

Local 6000, Local 236, MCAA & MPSEA Position on Wage Equity

October 2, 2020

Dear CER Members:

Please accept this letter as the position paper of the Coalition of General Municipal Employees (Local 6000, MCAA, Local 236 and MPSEA) (the "Coalition") for the 2021 meet and confer process. MGO 33.10(4)(c). One of your duties is to make recommendations relating to "proposed changes...related to pay...hours of work and conditions of employment, including the amount of any general salary increase." The Coalition presents to you one joint issue that remains unresolved:

The matter of wages for general municipal employees in 2021 and the need to achieve wage equity across all employee groups.

The Coalition is asking the Committee on Employee Relations to recommend to the Common Council a concrete plan for wage equity.

As of January 2021, the Coalition and City Labor Relations Staff agree that the employees in our Coalition will have fallen 6% behind the other City employee groups (police and fire) in our wage progression. The employees in the compensation groups represented by Local 6000, will have fallen an additional .7% behind. This is a significant gap in wages across employee groups and the largest gap that we are aware of since 1995 when the City started tracking this. (See attached City HR table.) While the City and the Associations disagree over exactly how we got to be 6% behind (the Coalition believes we fell behind earlier than the City does) we all agree the net result as of January of 2021 is that the general employees will be 6% behind the police and fire employees.

Meet and Confer history:

Each year, the City and the Associations engage in a meet and confer process to discuss wages, benefits and other issues of concern for the next year. During this process for 2021, the City informed the associations that the budget for 2021 was very tight, there would be no room for any wage increase in 2021, but that we should propose a plan to achieve wage equity (i.e. close the 6% gap.) In direct response to this request, and in deference to the suggestion that the City could not afford any increase in 2021, the Coalition presented the following plan to the City:

1. 2021
 - a. Accept City's proposal to not increase wages due to fiscal uncertainty
2. 2022
 - a. Increase wages by 1.25% with retroactive equity pay to July 2019
 - b. Increase wages by 3.75% with retroactive equity pay to January 1, 2021
 - c. Increase wages by an agreed upon amount plus a "Me Too" clause
3. 2023
 - a. Increase wages by an agreed upon amount (3.25%) plus a "Me Too" clause
4. 2024
 - a. Increase wages by an agreed upon amount (3.25%) plus a "Me Too" clause

This was our good faith effort to accommodate the Administration's stated financial concerns for the immediate future, while ensuring that wage equity as the City recovers in the coming years. The proposed "me too" provisions are a tool that the City has used successfully to ensure continued wage equity.

City HR responded that there was no money in the 2021 Operating Budget for any wage increase and offered no alternative proposal (even in the out years of 2022 and beyond) to achieve wage equity. Working under the Meet and Confer process in previous years, there has been significant discussion and collaboration to achieve consensus between the Coalition and City HR, *before* the Mayor presents their Operating Budget. This felt like an extreme departure from that process.

Coalition's reasons for taking this to the CER:

1. Timing. In all of the years since general employee collective bargaining, the administration and the associations have been able to cooperatively reach consensus on wages before the Executive Operating Budget is announced. The mayor typically built the consensual wage increase from the meet and confer process into the executive operating budget. This way, employees gained some level of comfort and assurance regarding their wage outlook for the next year, before budget deliberations began, and the administration and associations jointly advocated to the Council for the wage increase proposed by the executive.

This year, that process fell apart and we are entering a very uncertain budget deliberations with no assurances from the administration. We believe this represents a failure of the process and a place where the CER can intervene by making a concrete recommendation for wage equity within a reasonable period

Also in the past, the timing of this decision would coincide with news from the State regarding health insurance premiums. The assurance of a modest wage boost to offset increasing health insurance premiums or prescription drug prices would provide some comfort as well.

This year – we are entering the operating budget deliberations with no wage increase, nothing to offset health insurance premium increases (\$12/month for a family with Quartz and \$60/month for family with Dean and \$100 for UW Community) and no assurance at all from the administration for any future repair of our wage inequity.

This is why the Coalition is requesting the CER to recommend a plan to close the 6% gap in our wages in the immediate future.

2. Economic hardship.

The 6% gap for the City's general employees is unprecedented. It represents a decline in the earning power and living conditions for all of the approximately 1,800 employees who we represent. It will result in significantly reduced spending power for employees who pour their earnings back into the local economy. For the lowest paid employees in the City of Madison, this 6% can mean having food on the table, a warm home this winter, and health insurance bills paid. And this wage gap was not caused by the Covid-19 pandemic and resulting economic downturn – it pre-dated the pandemic.

3. Consistency

As you know, it has been a top priority and promise of the City to its employees that wage increases would be provided equally to all associations. Traditionally, non-represented employees have always been offered the same cost of living increase as represented employees. When our associations were permitted to bargain, for better or worse, the starting point was always set by units that settled their contracts first. The unit that set the bar varied from year to year, but the end result has always been an attempt at equity across the board. That process has also been broken this year. Police and Fire have contracts for 2021 with 3.75% raises, and the Teamsters recently settled for 2.5% raise on July 1 of 2021

While we fully appreciate that the City's finances may be limited in the coming year, this extreme departure from the commitment to treat the City's employees fairly should not end with a simple "no."

4. Priorities.

As we all know, there is always room within an operating budget to prioritize certain expenditures over others. While the Coalition was prepared to talk about a multi-year plan to achieve wage equity over time, we are also not convinced that it would be impossible to offer the employees a modest wage increase at some point during 2021.

Requested Remedy:

The Coalition is requesting that the Committee on Employee Relations recommend to the Common Council, in connection with the 2021 operating budget approval process, a plan that achieves wage equity by the close of 2023.

City Staff, who provide good and valuable service to the City and its taxpayers, deserve pay equity. As we have all been reminded of these last few months, EVERY City employee is essential, and we all should be compensated as such.

Because this letter is due by October 2 and the Mayor's Executive Operating Budget will not be released until October 6, we reserve the right to update our position in this letter after the budget is released.

Further, each association may have association-specific items that they will bring to the CER in separate position papers. This paper is presented on behalf of the Coalition in support of our joint request for wage equity.

Sincerely,

Gregg Gotzian, Local 6000 President
Neil Rainford, AFSCME 32, for Local 6000
Michael O'Brien, Local 236 Business Manager
Dan Rolfs, MPSEA President
Lara Mainella, MCAA President