

Study: Calif. public employees compensated better than private sector

By Jon Ortiz, Sacramento Bee

Battle lines sharpened Thursday over California's public pensions with the release of a new report that concludes pay and benefit packages for public workers are better than those for their counterparts in the private sector.

Commissioned by pension overhaul advocates poised to seek changes, the report drew immediate fire from public employee unions, which have muscled up to fight the emerging pension wars.

The two-part study, released by the California Foundation for Fiscal Responsibility, also cautions that public pension obligations threaten to crowd out money for public services.

The foundation, headed by longtime pension change advocate Marcia Fritz, has proposed several pension cost-cutting ideas, including a cap on pension payouts, higher employee contributions and higher retiree health premiums. The proposals would affect both current workers and future hires.

While Fritz has yet to offer the changes for potential voter consideration, former Fair Oaks Assemblyman Roger Niello has submitted an initiative, and another group, California Pension Reform, expects to have its own plan for the ballot.

Capitol Matrix Consulting, the Sacramento-based firm that researched the study for Fritz, estimated the impact of those proposals on various employees, based on length of service and whether they are safety or miscellaneous workers. Nearly every scenario envisions deep cuts to employee benefits and employer

costs.

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