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UNION UPDATE

LOCAL 1000
SEIU
Stronger Together

Retirement Security

All workers deserve a secure retirement



Averting the private sector retirement time bomb

By Yvonne R. Walker
Local 1000 President

The real retirement funding crisis in America is not among public employees. It is the millions of working people who face a grim alternative: retire in poverty or work as long as they live.

All working Americans should have an opportunity to spend their retired years living in dignity with a degree of economic security and certainty. However, millions of Americans who do not have a defined benefit pension and lack sufficient alternative savings will confront a dismal future.

Last fall, UC Berkeley researchers reported that unless things change, half of all Californians will spend their retirement years in poverty. This looming crisis is a result of the loss of housing equity, inadequacies in Social Security and personal savings, and the erosion of traditional pensions in the private sector. There's no sign that this picture will change even as the economy picks up. Nearly 75 percent of Californians worry that they will not have enough savings for retirement, according to recent polls. An estimated 6.7 million Californians work at jobs with no retirement plan.

The real problem is not that some people have too generous a pension; it's too many people face poverty in retirement.

Pessimism among workers is on the rise. A woman in Riverside told researchers "I just hope that I'm healthy enough to work until I die. That's not being morbid. That's reality. Retiring at 62 or 65 is gone."

Local 1000 has long supported cracking down on pension abuses, and we have agreed to pay more to keep CalPERS healthy. There is a myth that public employee pensions are responsible for the current recession; but that lie merely deflects blame from the true culprits – speculating banks and investment firms that broke the rules they couldn't rewrite and then received taxpayer bailouts.

Many of these same Wall Street players have supported the private sector's move away from defined benefit pensions to 401(k) plans, which lost much of their value in the recent recession.

Nationwide retirement discussion

We are seeing the beginning of a national discussion on private sector retirement security. In California, three senators proposed SB 1234, which would help private sector workers save money for retirement through a new state agency modeled after CalPERS. In Oregon, the legislature has held hearings on the topic. We don't have all the answers yet, but it is important that we push our political leaders—in California and nationally—to seriously address this issue.

SEIU members taking action

Local 1000 is joining with other SEIU locals to put retirement security on the national agenda. While our members enjoy the security of CalPERS, many of our friends and family are not so fortunate. Many workers joined state service after seeing the 401(k) retirement savings from a previous employer decimated in the recession. We are collecting stories from our members about retirement security on our website: seiu1000.org

As part of our campaign, on March 16 we will distribute fliers that highlight the disparity in Social Security payroll taxes. Since Americans only pay Social Security payroll taxes on the first \$110,000 of wages each year, the richest 1 percent – those who make more than \$506,000 a year – effectively pay no Social Security taxes after March 16. (Dividends and investment income is not subject to Social Security taxes). If the wealthiest 1 percent paid Social Security taxes for all their income, more money would be available for those seniors who survive only on Social Security.

Join me in fighting for a secure retirement for all.

For more information on our fight for retirement security, go to seiu1000.org

CDCR: Local 1000's 3-year plan to lead the way with members

Members organize to meet realignment challenges & plan for the future of corrections

Local 1000 has begun a three-year program to help workers in the state's largest agency, the California Department of Corrections and Rehabilitation (CDCR), assert their rights and adapt to a myriad of changes brought on by the federal courts, the budget crisis and policy shifts at the Capitol.

Local 1000 represents 16,000 employees at CDCR—more than any other agency. After decades of growth, CDCR has begun changing rapidly in the past few years, as the number of prisoners declines under federal court pressure and oversight of parolees is transferred to counties. The Division of Juvenile Justice (DJJ) continues to shrink and faces possible elimination because of an ill-conceived policy shift that would require counties to house even the most violent youthful offenders.

Best possible outcome for members

"Our goal is to ensure that California's families are safe because the state has the best possible correctional system—a system that works for our members and the general public," said Margarita Maldonado, vice president for bargaining. "In



"We need to take our best ideas from the workplace directly to the Capitol."

—Tony Narvais
CDCR Educator

order to accomplish this, we need to build an effective, lasting member infrastructure in CDCR and DJJ and establish Local 1000 as a leading public policy voice in determining the future direction of California's prison system."

"Lots of people are weighing in on what they think California should do with the prisons, but they need to listen to our members—the men and women who are on the front lines of corrections every day. You are the experts," Maldonado said.

The new campaign was kicked off March 1 at a Sacramento meeting attended by about 50 members

and staff. Participants are fanning out to 200 prisons and correctional offices throughout the state to mobilize members and gather feedback.

Stronger member networks

"It's important that we strengthen our member-to-member networks all over the state so that Local 1000 has the most accurate and timely information for the people we represent" said Bob Kersch, an accounting technician at Correctional Training Facility in Soledad. "Up until now we've done a good job of being reactive to changes at CDCR. That is not enough—we need to be proactive."

Much of the work also needs to be done in Sacramento, too. "We need to work with the state Legislature and with the governor about the future of corrections in this state," said Tony Narvais, a teacher at Ironwood State Prison. "We need to take our best ideas from the workplace directly to the Capitol."

The story of Fred Cragwick illustrates the challenges faced by many CDCR members and the need for Local 1000 to adapt to changes in corrections.

"I've worked at three different juvenile facilities since 2010, moving from Chino to Lone to Stockton," said Cragwick, who currently teaches math at N.A. Chaderjian Youth Correctional Facility. "I've been on the move a lot—and I'm glad my union is here to help me."

UNION INFORMATION

Resource Center

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7 a.m. to 7 p.m.
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