

Our Elected Officials Must Take Action Based Upon FACTS - Not Sound Bites!

“A huge part of state spending goes to wages, benefits and pensions. Our employee policies must reflect the real world. Our current pension and benefit system simply is not sustainable and it will have to be re-tooled.” Senator Steve Sweeney, 1/11/2010

“I will increase fairness and reduce costs . . . by closing defined benefit plans for new state employees, and replacing them with defined contribution plans.” Chris Christie, Gubernatorial Campaign



I. The state workforce and direct state services are a small part of the \$29 billion budget

About one-fifth (20.7%), or \$6.1 billion, is spent on direct state services (“DSS”) employing state workers. And of this, \$3 billion is for salaries and \$1.1 billion for benefits. **The \$4.1 billion spent on wage and benefits is only 14% of the budget. Fewer than 1 in 7 of state budget dollars go to pay state workers.** ⁱ

II. State Worker wages do not exceed wages in the private sector.

- State doctors, lawyers, accountants, scientists, nurses and other professionals and supervisors of professionals earn less than similar titles in the private sector.
- State clerical workers, social workers, employment counselors, technicians, and other white collar workers earn wages that are competitive with similar private sector workers.
- The average New Jersey income per job in 2007 was \$59,210 (<http://www.ers.usda.gov/StateFacts/NJ.htm>). The average salary for State Workers in 1/1/2007 was \$57, 901. ⁱⁱ

III. State Workers have lesser benefits and pay more for them than New Jersey State Legislators, Judges, and other public workers.

- The average State Worker pension is less than \$25,000 after 30 years of service and State Workers contribute 5.5% of pay for that pension.
- Part time Legislators have better pension provisions than full time state workers.
- State workers contribute toward post retirement medical benefits and many other public workers do not.

IV. In fact, no group of public workers have sacrificed more than state workers. State workers have bargained responsibly and saved the State hundreds of millions of dollars.

- In 2007 state workers bargained a contract increasing their healthcare premiums to 1.5% pay in addition to co-pays and deductibles. They increased their pension contributions from 5% of pay to 5.5% of pay.
- **The Pension and Healthcare changes that were made will save \$800 million over 10 years.**
- In 2009, state workers negotiated a Memorandum of Agreement to defer a 3.5% pay increase for 18 months and to take 10 unpaid furlough days. Each furlough day reduces pay by .4% a year. This agreement saved the State \$400 million in FY 2010 and another \$100 million in FY 2011.
- State workers lost 2% of pay in FY 2008, 2% in FY 2009, 9.5% in FY 2010, and another 1.75% in FY 2011. Those cuts saved the New Jersey taxpayers over \$800 million at a time the State needed it most.

V. State workers wages and benefits do not contribute to the high cost of property taxes in New Jersey.

The significant sacrifices we have made help the State Budget and have saved public services and the jobs of our coworkers. But they have not helped lower property taxes because our wages and benefits aren't paid for by property taxes.

Return to your shop steward or fax to your Local

I'll Be There . . . to Lobby and Hold our Elected Officials Accountable!*

_____ I'll write a personal letter to my elected officials.

_____ I'll come to a Town Hall Meeting in my District, speak out and make sure my elected officials know the facts.

_____ I'll come to Lobby Day in Trenton.

_____ No matter what party they are a member of, I'll hold my elected officials accountable if they scapegoat State Workers.

Name: _____

Work phone #: _____ Home #: _____ Cell #: _____

Work email: _____ Home email: _____

ⁱ Office of Legislative Services -*Comparison of Budget Amounts*, p.C1, June 2009;

ⁱⁱ <http://www.state.nj.us/csc/publication/pdf/wf2007.pdf>

* Go here to find your Legislator: <http://www.njleg.state.nj.us/members/legsearch.asp>