



Council 4 Statement on Budget Implementer and State Employees

June 29, 2015 -- The news media is reporting that General Assembly leadership and Gov. Malloy have reached a tentative budget agreement that assumes state employee concessions, in the form of a half percent reduction in raises, which would be negotiated for the 2016-17 fiscal year.

We have not agreed to any such reductions in wage increases nor have we had any discussions regarding this possibility. The proposal that has been put forward is a reduction in the “reserve for salary adjustment” line item in the budget.

Council 4’s member-led teams representing our state employee bargaining units are preparing to enter negotiations for successor agreements. In no way will a legislative decision to reduce the reserve for state employee salaries trump our authority. This line item reduction has no legal significance under the statutory factors guiding state negotiations and arbitration, and cannot be used as a tool to measure the employer’s ability to pay.

Obviously we are disappointed that a small number of legislators, both Republican and Democratic, continue to call for state employee concessions. They all need to remember that state employees are making a contribution towards solving this year’s budget problems – and have been all along.

In 2009 and in 2011, state employees sacrificed to help balance the budget and protect the critical public services upon which our communities depend; those sacrifices were permanent and ongoing. Three years of hard zero percent wage increases were not deferrals, and were not made up by later increases. Additional sacrifices have come in the form of changes in health care, retirement, and retiree health care, and have produced hundreds of millions in ongoing savings – and a roughly \$16 billion reduction in the state’s OPEB (Other Post Employment Benefits) liability.

All in all, the budget for the next two fiscal years includes \$2 billion in sacrifices by state employees – roughly 20% of the state payroll – dwarfing the sacrifice asked from any other group, especially those most able to pay, like the ultra-wealthy and big corporations.

Council 4 and our allies will continue the fight for a state budget built on the foundation of a fairer and more balanced revenue stream that asks more from the privileged and less from working families. We have made progress on that front – for example, this year’s budget raises taxes on the wealthy and big corporations – and we will have a complete report once the budget is finalized.

Thank you.