



# SOLIDARITY

*In The Sunshine*

NEWSLETTER OF THE FLORIDA AFL-CIO

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## If It Ain't Broke...Don't Fix It!

Over the past few months, the rhetoric floating around capitol buildings, newspapers and television sets has worked to turn public servants into the villains responsible for the economic problems and budget woes of city, county and state governments across the nation. Rather than talking about the patchwork of high-end tax cuts, or the deregulation that let the banks go wild or trade policies driving hundreds of thousands of jobs overseas, they want to make public sector workers the scapegoats of our economic woes. This concerted campaign is also attempting to destroy the solidarity between the public and private workforce, in an effort to make both sectors of workers vilify the other. Public sector workers are being portrayed as the "haves" in a world of private sector "have-nots" with their supposed high wages and lavish benefit plans. These portrayals are, of course, completely false and belie the real reasons for the attacks...**raiding pensions and mass privatization of critical government services.** Corporations want more of the jobs that the public sector perform so they can earn a larger profit. They also have their eyes on the cash in the pension funds, hoping to force workers out of the safe and secure defined benefit programs and into 401Ks, so Wall Street fund managers can make millions from risky investments.

This war is also being waged in Florida. Our legislative leaders and the Governor have made no secret of the fact that they are considering radical changes to Florida's public pension system. While no legislation has been formally introduced, committee chairmen in both chambers have already conducted public hearings and made comments to the press regarding their desire to dramatically alter public sector pensions, bringing great uncertainty to thousands of public sector workers and their families about the future of what has been one of the most successful retirement systems in the country.

Unfortunately, and as should be expected, much of the public debate thus far has been characterized by inaccurate information and faulty assumptions about the relative strength of both Florida's Retirement System (FRS) and public pensions in general. In order to "clear the air" and begin this critical public discussion on a foundation of the best possible information available, the Florida AFL-CIO invited two leading experts on public sector pensions in Florida to a press conference that was held in Tallahassee on January 10<sup>th</sup>, to dispel many of the myths currently circulating about the system. Chad Little, A.S.A., E.A., a partner with Freiman and Little Actuaries and Ray Edmondson, CPPT, CEO of the Florida Public Pension Trustees Association addressed four of the dominant myths circulating about Florida's Public Pension systems.

**Myth: Florida's public pensions are underfunded and unsustainable.**

**Fact:** Florida's pensions are some of the strongest in the nation and almost all are well funded and sustainable. According to the Wall Street Journal in nearly 200 years of recorded stock-market history, no calendar decade has seen such a dismal performance as the 2000s. Yet, according to the 30th Annual Report on Florida's Local Government Retirement Systems, the 353 local plans in Florida that reported a funded percentage as of September 30, 2009 and/or October 1, 2009 had an average funded percentage of 76%. The Florida Retirement System reported a funded percentage of 87% as of July 1, 2009. In fact, if it were not for raids on the FRS fund over the past few years, it would be at or above 100% funded. The FRS generated a 12% return over the past year, much better than most 401k type plans for the same time period. These plans are actuarially sound and are performing well.

**Myth: Tax dollars used for public pensions are too high and hurting state and local governments.**

**Fact:** Tax dollar contributions are very low and in general represent a small fraction of operating budgets. According to a report by the National Association of State Retirement Administrators, the taxpayer contributions to retirement plans in Florida as a percentage of all state and local government spending as of 2008 was only 2.37%. The national average was only 2.89%. How can a program that accounts for less than 3% of the total budget be "breaking the bank?"

**Myth: Public sector workers have lavish pensions that far exceed those in the private sector.**

**Fact:** Public pensioners receive benefits either on par or below those in the private sector. Florida's workers do not



*Cont. on Page 2*

receive any type of lavish benefits. Recent studies indicate the average pensioner in FRS receives only \$16,845 and the average pensioner in municipal systems only receives \$23,854. This is not lavish and does not represent any type of sweetheart deal. Especially considering that most public sector workers earn less on average than their counterparts in the private sector.

**Myth: Public pensions hurt local economies.**

**Fact:** Pensions dollars are investments in communities and actually strengthen local economies by providing retirees with stable income and increased purchasing power. There are 1.8 million public sector workers in the state. Seventy-seven percent of those workers stay in Florida. Every dollar of these pensions generates \$1.41 in economic activity. What other type of investment can communities make that generates over a 40% return?

The debate over the FRS and other public sector pensions promises to dominate the upcoming legislative session. Unfortunately, many of the assumptions being made by lawmakers looking to radically change a well-performing system with numerous benefits to the state are based on faulty information. As this debate moves forward, the Florida AFL-CIO will continue to provide affiliates, lawmakers, the press and the public at large with the best possible information to ensure that any changes are made because they are needed and will provide a benefit to the people of Florida. This is an issue that must be addressed carefully, deliberately and with solid factual information. Political rhetoric, blanket ideological statements and questionable data should have no place in policy-making that has such wide-reaching and potentially disastrous consequences. For more information on how you can join in our unified efforts in the pension debate, please contact Joshua Anijar at [janijar@flafclcio.org](mailto:janijar@flafclcio.org).



### **Strategic Planning Meeting**

The Florida AFL-CIO is holding its **Strategic/Political Planning Meeting in Orlando the weekend of February 26-27, 2011, at the Lake Buena Vista Palace, 1900 Buena Vista Drive, Orlando, FL., 32830.** We are counting on the participation of all affiliates in updating the State Federation plan through working to encompass the Strategic Goals of CLC's and Zones while expanding the Strategic Plan to include the 2012 Political plan. As the Florida Labor movement engages in year round membership mobilization on legislative and political issues it becomes more important to meld these two plans into one seamless document. We urge all Affiliated Union and Council leaders, CLC officers, CLC Mobilization Coordinators, Local Union Mobilization Coordinators, Statewide Affiliate leadership and activists to attend this meeting. *Even though there is no registration fee for this meeting it is very important that you return your completed Registration Form to the Florida AFL-CIO, attention Phyllis Garrett, at 850-224-2266, so we can make sufficient arrangements for all attendees. In addition if you need any information on hotel reservations please contact Phyllis as well.* The meeting will convene at 8:30 AM, Saturday, February 26th and will adjourn Sunday, February 27th at noon. See enclosed tentative agenda for details. We cannot stress enough the need for your participation in this meeting. With the political climate in Florida consisting of super majority control of the House and Senate, and a Governor who bought his election, the Florida AFL-CIO is counting on you to participate in collective development of a plan for Labor's sustainability during Legislative Session and how to win back targeted seats during the 2012 Election Cycle.



### **Working Families Lobbying Corps: Standing Strong 2011!**

The Florida AFL-CIO and its Affiliates are changing how we do business in Tallahassee, and are asking you to be a part of the transformation.

For too long the Florida Legislature has been isolated from working people who are unaware of the political games that shape laws that impact their lives. Legislators routinely use platitudes when talking to and answering their constituents with the occasional phone call or letter. Enough is enough! The Florida AFL-CIO, by unanimous decision of the 2010 COPE Convention delegate body, is re-structuring its legislative program with a new emphasis on mobilizing grass-roots activists. This means an increased effort in education, outreach, and field mobilization in the districts; while dramatically increasing the presence of rank and file members in the halls of Florida's Capitol.

In the past, the Florida AFL-CIO held an annual legislative conference in which hundreds of union leaders and activists would converge on Tallahassee for a few days. Once the conference concluded, all activists would return home sending the message to Representatives that this was the only time during session they would physically see their local labor constituents, and therefore, could plan their votes accordingly.

For the 2011 and 2012 Legislative Session, the conference will be replaced by a new and ongoing Legislative program coordinated between the state federation, central labor councils and affiliated local unions to ensure a continuous grass roots lobbying presence in Tallahassee throughout Session. This will be done by the Florida AFL-CIO working with each CLC and their affiliates to schedule a minimum of two activists a week for the nine weeks of session to come to Tallahassee and lobby.

This new program will result in higher visibility for Florida's labor movement throughout the entire session, **starting March 7<sup>th</sup> and ending on May 6<sup>th</sup>**, sending a clear message to our Legislators and Senators that we are here – all the time – not just 3 days out of a year. This new format will provide a real voice and context to Legislators that what they are doing in Tallahassee matters to their constituents while creating solidarity and empowerment throughout Labor to be the powerful voice for all working families in Florida.

If you are interested in taking part of this new and exciting Legislative program please contact your Central Labor Council and reserve your week to come up to Tallahassee and make your voice heard. If you have any questions about the program, in general, please **contact Phyllis Garrett at 850-224-6926 or [pgarrett@flafclcio.org](mailto:pgarrett@flafclcio.org)**.



# Young Workers of Florida Unite!

Last year, the Florida AFL-CIO saw the need to provide young workers with the space and incentive to get involved with the labor movement and took steps in creating local young worker groups in **Tampa, Orlando and Gainesville**. These groups have already begun meeting and are looking towards 2011 with great excitement. Their goals are to provide young union members with training and education in organizing and being a shop steward, as well as providing a foundation in political and social activism. While these young worker groups internally organize, they also look externally for community partners and allies with the goal of helping in solidarity efforts and bridging the gap between young trade unionists, young progressive activists and college students. The young worker groups formed by the Florida AFL-CIO introduce young union members to the struggles of the Labor movement by providing them with an avenue to not only participate, but to actually organize events, protests, rallies, and blitzes for their own communities.

The reason for the creation of these groups is that our economy is leaving young generations of workers behind. The Bureau of Labor Statistics reported that in 2010 almost 13.1 percent of workers between the ages of 16 to 34 were currently unemployed, with a third of workers (in the same age group) that are currently employed, only having a part time job. The AFL-CIO released a study conducted with the Peter D. Hart Research Associates in 2009 called the "Lost Decade". The report surveyed young workers' experiences in 1999 and compared their findings with young workers' conditions in 2009. Their results highlighted that in the last ten years young American workers' job opportunities and financial well-being have gone into a sharp decline. "Lost Decade" reports that nearly one in three young workers "had no health insurance, compared with 24 percent of young workers in 1999" while "almost one out of every three workers still lived at home with parents, and more than half couldn't afford to save money out of their monthly paychecks." Young workers are in debt either due to enormous student loans from college, credit cards (which they use to survive), or a combination of both. The study was revisited in 2010 to see how young workers were continuing to cope in the economic crisis. The new report indicated a continued increase in the lack of full time employment with over 60% of those surveyed indicating they were "somewhat worried" or "very worried" for the future. These are bleak times to be a young worker in America. The need for the Labor movement to reach out and organize young workers into agents of change has become a top priority; in order to be a sustainable movement there needs to be an investment in the next generation of labor leaders. The conditions at workplaces (or lack thereof), make the younger generation of workers ripe with energy and could help bring about the mobilization we need in Florida and the nation.



The Florida AFL-CIO's young worker program is still a new initiative and would greatly encourage locals to inform their young members of its existence. If you or someone in your local would be interested in being involved with these newly created groups, or creating one for your CLC or Chapter, please contact Josh Anijar at [janijar@flaflcio.org](mailto:janijar@flaflcio.org). To see read the AFL-CIO report "A Lost Decade" please visit: <http://blog.aflcio.org/2009/09/01/young-workers-a-lost-decade>.

A small illustration of a man in a suit sitting at a typewriter.

## Remembering where we came from...

"Some day, there will come the brotherhood of man. Some day, industrial warfare, as well as warfare between nations, will be seen to be ridiculous and a waste of life and money. Some day, men will work together in a grand cooperative scheme. But until that day, the trade union must stand as the only safeguard of the working man; the only instrument by which he can maintain himself and his family."

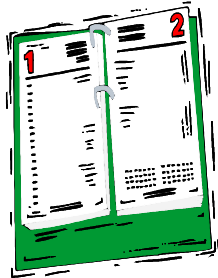
-Clarence Darrow  
1857-1938

Andy Martlette 2010  
News Journal  
www.andymartlette.com

A cartoon illustration of a rooster sitting on a nest egg. The nest egg is labeled "FLA PUBLIC PENSION SYSTEM". The rooster has a speech bubble that says "WHADAYA MEAN GOV. SCOTT WANTS TO TAKE MY NEST EGG?!" The rooster is looking angry. There are some scribbles at the bottom right of the nest egg.

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## Notes from the Legislative/Political Coordinator – Phyllis Garrett

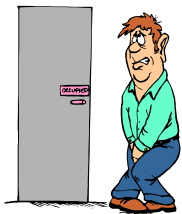


**Planning for Legislative Session has commenced!** The Florida AFL-CIO, CLCs and Affiliates will work to schedule two activists a week from each CLC to come to Tallahassee and lobby from **March 7<sup>th</sup> through May 6<sup>th</sup>**. This means a minimum of 180 union activists will be on the hill over the nine week Session. Any activists who is interested in being a part of this exciting new lobbying program should contact their local union leadership and let them know you would like to participate.

**Strategic/Political Planning Meeting-** The meeting will convene at **8:30 AM, Saturday, February 26th and will adjourn approximately 1:00 PM, Sunday, February 27<sup>th</sup>**. We will be at the **Lake Buena Vista Palace, 1900 Buena Vista Drive, Orlando, FL., 32830**. For more information on hotel reservations or a meeting registration form, contact Phyllis Garrett at 850-566-9281 or email her at [pgarrett@flaflcio.org](mailto:pgarrett@flaflcio.org)

**Florida AFL-CIO Biennial Convention-** The Convention is scheduled for **October 10-12, 2011 in Orlando**. More information to follow.

### One Last Thing Before You Go...



Starting next month, the *Solidarity in the Sunshine* will be replaced with the Florida AFL-CIO's Legislative Newsletter. This newsletter provides weekly updates about what is occurring at the capitol and how it affects the lives of working families across the state of Florida. Once Legislative Session has concluded the *Solidarity in the Sunshine* will resume its monthly format.

If you were a lucky person that got this from someone else and would like to be added to our mailing list so you too can receive "Solidarity in the Sunshine", then please email or call **Joshua Anijar** at [janijar@flaflcio.org](mailto:janijar@flaflcio.org) or 850-228-9841. Please title email "Sign-me up" and we will add you to our mailing list.



Published by the Florida AFL-CIO Public Relations Department for our affiliates only. Send address corrections Kellie Putnam, *Solidarity in the Sunshine*, 135 South Monroe Street, Tallahassee, FL 32301. Phone 850-224-6926, FAX 850-224-2266.

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