

Have You Gotten Your \$.02 Cents Worth?

February 2011

The American Federation of Government Employees (AFGE), AFL-CIO, represents over 50,000 employees at the Social Security Administration.

As part of the Civil Service Reform Act of 1978, Congress required federal employee representatives to work on behalf of **ALL EMPLOYEES** in a bargaining unit regardless of whether they paid dues or not. Moreover, Congress prohibits federal employee representatives from even collecting a fair-share payment or fee when they handle grievances for non-members or arbitrate cases on their behalf. In other words, non-members get the proverbial free lunch; they contribute nothing but benefit directly from hard-fought bargaining gains and skilled representation from organizations representing federal employees – as they are compelled by law to provide.

In exchange for being saddled with these additional responsibilities, Congress allowed federal employee unions to bargain with agencies over official time; this allows federal employees who are also Union representatives to fulfill obligations to their members (and non-members) while on duty. Incidentally, official time has long been provided to union representatives by businesses, as well as state and local governments.

The Union at Social Security can only use official time only for activities, which are reasonable, necessary, and in the public interest. Legally permitted representational activities include negotiating collective bargaining agreements, handling employee grievances, and conducting and receiving training.

Union representatives at SSA are prohibited from using official time on any internal matters. This means official time can't be used to organize workers, solicit new members, campaign for office, or conduct elections.

Federal employee unions would be hit with a one-two punch if current proposals were enacted. Official time would be gutted and with it the right to full and effective representation, but the free lunch system would be retained and federal unions would have to continue to spend time and resources representing non-members who get **A LOT** for nothing.

In 1995, there was similar legislation proposed by House Representative Jim Bunning (KY). The Senior Executive Association, which represents the federal government's management elite, said anti-official time legislation "could cripple the ability of federal employee unions to interact with management officials in appropriately establishing and implementing agency business practices ... (Official time has led to) improvements in labor/management relationships in many agencies, resulting in substantial savings by reducing the number of grievances, unfair labor practices, and other types of complaints that arise in the workplace."

What was true in 1995 remains true in 2011. In addition to the very issues addressed by the Senior Executive Association, AFGE officials at SSA have been instrumental in identifying issues for Congress that affect each and every constituent. For example:

AFGE strives to improve services at Social Security and reduce costs of the program. SSA's overall administrative costs are less than 1%, while the insurance industry overhead averages 14-17% of annual benefits. AFGE representatives have acted as whistleblowers on many occasions in an effort to keep the government honest and prevent agency fraud, waste and abuse. AFGE proudly dons the role of advocate for SSA employees and the public, as well as being a watchdog for Congress.

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- 1) In 2004, AFGE met with Congress regarding a computer ‘glitch’ which resulted in incorrect payments of SSI benefits to hundreds of thousands of recipients who should have been receiving Social Security instead. At that time, SSA had no plans to address the problem or resolve the incorrect payments. This workload is known as the Special Title II workload. Because of AFGE’s legislative efforts, hundreds of millions of dollars have been paid to beneficiaries and their families.
 - 2) The biggest savings as a direct result of this effort was felt by the states as billions of dollars have been saved in Aid for Dependent Children (AFDC) grants and Medicaid payments, as these beneficiaries and families became eligible for Social Security and Medicare.
 - 3) In 2005, AFGE advised Congress that appropriated funds for the Social Security Administration were being used to politicize the privatization of Social Security. This resulted in Senate hearings and national press coverage. The practice was immediately stopped after Congress became aware.
 - 4) In 2008, AFGE revealed SSA’s plans to potentially close more than 600 field offices, which had 15 or fewer employees. Telephone service or very long commutes to alternate offices would have been the only choice for millions of people needing services. In many areas, however, SSA management does not properly staff the phone lines (or they are not answered at all) and the result is that many Americans cannot contact their local offices.
 - 5) In 2010, AFGE made Congress aware of internal policy and application changes that Social Security had made to the Internet claims system (iClaims); the result was that more than 90% of those who file for Retirement benefits are being disadvantaged in their “choice” of benefits. Social Security Commissioner Michael Astrue declared that “everyone has a financial advisor” and he decided that SSA employees would no longer advise the public about the advantages and disadvantages of filing at a certain age (for example, 62 versus 66 or 70).
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The modest cost of official time at SSA is estimated at \$6.8 million for FY 2010 (and that amount has steadily declined over the last 10 years).

(1) This represents about **5/100ths of 1%** of SSA’s administrative budget, which is used exclusively by only **1/100ths of 1%** of the represented workforce. The average cost to every man, woman and child who is potentially covered by the Social Security Trust Fund is a mere **two cents** per year!

(2) *So it begs the question, has America received its \$.02 cents worth?*

Footnotes:

- (1) **The \$6.8 million amount is reached by using the average salary of a GS 10, Step 1 and the maximum amount of official time hours (250,000) that are contractually given to AFGE.**
- (2) **(2) This figure is derived from the 2010 Census.**