

# Government Unions vs. Taxpayers

## ***The moral case for unions—protecting working families from exploitation—does not apply to public employment.***

By TIM PAWLENTY **Comment Article in Wall St Journal Dec 13, 2010**

Mr. Pawlenty, a Republican, is governor of Minnesota.

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When Americans think of organized labor, they might think of images like I saw growing up in a blue-collar meatpacking town: hard hats, work boots, tough conditions and gritty jobs. While I didn't work in the slaughterhouses, I did become a union member when I worked at a grocery store to help put myself through school. I was grateful for the paycheck and proud of the work I did.

The rise of the labor movement in the early 20th century was a triumph for America's working class. In an era of deep economic anxiety, unions stood up for hard-working but vulnerable families, protecting them from physical and economic exploitation.

Much has changed. The majority of union members today no longer work in construction, manufacturing or "strong back" jobs. They work for government, which, thanks to President Obama, has become the only booming "industry" left in our economy. Since January 2008 the private sector has lost nearly eight million jobs while local, state and federal governments added 590,000.

Federal employees receive an average of \$123,049 annually in pay and benefits, twice the average of the private sector. And across the country, at every level of government, the pattern is the same: Unionized public employees are making more money, receiving more generous benefits, and enjoying greater job security than the working families forced to pay for it with ever-higher taxes, deficits and debt.

How did this happen? Very quietly. The rise of government unions has been like a silent coup, an inside job engineered by self-interested politicians and fueled by campaign contributions.

Public employee unions contribute mightily to the campaigns of liberal politicians (\$91 million in the midterm elections alone) who vote to increase government pay and workers. As more government employees join the unions and pay dues, the union bosses pour ever more money and energy into liberal campaigns. The result is that certain states are now approaching default. Decades of overpromising and fiscal malpractice by state and local officials have created unfunded public employee benefit liabilities of more than \$3 trillion.

Over the last eight years in Minnesota, we have taken decisive action to prevent our problems from becoming a state crisis. Public employee unions fought us virtually every step of the way. Mass transit employees, for example, went on strike for 44 days in 2005—because we refused to grant them lifetime health-care benefits after working just 15 years. It was a tough fight, but in the end Minnesota taxpayers won.

We reworked benefits for new hires. We required existing employees to contribute more to their pensions. We reformed our public employee health plan and froze wages.

We proved that even in deep-blue Minnesota, taxpayers can take on big government and big labor, and win. In coming years, that fight will have to be joined throughout the country in city halls, state capitals and in Washington, D.C.

Reformers would be wise to adopt three overriding principles.

First, we need to bring public employee compensation back in line with the private sector and reduce the overall size of the federal civilian work force. Mr. Obama's proposal to freeze federal pay is a step in the right direction, but it falls well short of shrinking government and eliminating the pay premium enjoyed by federal employees.

Second, get the numbers right. Government should start using the same established accounting standards that private businesses are required to use, so we can accurately assess unfunded liabilities.

Third, we need to end defined-benefit retirement plans for government employees. Defined-benefit systems have created a financial albatross for taxpayers. The private sector dropped them years ago in favor of the clarity and predictability of defined-contribution models such as 401(k) plans. This change alone can save taxpayers trillions of dollars.

The moral case for unions—protecting working families from exploitation—does not apply to public employment. Government employees today are among the most protected, well-paid employees in the country. Ironically, public-sector unions have become the exploiters, and working families once again need someone to stand up for them.

If we're going to stop the government unions' silent coup, conservative reformers around the country must fight this challenge head on. The choice between big government and everyday Americans isn't a hard one.

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