



Stop Layoffs

The meltdown in the financial sector, and the general economic slowdown, have created severe budget problems for state and local governments. Public officials often respond to these problems by laying off workers. The best way to fight layoffs is with your own plan, and active and informed members to advocate for it.

Arm Yourself with Facts

Verify that there actually is a budget problem

- Analyze the jurisdiction's budget and financial statements.
- Request a meeting with the administration to explain the budget situation.
 - *Resources:* See AFSCME's guides to budget analysis, "[Knowing the Numbers](#)" and "[Making Sense of Budgets](#)". Budget analysis workshops are also available online through the [AFSCME Leadership Academy](#). AFSCME's Department of Research and Collective Bargaining Services can also provide technical assistance if needed.

Highlight lost services and question estimated savings

- Assess the impact of layoffs on services. What services will suffer, and who will be hurt?
- Layoffs aren't free. How much will severance and unemployment payments, increased overtime and lost productivity cost the jurisdiction?
- Highlight the lost spending power of laid off workers. How will that affect local businesses?

Suggest other ways to save money

- Many public employers have more managers than they need. How many managers does the jurisdiction have compared to rank and file workers?
- Contract spending is rarely scrutinized. What does the jurisdiction spend on contracted services?
- Capital projects are often justifiable, but may be able to be delayed in a time of crisis. Can any planned projects or purchases be postponed?
- Travel can be worthwhile but not when layoffs are on the table. What is spent on travel?
- How much money can be saved by cutting these non-essential items? Estimate the savings and tell management, elected officials and – if appropriate – the media.

- *Resources:* Members may be a great source of information on non-essential spending. Survey members for examples of waste and ideas for budget cuts. Or make a formal information request to management for details about these expenses (see attached sample letter). If management can't provide the information, that's a good argument for avoiding any layoffs until they can.

Propose new revenues

- Determine the last time the jurisdiction increased user fees, fines, and taxes. The cost of services rises with inflation but many revenues do not.
- Figure out if the jurisdiction collects PILOTs (payments in lieu of taxes) from tax-exempt entities, how recently they were increased, and which institutions do not contribute.
- Examine user fees in comparison to the cost of services they support – are they in line with costs? How do fees compare to other jurisdictions?
- Calculate the cost of any recent tax cuts, or tax cuts or millage rollbacks that have not yet taken effect. What services could they pay for?
- Has the employer done all it can to collect back taxes and overdue fines, fees and debts? For example, some jurisdictions post the names of tax scofflaws in public and online, or offer amnesty from penalties to encourage payment.
- Estimate the value of unused capital assets (buildings and equipment) that could be sold or leased, or used instead of leasing space or equipment.
- How much more money could the jurisdiction be collecting? Estimate the revenues that could be gained from these sources and present the plan to management, elected officials and/or the media.
 - *Resources:* See AFSCME's "[Digging for Dollars](#)" (PDF), "[Easing the Local Government Squeeze](#)," (PDF), "[Budget Gimmicks: The Good, The Bad, and The Ugly](#)", and "[PILOTs Give Local Government Revenues a Lift](#)" for reference. Or contact the Department of Research and Collective Bargaining Services for assistance if needed.

Suggest ways to improve efficiency

- Propose a labor-management partnership to seek efficiency gains. Incentives for union members can include a no-layoff pledge, gainsharing, and greater long-term job security and satisfaction.
 - *Resources:* See AFSCME's "[Redesigning Government](#)" handbook on workplace change, the Harvard Kennedy School of Government's "[Working Better Together](#)" (PDF) guide to public

sector labor-management partnership, or contact the Department of Research and Collective Bargaining Services for assistance if needed.

If ideas for cutting waste or raising revenues don't fly, or don't yield enough savings, there are other, more difficult alternatives that can save money and avert layoffs:

- Hiring freezes and attrition
- Restricting overtime where possible
- Transferring or retraining workers slated for layoff for other open positions
- Payroll lag or banked leave
- Early retirements
- Voluntary furloughs and reduced workweeks

- *Resources:* See "[Put Down That Ax](#)" for details on these ideas.

Develop an Action Plan

Armed with information and ideas, the union can make a good case for reasonable solutions to a budget problem. That's the first step. Making our solution a reality means mobilizing our members, getting community support, engaging the media and – ultimately – influencing the public officials who decide how to solve their budget problem. For information on internal organizing to mobilize members, community organizing to build a coalition, communications strategies to reach the public and the media and lobbying to influence public officials, see the following AFSCME resources:

- "[Building Power In The Workplace: The AFSCME Internal Organizing Manual](#)"
- "[Local Union Lobbying: How To Support It With Coalition Building and Media Relations](#)"

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Sample Information Request Letter For Fighting Layoffs

The following sample letter requests information that could be useful in fighting proposed layoffs.

The union can tailor this list of items to its specific situation and delete or add information items as needed. Remember that an inadequate or incomplete response from the jurisdiction can be used as an argument to postpone layoffs, so it's important to make your information request as soon as possible.

Dear [Contact]:

In light of public comments by officials of [this jurisdiction] of a budget shortfall and proposals to lay off employees including AFSCME [Local Union] members, the Union requests information about certain expenses and revenues of the jurisdiction for [budget year in which layoffs are being considered].

Please provide information on the following items for the jurisdiction as a whole and broken out for each department or major agency, where applicable, and separated between the general fund and non-general funds.

1. Number of managers/supervisory employees and ratio of managers to non-supervisory employees [note: in some cases management employees are union members]
2. Travel and conference expenses, separately for supervisory employees
3. Overtime expenses
4. Contracted services, separately for management consulting contracts
5. Rent paid for leased facilities, separately for each facility
6. Workers' compensation costs
7. Expenses for economic development incentives, including direct subsidies and foregone revenue (for example Tax Increment Financing, property tax abatements, and payroll withholding tax credits)
8. [For school districts] Expenses for charter school funding
9. Amount of revenue from fines, fees and charges for services. When was the last time these fees were updated?
10. Amount of any PILOT (payments in lieu of taxes) revenue, the contributing institutions, and the names of any entities that have refused to contribute to PILOTs
11. Inventory of unused capital assets

Given the need to quickly address this situation, we request your response to these items as soon as possible. Thank you.

Sincerely,

[Union]