



Memorandum

To: Kelly Tshibaka, DOA Commissioner *Tshibaka*

From: Jared Goecker, DOPLR Deputy Director

Date: March 1, 2021

Subject: March 2021 collective bargaining update with the Supervisory Unit (SU), represented by the Alaska Public Employees Association (APEA).

Introduction:

The purpose of this memo is to increase public awareness of ongoing collective bargaining processes between the State of Alaska (State) and APEA, which agreed prior to the commencement of negotiations that there may be updates to the public on the status of those negotiations. The parties also agreed to a mutual understanding that negotiations would take place at the bargaining table and not in the media.

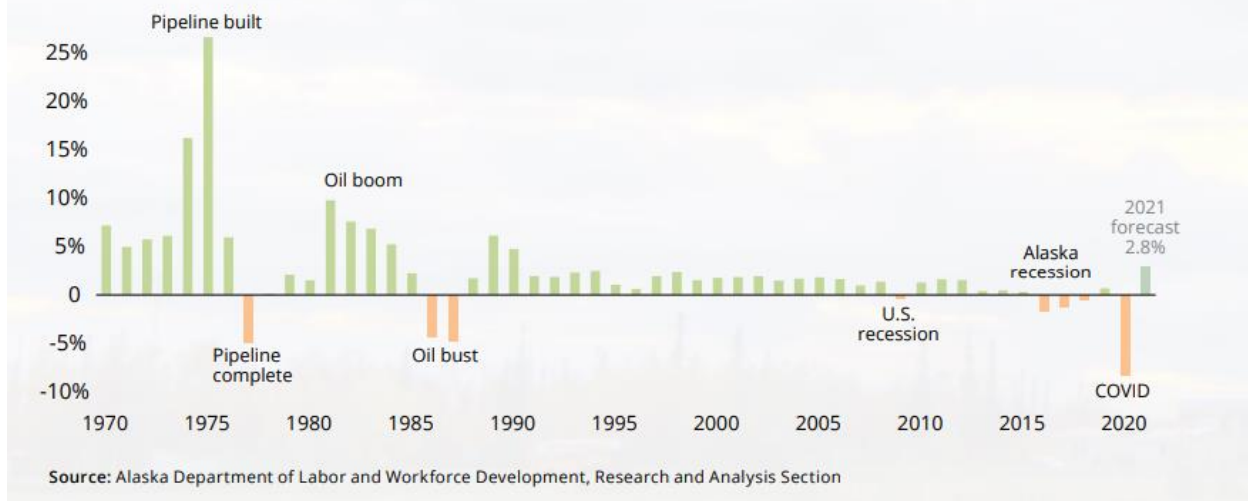
During the month of February, the State and APEA heard from a research and analysis expert from the Department of Labor and Workforce Development (DOLWD). This expert spoke to the economic forecast for the State. It was noted for the first time ever, Alaska has a negative inflation rate (cost of living is going down). The DOLWD expert also highlighted the severe job losses in the private economy due to COVID. It is estimated to be years before the economy fully recovers.

The State invited Office of Management and Budget (OMB) Director Neil Steininger to speak to the budget issues currently facing the State. Director Steininger highlighted the sobering spend down of the State's savings over the last decade. The status quo simply is not tenable.

The State also invited guest speakers to discuss other topics like healthcare premiums and performance evaluations to help inform the parties on topics under discussion.

In negotiations with the APEA, the State continued to highlight data from the [January 2021 Alaska Economic Trends](#) showing severe job losses throughout many Alaskan job sectors due to COVID-19. Specifically, the State continued to reference the following chart from a previous bargaining update:

The pandemic caused a historic drop in total Alaska employment in 2020



During the month of February, the parties also exchanged substantive proposals covering a wide range of articles and issues. The State proposed language changes in 6 articles intended to increase efficiencies and reduce the cost of State government. APEA proposed 2 articles with changes. The State and APEA did not come to tentative agreement on any articles this month.

The State is committed to negotiating a fair contract that is reflective of the State's current reality.

Bargaining Dates:

The State's bargaining team met virtually with APEA on February 2nd, 18th, and 19th.

Next month's bargaining sessions are set for March 9th, 18th, 19th, and 24th.

Proposals Exchanged:

The State made proposals on the following:

- Article 11: Protection of Rights
- Article 17: Layoff
- Article 18: Recruitment
- Article 24: Wages
 - The State proposed a -2/-2/-2 for a 6% reduction in COLA over the life of the contract.
- Article 25: Overtime, Recall, and Standby
- Article 26: Holidays

APEA made proposals within the following:

- Article 6: Contracting Out
- Article 9: Security of the Parties

Articles with Tentative Agreement:

There were no articles tentatively agreed upon during the month of February.

Conclusion:

It is important to note that the State and SU are still early in the negotiations process and the starting offers of both SU's proposed 12% COLA increase and the State's proposed 6% COLA decrease rarely are the result of the final negotiation.

Individuals interested in reading the SU collective bargaining agreement can access this and every State union contract [here](#). The State intends to publish updates once a month at or around the beginning of the month throughout the duration of this negotiation cycle.