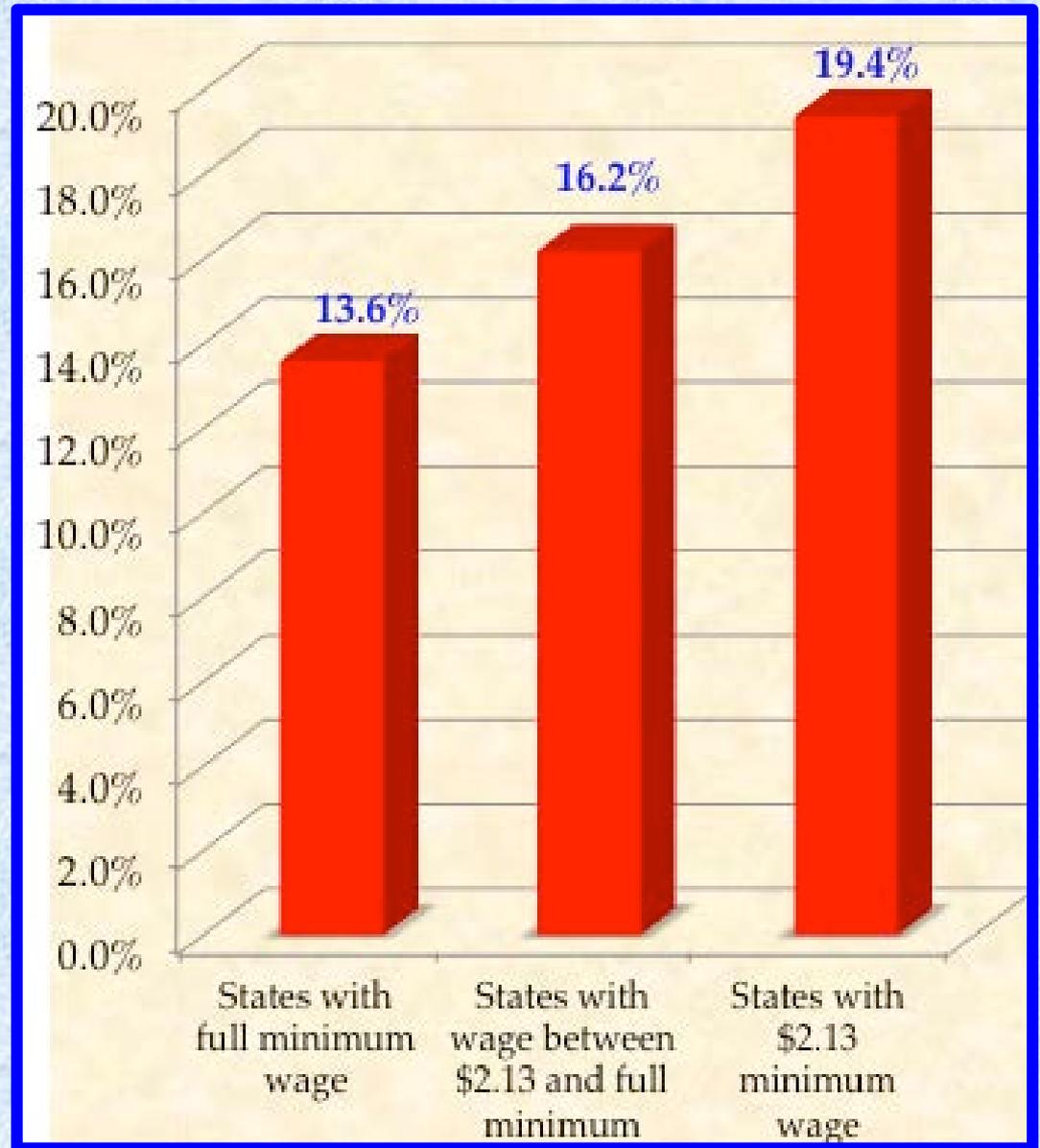


Minimum wage for waiters and waitresses, 2013

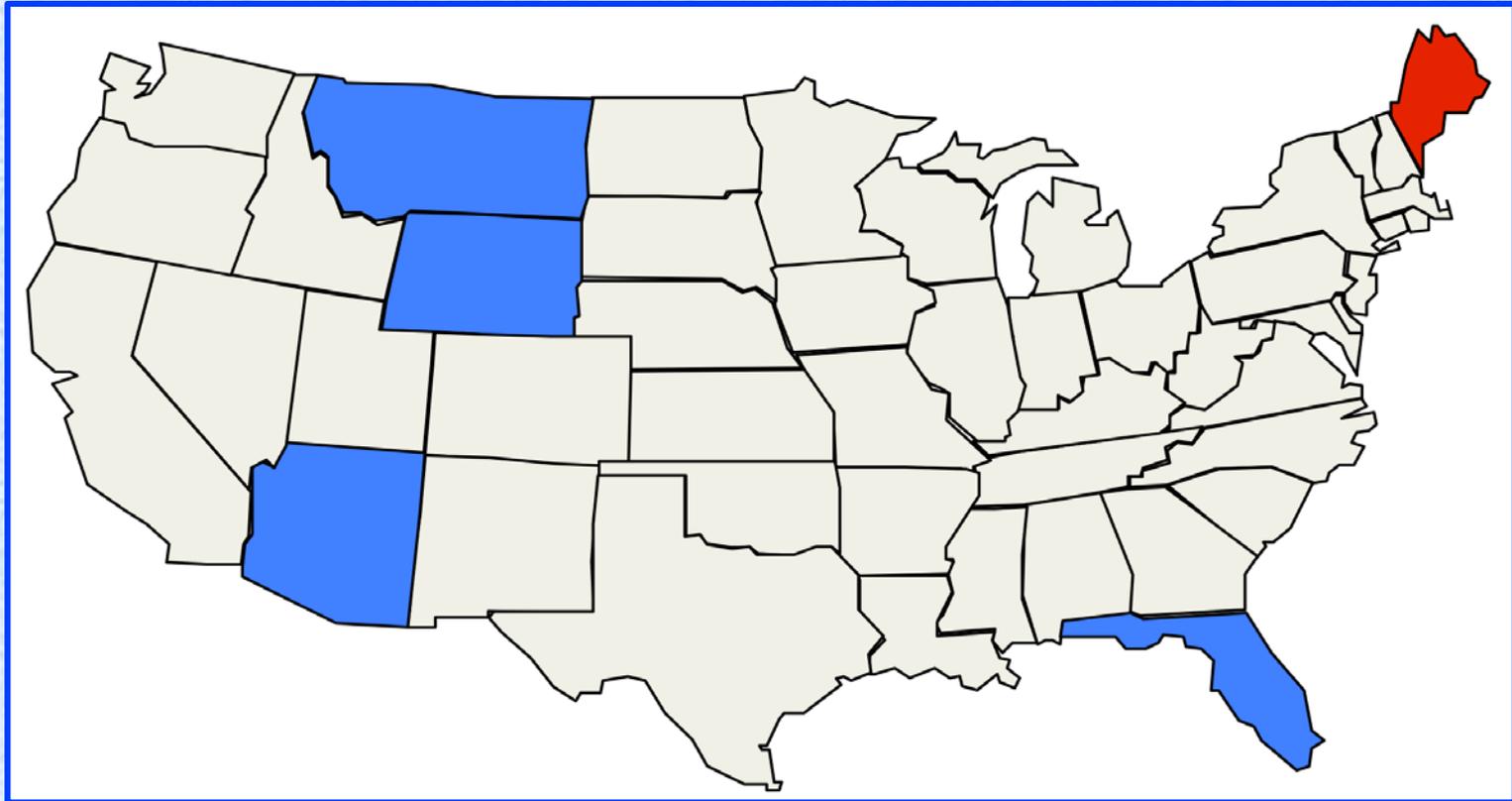
- Full minimum wage (7 states)
- \$2.13/hour (18 states)
- More than \$2.13 but less than regular minimum (25 states)



Poverty rates for wait staff are higher in states with low tipped wages.

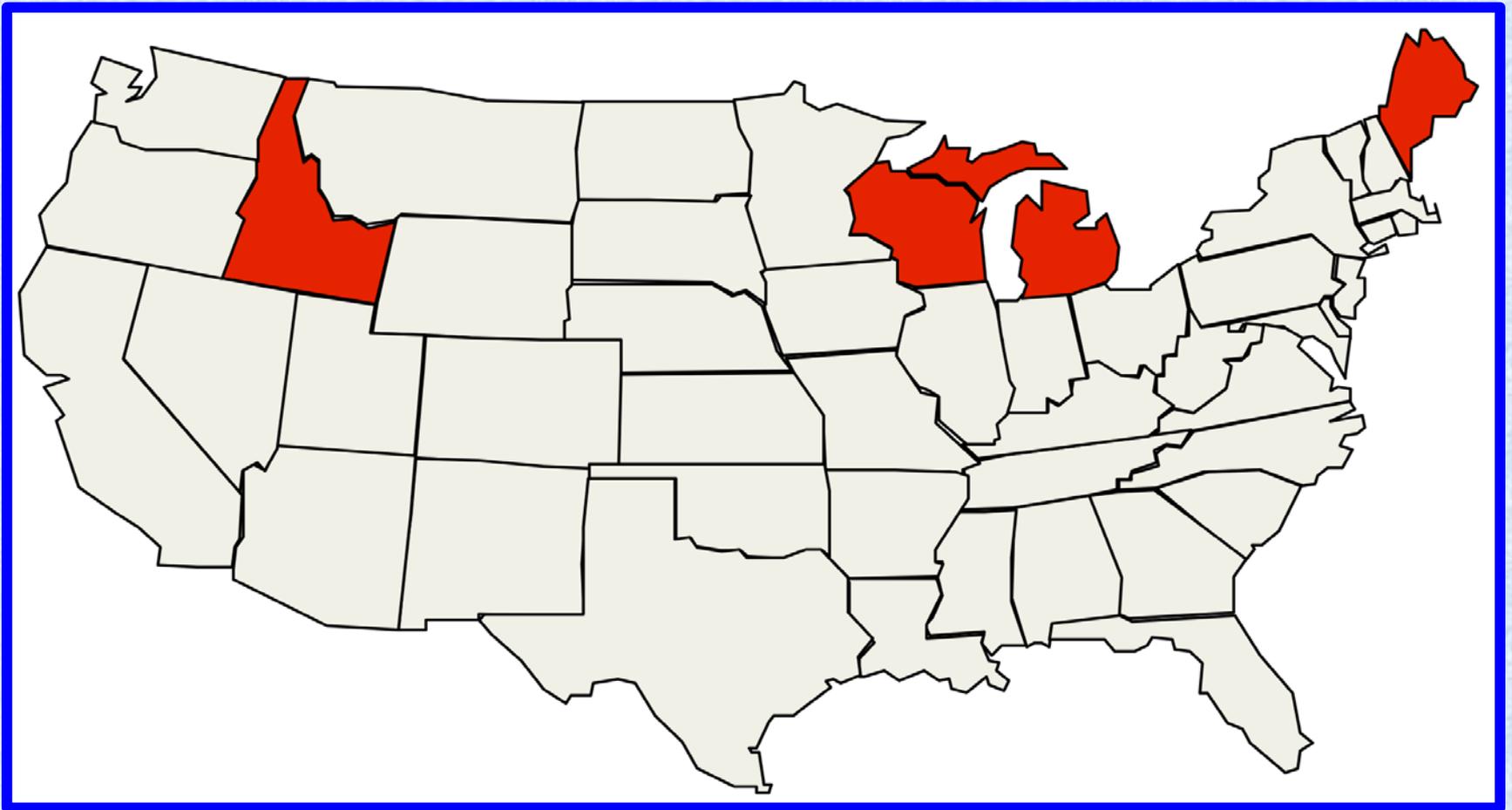


Corporate lobbies' efforts to lower wages of waiters and waitresses, 2011-12



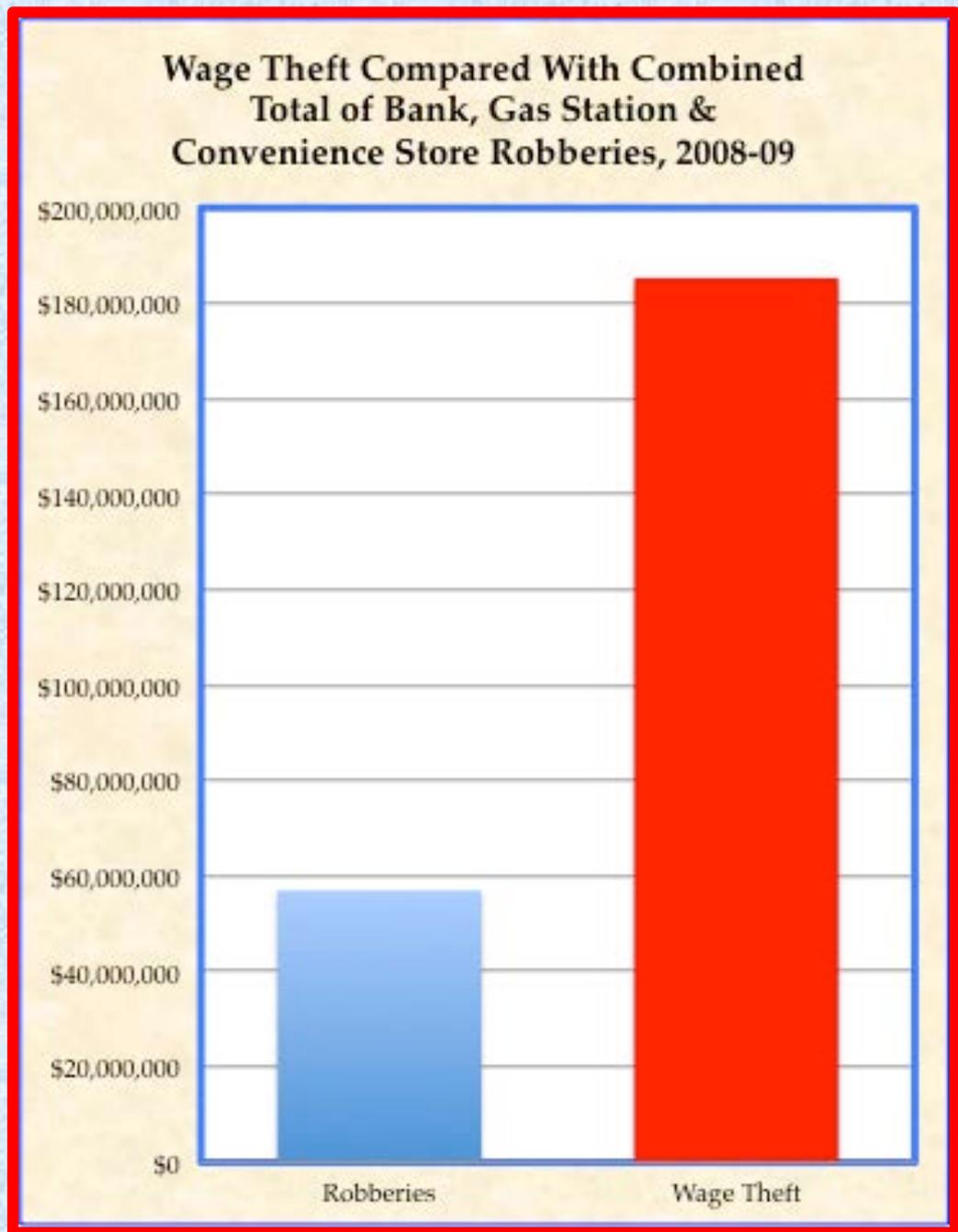
- **Enacted into law**
- **Proposals not adopted or (MT) vetoed by governor**

Expanding the use of child labor, 2011-12



WAGE THEFT:

More than twice as much money is stolen out of American workers' paychecks than is lost in all the bank, gas station and convenience store robberies combined.

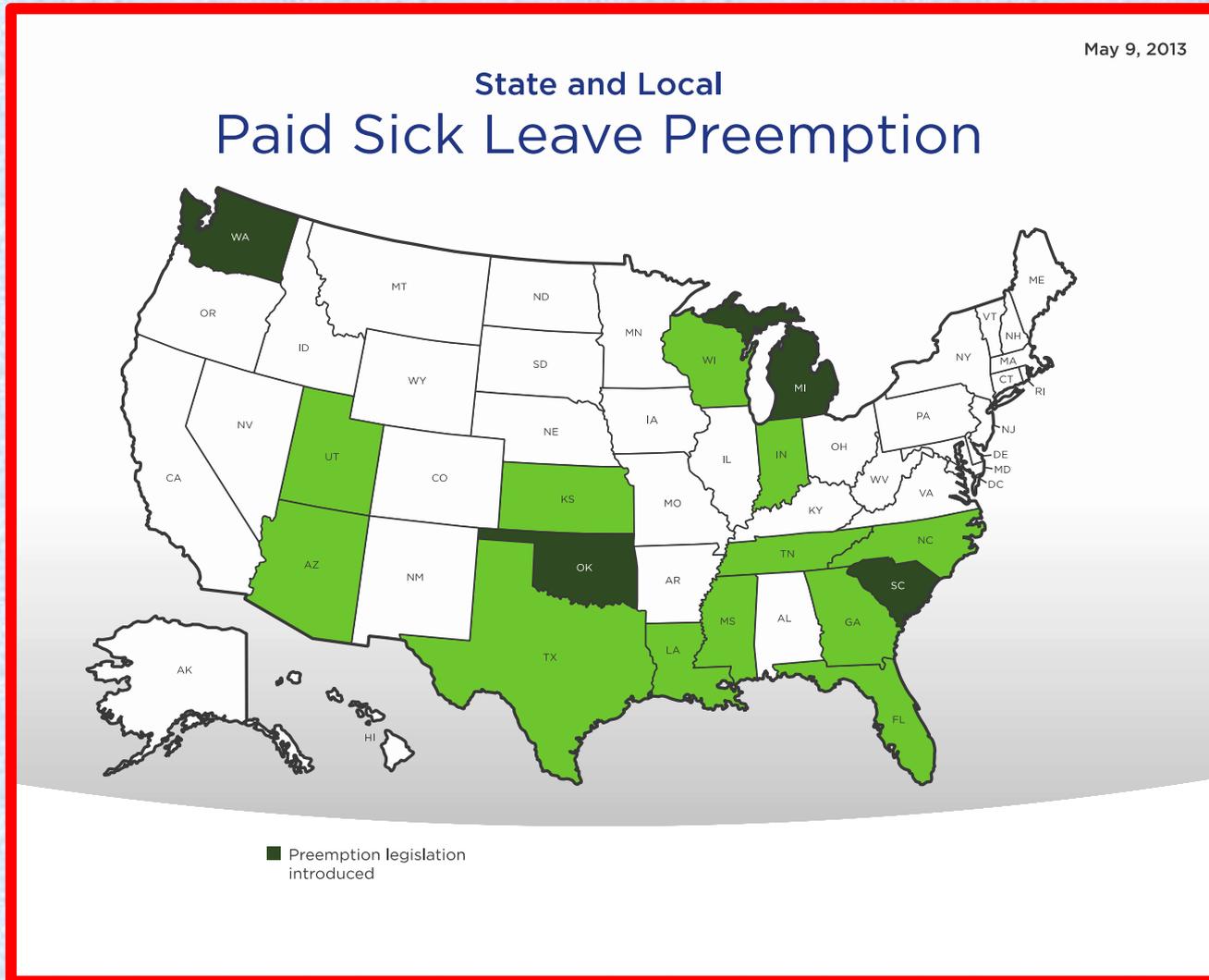


➤ 69% of registered voters support requiring employers to provide paid leave when employees or their kids are sick.

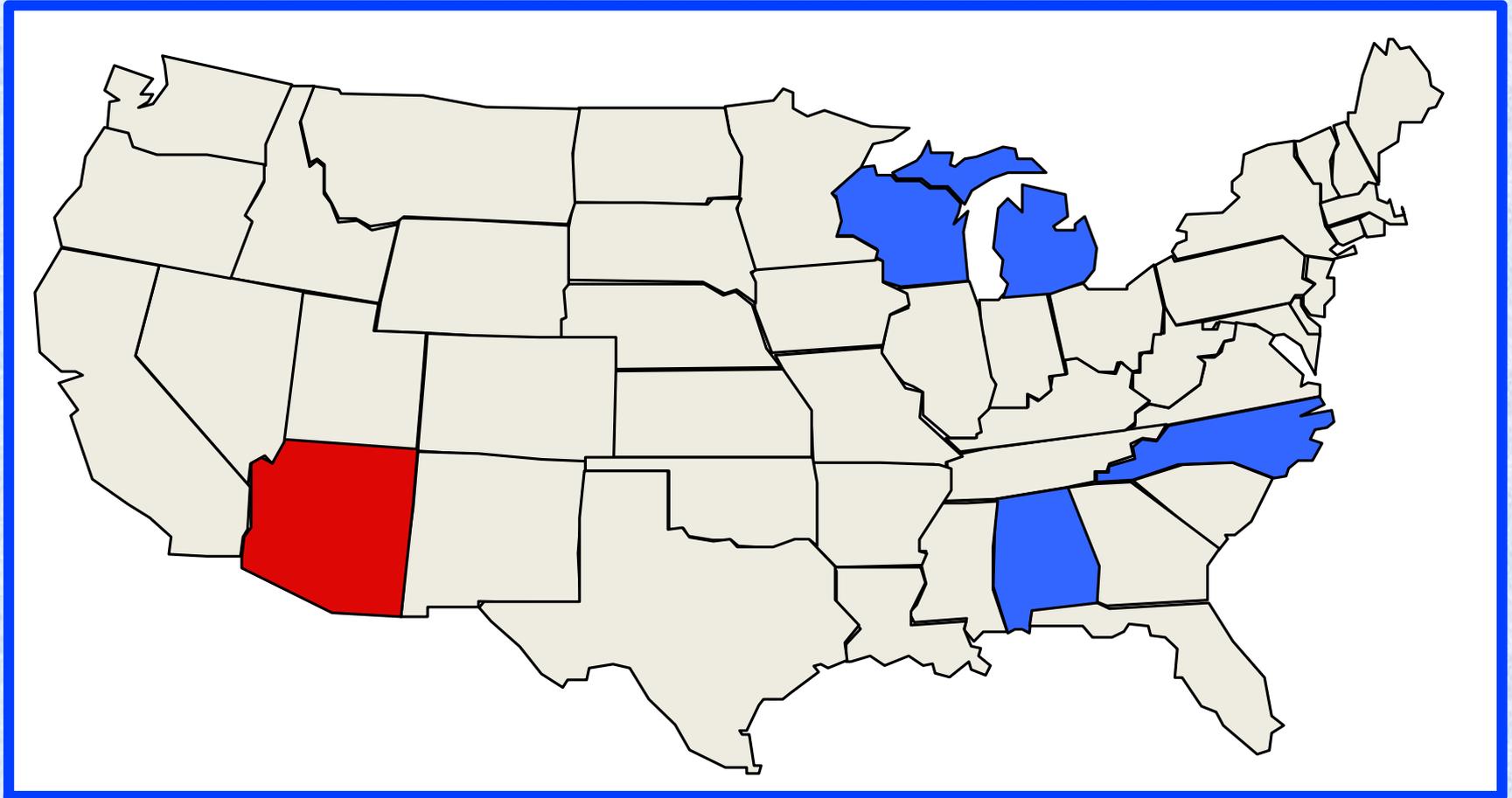
➤ 57% of Republicans support this.



Laws Prohibiting Local Votes on the Right to Sick Leave, 2011-13



“Paycheck Protection” laws and restrictions on union dues deductions, 2011-12



“Paycheck protection”

Prohibiting payroll deduction of union dues

Hopeful Signs

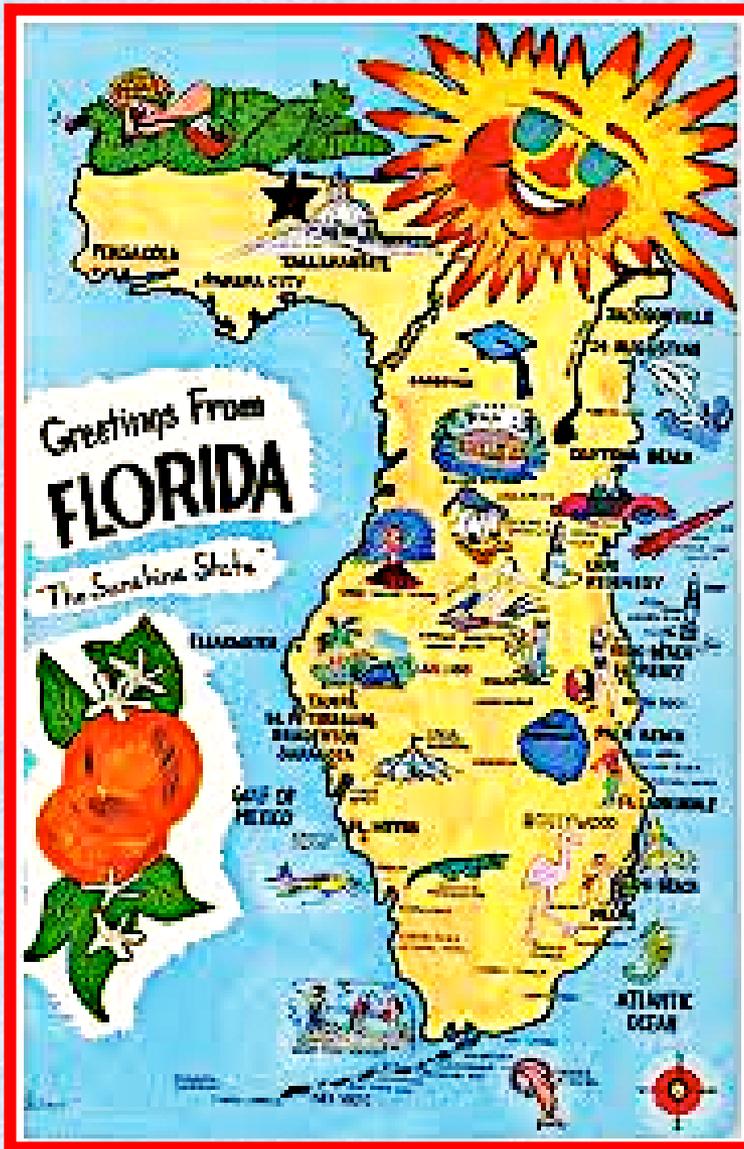
**recent polling and
ballot initiatives**

Conservative Populism 2012

MONTANA



- **55% for Romney**
- **75% to undo corporate personhood**



2010:

Voted 55-45 to reject Legislative proposal to loosen Constitutional caps on class size.

Legislature had voted 65% in favor of this proposal.



**Overtured laws
abolishing tenure;
tying teacher pay to
student test scores;
restricting
bargaining to wages
and benefits;
and requiring online
courses.**



- **58% of New Jersey voters support Chris Christie for reelection.**
- **65% support raising the state's minimum wage to \$8.25 and indexing it to the CPI – a proposal Christie vetoed and is now coming back as a ballot initiative.**