

*When we fight as one,
The fight will be won!*



Help us help you!

California is broke! This is no surprise – it’s been on television, on the radio, in the newspaper and talked about at the Capitol – state legislators are unable to reach a budget because of proposed cuts and tax hikes.

In California we have had layoffs in the auto industry as well as at Mervyns, JCPenney and Circuit City. Within Unit 12 we’ve had employees from the city of Oakland and the city of Sacramento laid-off. The list goes on. You can probably name at least five other areas.

But this is not a problem in California alone – financial gridlock is happening nationwide. The national unemployment rate has increased as more than 520,000 jobs were lost in December 2008. Foreclosures and business closures are at an all-time high. People have lost their jobs and retirement. There is no end in sight.

You have probably heard rumors about IOUs and that the governor could use his executive power to implement all of the above-mentioned cuts and takeaways.

The problem is colossal

Infrastructure bonds have been halted, layoffs and cuts are proposed and the Department of Education is projecting school closures, teacher layoffs, prison closures and early inmate releases. In the area of health and welfare, there are proposals to cut medical and halt levee improvements in the Delta and Central Valley. The Department of Forestry and Fire Protection (Cal Fire) proposes reducing \$248 million of its budget for fire

suppression. Several cities and counties are potentially bankrupt with no bailout plan in sight. If the budget problem is not solved by Feb. 1, we are at risk of losing \$60 billion in federal funds.

We committed to bring you information on a regular basis no matter the outcome. So here it is: All Unit 12 management and staff are monitoring every move on a 24-hour basis. In addition, the International Union of Operating Engineers joined forces with other state unions on lawsuits attempting to block the implementation of the aforementioned cuts without discussing them with union representatives.

An Unfair Labor Practice (ULP) charge was filed prior to the budget crisis, because the governor notified state workers of the situation by letter and released information to the news media without contacting unions. Several grievances have been filed on other areas of the contract relating to the governor’s actions.

What does this mean for California state workers?

On Dec. 19, 2008, you should have received a letter from Gov. Schwarzenegger outlining the following cuts:

- ✎ Take away two state holidays
- ✎ Furlough two days a month
- ✎ Remove premium pay for working on a holiday
- ✎ Layoff the bottom 20 percent of seniority from each department
- ✎ Remove the leave-time toward overtime calculation (i.e. sick leave/vacation)

Call your local legislators

Let them know you matter – you are a taxpayer and a consumer. You provide a vital service to the state of California.

We are doing all we can to minimize the pain. We are not making any promises other than the promise to do our best and keep you informed as the information becomes available. We thought our worst fight was the governor’s Executive Order in July to roll back state workers’ salaries to the federal rate of \$6.55 an hour, but now we’re experiencing the worst economy since 1945.

Help us so we can help you. See page 2 to learn how.



THE GRIDLOCK!

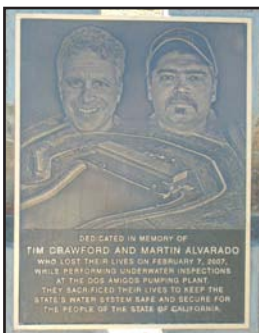
California is in the worst economic downturn in a generation.

Unemployment is nearing double digits, businesses are closing and families are struggling.

California state lawmakers should do everything in their power to revitalize our economy and protect and stimulate California jobs.

They must pass a revised, balanced budget now to avoid killing off jobs and economic growth at this critical time.

Protect your jobs by calling your representative today. To find out who they are, visit leginfo.ca.gov/yourleg.html.



In Memory

Two years ago, on Feb. 7, 2007, Unit 12 members Tim Crawford and Martin Alvarado lost their lives in a tragic work accident while performing underwater inspections at the Dos Amigos Pumping Plant. These men sacrificed their lives to keep California's water system safe and secure for those who live here. For that, we thank them.

**QUESTIONS AND COMMENTS?
CONTACT YOUR LOCAL BUSINESS AGENT.**