AFSCME (PCT) BARGAINING UPDATE #14  
(March 27, 2013)

For the past nine months, the University of California has worked hard to reach a fair contract with the American Federation of State, County and Municipal Employees (AFSCME) for UC patient care technical employees. Recent negotiations have included assistance from a state mediator and a neutral fact-finder.

UC has been bargaining in good faith, and is disappointed an agreement has not been reached.

The key sticking points are economic issues, namely wages, health benefits and retirement benefit reforms.

As has been previously communicated, for the past several years UC has been implementing several changes to its post-employment benefits to make them more financially sustainable.

- In 2010, after more than a year of careful study and consultation with the UC community, UC adopted several changes to reduce a $24 billion unfunded liability to its pension and retiree health programs while still preserving attractive retirement benefits for employees.

- The measures include increased pension contribution rates for both UC and employees; slightly modified pension benefits for employees hired after July 1, 2013; and new eligibility rules for retiree health benefits.

- Unions acting on the behalf of 14 different bargaining units have agreed to these reforms.

AFSCME has not. The union has not only rejected these reasonable changes, but also has refused to acknowledge that substantive reform of the university’s pension plan is necessary when it comes to future hires. The university has presented multiple proposals in a good-faith effort to move negotiations forward. AFSCME has offered no alternatives and instead demands wage increases.

AFSCME has stated its members should pay less in pension contributions than their UC colleagues. This is a position that UC feels is unfair to other employees and does not make economic sense.

As a public employer, UC has an obligation to the public to responsibly manage its pension benefits. The university regrets that AFSCME, union representing public employees, has opposed UC’s efforts, rather than support them.
The university has repeatedly informed AFSCME of UC’s position that economic issues — wages, health and retirement benefits — must be considered comprehensively as part of a total economic package. AFSCME’s rejection of UC’s retirement proposals without offering any alternatives has made bargaining over the other economic issues that much more difficult.

UC appreciates the talent and skill its employees bring every day. It works hard to be a good employer — to provide wages and benefits that recognize and reward these efforts, and a good work environment. AFSCME members have received regular pay increases the last three years.

We will continue to update you on the status of contract talks in the weeks ahead. For more information on these negotiations, go to http://ucal.us/PatientCareTechs