

## Setting the Record Straight

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**Last week Governor Rauner sent a letter to state employees that was rife with half-truths and outright falsehoods. You can fact-check his statements below:**

- Rauner: *Those negotiations have been robust...totaling over 300 different proposals.*

**FACT:** It may be accurate to say that there were over 300 “different” proposals (depending on exactly how you count; our count is a little less). But here’s what the governor doesn’t say: Some 200 of those proposals came from the Rauner Administration, while only 65 came from the Union—and the overwhelming bulk of the Administration’s proposals were directed at wiping out vital job rights in the current contract.

- Rauner: *Nor could any employer, public or private, afford to continue our current practice of providing the platinum health plans at the price of silver plans.*

**FACT:** The governor’s not really correct in his use of ‘platinum’ and ‘silver’ here. But leave that aside—the more basic point is that in fact there are plenty of other employers that are continuing to offer plans comparable to what the State of Illinois currently provides. Illinois is currently in the mid-ranks when it comes to the health coverage states provide to their employees. A number of other states actually provide BETTER health care plans than Illinois—as do many units of local government. The Administration’s current proposal would move Illinois down to the bottom ranks of state health plans.

- Rauner: *AFSCME...has simply misled its members...We are not seeking to reduce any employee’s salary...We are not seeking to freeze compensation.*

**FACT:** All the information AFSCME has provided to members is factual, not misleading. The Union did not say the Administration’s proposals were to ‘reduce salary’, but rather that they would result in lower income or take-home pay because of the combination of wage/step freeze and higher health insurance premiums that the Administration is demanding. The Union never said that the Administration was seeking to ‘freeze compensation’, but rather to freeze wages and steps—which they are!

- Rauner: *Tightening our belts now is also the responsible approach...*

**FACT:** Rauner talks about tightening “our” belts, but fails to mention that he increased the salaries of his top staff by 36% more than their predecessors were paid.

- Rauner: *AFSCME also claims we are doubling health insurance premiums. That’s misleading at best. First off, we haven’t raised premiums at all this fiscal year. For next year, we’ll offer additional, less-costly plans...Only employees who choose the state’s expensive, platinum health plan [i.e. the current plan] will see twofold increases.*

**FACT:** Again, AFSCME’s information has all been factual. The governor makes a point of saying ‘we haven’t raised premiums at all this fiscal year’. But he fails to mention that they had a

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proposal on the bargaining table for many months to do just that—initially to raise them by 500%! In August they modified that proposal to be an increase of 100%. It wasn't until December, when it became very clear they could not implement massive health care changes in the current fiscal year that they agreed to maintain the status quo for this fiscal year. When AFSCME has talked about the Administration's plan to double premiums, we've included the fact that this increase would pertain only to those who want to keep the health plan they have. However, unlike the governor who only gives half the picture when he says the Administration will offer 'less costly plans' next year—we've also pointed out that those plans with 'less costly' premiums he talks about will have much higher out-of-pocket costs than the current plans.

- Rauner: *AFSCME...proposed a more expensive, luxury health insurance plan at the same employer subsidy.*

**FACT:** AFSCME proposed continuing the current employee health care plan. Does anyone really believe it's a "luxury" health plan? The Union did not propose reducing a single employee contribution for premiums, co-pays, etc—or propose that the Employer pay a greater share of the cost. The only changes the Union proposed were to the Vision Plan (better benefit for frames) and the Dental Plan (oral surgery to be covered under medical and allow for adult orthodontia coverage.) Subsequently, the Union modified its proposal to include modest increases in what employees pay toward premiums and deductibles.

- Rauner: *AFSCME leadership told us they would never accept a system of bonuses awarded to employees for exceptional performance.*

**FACT:** AFSCME argued that the 2% of payroll that the Administration was prepared to spend on employee compensation in the form of bonuses should be fairly distributed to all employees, rather than being restricted only to employees who meet some as-yet-unidentified "exceptional performance" criteria. We took this position because the record demonstrates that so-called "merit" pay quickly becomes corroded by favoritism, cronyism, and politics. Moreover the Union pointed out the difficulty of determining what would constitute 'exceptional performance' for most state jobs, where employees have to go the extra mile every day just to get the job done. The Administration was unable to give a single example of what 'exceptional performance' might be for titles such as Correctional Officer or Child Protective Investigator, but made clear that the Employer would solely determine the criteria and employees who were passed over would have no appeal rights.

- Rauner: *When we refused these proposals, they did not return to the table but filed SB 1229...That move was...a terrible waste of critical bargaining time...*

**FACT:** It is a complete falsehood to say that AFSCME 'did not return to the table' when SB 1229 was introduced. AFSCME has worked with all diligence with the Administration's representatives to schedule as many bargaining dates as feasible throughout the bargaining

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process. SB 1229 was introduced in the General Assembly in late May and was in contention until early September when the General Assembly failed to override Rauner's veto of this legislation, which sought to provide an alternative path to a contract settlement. During that time frame, some 21 days of bargaining occurred. No time was wasted. What was wasted—because of the governor's veto of this constructive legislation—was an opportunity to resolve outstanding contract disputes in a fair and rational manner.

- Rauner: *We made a number of key concessions...AFSCME, on the other hand, continued to demand across-the-board wage and step increases...They still seek more expensive platinum [health care] plans...*

**FACT:** The Rauner Administration has never budged from Day One on its demand for a four-year wage and step freeze. AFSCME has modified our original wage proposal—and withdrew a proposal for a wage increase in the first year of the contract, accepting (in modified form) the Employer's bonus proposal.

- Rauner: *Last Friday when negotiations broke down, the very last words from AFSCME's chief negotiator were, "I have nothing else to say and am not interested in hearing what you have to say at this point—carry that message back to your principals."*

**FACT:** Negotiations did not "break down" last Friday. The Rauner Administration broke off negotiations by declaring impasse at that time. The quote from Roberta Lynch (chief negotiator) above is typical of the way that the Administration is putting forward either very poorly taken, or doctored, bargaining notes. The statement quoted actually came after the Administration had declared impasse and the Union had stated that the parties were not at impasse. As cited it conveniently leaves out the message that Roberta said should be taken back, which was "The Union does not believe these negotiations are at impasse and we're prepared to continue to bargain." Or take another example that the governor's office put out in the press—their notes purporting to show that Roberta said 'people who came up with this [merit pay] ought to go to...prison.' What she actually said was that it wasn't fair to leave out 75% of employees from getting a bonus, given the difficult jobs that employees do—and that whoever came up with that idea should try going and actually working in a prison so they'd know how hard the job is.

- Rauner: *In the first year of the contract, they demanded a \$1000 pensionable stipend...[which] would basically be the same thing as a 2% wage increase.*

**FACT:** The Administration proposed a \$1000 bonus in the first year of the contract, but they wanted to deny it to employees who had to miss work due to illness. The Union accepted the proposal for a \$1000 bonus, but rejected the limitation on who could receive it. The Union also said, because we doubted it would be constitutional to make the bonus non-pensionable, we

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were proposing that it be pensionable. The Administration never responded to the Union's counter proposal at all—offering no evidence that it would be constitutional to make the bonus non-pensionable nor providing any evidence that it equated to a 2% pay increase, a claim which AFSCME's research--and basic math--do not substantiate.

- Rauner: [Referencing the tolling agreement:] *It is the only agreement, in fact, we could reach in 12 months.*

**FACT:** In fact, the parties have already reached agreement on more than two dozen issues at the bargaining table.

- Rauner: *The Labor Board is fair...We will respect the decision of the Board...*

**FACT:** Rauner appointed a majority of members of the Labor Board. There have been few disputes that have reached the Board since he took office, but in a recent case regarding an issue related to contract negotiations, the Board hastily rushed a decision and completely upheld the Administration's position. Moreover, while Rauner says he will respect the decision of his Labor Board, he makes no mention of the Appellate Court which has review of any Labor Board decision and which is not appointed by him but elected by the voters.

- Rauner: *AFSCME has no intention of ever reaching a deal at the table.*

**FACT:** AFSCME has done everything possible to reach a settlement—and we've made very clear that we're prepared to continue to work to do so. Rather it is the Rauner Administration – beginning with their 200+ proposals to take away hard-won rights and reduce employees' standard of living—that has been bent on confrontation and conflict from the outset.

- Rauner: *AFSCME could simply submit our proposed contract to its members for a vote...Many of the other 17 bargaining units ratified the materially same agreement by over 80%.*

**FACT:** AFSCME members are always the final decision-makers in any contract negotiation. When the AFSCME Bargaining Committee believes it has reached the best possible tentative agreement, it will bring that agreement to the members for a vote. In the meantime, the Union is in the process of scheduling meetings for all members to discuss where we stand in bargaining. However, it's important to note that it is not at all accurate to say that the other bargaining units ratified the "materially same agreement" as is being offered to AFSCME members. The Teamsters' agreements provide far more generous health insurance terms—while the 'building trades' agreements do not include a wage freeze.