

# Get the Facts about the State Worker Economic Settlement!



For the first time in 15 years, we have negotiated a contract with no wage freezes.

## Wages:

July 2007 – 3%  
July 2008 – 3%  
July 2009 – 3.5%  
July 2010 – 3.5%

All of the increases go into base wages.

## Special Clerical Provisions:

The Administrative/Clerical salary scale (yellow contract book) is currently slightly lower than the salary scales for professionals and supervisors (green, tan and orange contract books). The Clerical salary scale will be raised to the other scales. This will give clerical workers over \$200 more over the course of the contract.

If you earn less than \$37,000 a year, you will receive a bonus at the time of each wage increase that will amount to the difference between the across the board raise for \$37,000 and what you got as your wage increase. In the first 2 years of the contract, 3% of \$37,000 is \$1110 and so if you get less than that as an across the board raise, you will get the difference as a bonus. During the last two years of the contract, 3.5% of \$37,000 is \$1295 and so if you get less than that you will get the difference as a bonus.

## Concessions

There are 2% in concessions in this contract – 1.5% in healthcare and .5% in pension. As we go over the Facts about Healthcare and the Facts about Pension, we will discuss these further.

### **For math whizzes only! What is the NET value of the contract – after we pay for the concessions?**

The concessions are the same flat amount – 2% each year. They do not accumulate, but your raises do. Each year you get the money you made, plus the raise from the year(s) before, and then the new raise. Here's how to figure it out:

1<sup>st</sup> year of the contract: Original wages + 3% - 2% in concessions = 1% net gain the first year of the contract.

2<sup>nd</sup> year of the contract: Wages + the first 3% raise + another 3% raise – 2% in concessions = 4% net by the second year of the contract (without compounding the raises).

3<sup>rd</sup> year of the contract: Wages + the first 3% raise + the second 3% raise + 3.5% raise – 2% in concessions = 7.5% net by the 3<sup>rd</sup> year of the contract (without compounding the raises).

4<sup>th</sup> year of the contract: Wages - the first 3%, the second 3%, the third 3.5% raise + 3.5% - 2% in concessions = 11% net by the 4<sup>th</sup> year of the contract (without compounding the raises).

Once you compound the raises the increases equal 13.6% (1.03 x 1.03 x 1.035 x 1.035=13.65%) The 2% of the concessions come out pre-taxed so they lower the bite of your tax bill. Your take home check will be about 12% higher.

Or – if you're confused – check the salary scales on [www.cwanj.org](http://www.cwanj.org). Find what you will be making each year, print it out and keep it.

### **How do I figure out how much I will be making?**

If you are at maximum, it is easy – multiply how much you are making by 3% then multiply that by 3% and then multiply that by 3.5% and multiply that by 3.5%.

Or, you can look at the Wage Scale for 12/23/2006 (what you are earning now) and then look at the Wage Scale for 7/2010, and compare them. You can find these wage scales at [www.cwanj.org](http://www.cwanj.org).

If you are not at maximum, and you are still getting increments, you are going to get these raises in addition to your increments. Increments are worth between 3% and 5% of pay

depending upon where you are on the wage scale, but you can guess that they are an average of 4% more for each additional increment.

Or you could also look at the wage scales on [www.cwanj.org](http://www.cwanj.org) and that will help you figure it out.

**Communications Workers of America District One – For More info, go to [www.cwanj.org](http://www.cwanj.org)**