Update on UC and AFSCME-Patient Care Technical Bargaining; and Union’s Plans for a Strike Authorization Vote

This is an update on contract negotiations between the university and the American Federation of State, County and Municipal Employees (AFSCME); and information about the union’s announced plans for a strike authorization vote later this month.

It is very important you hear about the key issues blocking an agreement, and the medical center’s position on striking, especially when it has the potential of endangering patient care. It is also important you stay informed about these issues and make sure you have all the facts when you are asked to vote to authorize a strike.

UC’s wages and benefits proposal

Since June 2012, UC has bargained in good faith to reach a fair and competitive contract for you and your patient care colleagues. We have proposed a four-year contract that offers stability and certainty by providing employees:

- 1.5 percent annual wage increase, plus 2 percent annual step increase for employees who are eligible for skill- and experience-based steps. These increases are in addition to at least 5 percent increases that patient care employees received in each of the last two years, a time when many other employees received smaller increases or no increases.
- excellent health care benefits for you and your family
- quality pension and retiree health benefits that few public or private organizations nationwide offer

The key issue: Pension Reform

The key issue in our negotiations with AFSCME is the union’s objection to any changes to UC’s pension program. These reforms include:

- Increased contributions toward the cost of pension benefits from both UC and employees (currently 10 and 5 percent respectively, increasing to 12 and 6.5 percent respectively July 1, 2013).
- A new category (“tier”) of pension benefits for employees hired on or after July 1, 2013
- Revised eligibility rules for retiree health benefits
This is not unique to UC. The state of California and major cities are also adjusting their retirement programs. The substantive reforms UC has enacted will help address a $24 billion unfunded liability to its retirement programs, and allow the university to continue offering pension benefits that recognize our employees’ service and are also financially sustainable over the long term.

UC’s reforms already apply to faculty and staff hired on or after July 1, 2013. Eight UC unions representing 14 bargaining units have agreed to these reforms. UC’s pension reforms are also similar to what has been implemented for state employees, some of whom are represented by AFSCME.

UC has even offered AFSCME alternative pension reform options in order to move discussions forward.

Thus far, AFSCME has not accepted any of UC’s pension proposals. Nor has the union offered alternatives of its own. AFSCME is demanding patient care employees pay less than other UC employees for the same benefits, which is fundamentally unfair.

**Threatening a strike**
By encouraging a possible strike among patient care employees, AFSCME leadership is attempting to use patient care as a tool in contract negotiations, and potentially endangering public health and our patients, which we see as completely inappropriate. Patients are not bargaining chips.

Striking is very serious, especially when it has the potential to disrupt patient care and services to students. State law requires that strikes be considered only as a last resort after all other options have been exhausted. UC does not believe that AFSCME leadership has, in good faith, explored all options.

**Collaboration needed for an agreement**
As it has for nearly the past year, UC will continue to be open to compromise and do what it can on its side of the negotiating table to reach a fair and financially responsible contract for employees. But UC cannot do it alone. AFSCME leaders must engage in a substantive way.

For more information about UC’s post-employment benefits changes and recent contract negotiations, please visit the following websites:

- Facts about UC Post-Employment Benefits: [http://ucrpfuture.universityofcalifornia.edu](http://ucrpfuture.universityofcalifornia.edu)
- Facts about UC-AFSCME patient care negotiations: [http://ucal.us/PatientCareTechs](http://ucal.us/PatientCareTechs)

We appreciate the talent and skill you bring to UC. We work hard to reward your efforts with a competitive economic package and benefits not found at many other organizations including a traditional pension, quality health insurance and genuine work-life balance.

Thank you for all you do at UC Davis Health System.