

THE CIVIC FEDERATION
AND
THE FEDERAL RESERVE BANK OF CHICAGO
present a forum on

**Public and Private Sector Compensation:
What is Affordable in This Recession and Beyond?**

Thursday, February 26, 2009
8:00 a.m. to 12:00 p.m.
Federal Reserve Bank of Chicago
230 South LaSalle Street
Chicago, Illinois

Agenda

Focus: Examine differences between public sector and private sector wages and benefits, and discuss best practices in work force sustainability and cost containment.

8:00 a.m. Registration and Continental Breakfast

8:15 a.m. Welcome and Opening Remarks

- **William Testa, Vice President and Director of Regional Programs, *Federal Reserve Bank of Chicago***
- **Laurence Msall, President, *The Civic Federation***

8:30 a.m. Panel I: Differences Between Public Sector and Private Sector Wages and Benefits

This panel will discuss the employee compensation differences between the public sector and the private sector. Topics will include:

- basic data from the U.S. Bureau of Labor Statistics and other sources, including methodological issues when comparing these sectors and a valuation of total benefits (including disability and retirement benefits) in each sector;
- potential reasons for the differences between the sectors, including education level, unique job duties, wage compression, unionization, participation in Social Security, federal laws, etc.;
- economic trends that have affected both sectors (perhaps differently), such as health care costs and the globalization of labor markets; and
- guarantees provided to workers in each sector (e.g., constitutional pension guarantee for public employees, ERISA in the private sector).

Moderator: **Lise Valentine, Vice President and Director of Research, *The Civic Federation***

Panelists:

- **Jay Mousa, Regional Commissioner, and Greg Philipaitis, Assistant Regional Commissioner, *U.S. Bureau of Labor Statistics***
- **Keith A. Bender, Associate Professor, *University of Wisconsin-Milwaukee***
- **Jeffrey R. Brown, William G. Karnes Professor of Finance and Director of Center for Business & Public Policy, *University of Illinois***

Moderated Q&A

10:00 a.m. Break

10:15 a.m. Panel II: Workforce Sustainability Going Forward

This panel will discuss the wages and benefits required to attract and retain the ideal workforce in each sector. Topics will include:

- wage and benefit changes that would be needed for that ideal workforce;
- labor cost containment strategies;
- projections of major labor cost challenges in the future; and
- the perceived gap between taxpayer (private sector) retirement benefits and the public sector pensions they support.

Moderator: **Rick Mattoon, Senior Economist and Economic Advisor, *Federal Reserve Bank of Chicago***

Panelists:

- **Allen T. Steinberg, Principal, *Hewitt Associates***
- **James Franczek, Partner, *Franczek Radelet & Rose P.C.***
- **Jorge Ramirez, Secretary-Treasurer, *Chicago Federation of Labor***
- **Robert S. Molaro, Former Representative, *State of Illinois (D-21st)***
- **Hank Scheff, Director of Research and Employee Benefits, *AFSCME Council 31***

Moderated Q&A

11:45 a.m. Closing Remarks: **Laurence Msall, President, *The Civic Federation***

12:00 p.m. Adjournment