

US: Massachusetts public sector unions agree to contract concessions

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The state of Massachusetts has reached an agreement with leaders of the four major public sector unions on contract concessions as part of efforts to reduce the state budget deficit.

The agreement, which has yet to be voted on by union members, is said to cover a number of contract concessions, including unpaid furlough days and delayed pay raises. Jay Gonzalez, secretary of administration and finance, said the unions, representing around 30,000 workers, or three quarters of the state's unionized workforce, had agreed to a pay raise of just 1 percent this year and 3 percent next year. Pay rates due to be reviewed when the contract expires in December 2011 will now be extended for one year. According to Gonzalez, union leaders agreed to as many as nine furlough days for workers, dependent on salary.

If the deal is accepted by the membership it will be the first since state employees began collective bargaining in 1974 in which a governor has achieved a furlough agreement and a delay in contracted wage increases.

Cliff Cohn of Service Employees International Union (SEIU) Local 509 told the *World Socialist Web Site* the union had reached an agreement in order to save the jobs of 1,000 human service workers who work with "abused and neglected children." He said that some jobs losses that were already in progress had been reversed and others that were threatened had been withdrawn. Cohn confirmed that workers represented by Local 509 would be taking up to three days of furloughs, saying the reported figure of nine days was reduced in return for a reduction in some medical benefits, such as eye care.

Public sector workers are being asked to assume the responsibility for saving much needed programs by

accepting contract concessions that give away hard won rights, demands that should be rejected outright. The concessions agreed to by the union leaders provide no guarantee against the closure of such programs or a defense against future job losses. In fact, the only way to safeguard jobs and services is to reject the agreements drawn up between the state and the union bureaucracy—as part of a social and political movement of the working class against budget cuts.

Gonzalez, like the unions, claims the agreement will save jobs and preserve programs. Praising the union leadership, he said, "I think it's a real testament to the unions in responding to the governor's call to share the sacrifice to try to save jobs and preserve programs and services." He was referring to a call in October by Massachusetts Governor Deval Patrick for union concessions to help the state close a mid-year budget gap of \$600 million.

Patrick threatened to lay off up to 2,000 public sector workers if agreements, aimed at saving \$35 million, could not be reached. The Democratic governor said at the time that, due to program cuts, 1,000 of the job losses would happen regardless of any agreement. At the same time he announced spending cuts of \$352 million to close the budget gap. Close to 5,000 state jobs have been lost in Massachusetts since September 2008.

As the state legislature closes for the year there is still a projected \$125 million state budget deficit. Governor Patrick has requested that the House and the Senate reconvene to give him emergency authority to make budget cuts in the executive branch. The request was rejected by House Speaker Robert DeLeo, saying, "Formal sessions will resume in the first week of January, as scheduled."

Patrick is now said to be preparing to close the

remaining deficit unilaterally, which will trigger even deeper cuts than those already announced. A November 25 article in the *Boston Globe* reported that Patrick had instructed Gonzalez “to come up with a list of \$120 million in cuts, which will probably include reductions in programs for ‘the most vulnerable citizens.’ Possible victims include the programs for the sight-impaired and home health aides and day rehabilitation programs for people with disabilities.”

In reality, the “most vulnerable citizens” are already bearing the main brunt of the budget cuts. The department of Health and Human Services is to lose \$81.72 million, with devastating consequences for the state’s most vulnerable people. The largest share of the cuts in this area falls on the Office of Children, Youth and Family Services, which will suffer a \$36.9 million spending cut. Among those affected by the cuts are 57,000 children of low-income households who risk losing child care services as a result of a \$4.4 million cut to a program that provides child care vouchers for anti-poverty groups.

The Transitional Aid to Families with Dependent Children program provides state cash assistance of an average \$400 a month to some 9,100 families with parents so severely disabled that they qualify for federal Supplemental Security Income benefits. These people will lose these payments as the program suffers a \$15.8 million cut, on top of \$8 million which was cut earlier this fiscal year.

In addition to the budget cuts, \$117 million in cuts to state funding for Medicaid will hit more than a million low-income families across the state. The financial crisis has had a direct impact on Medicaid spending. More than 1.2 million residents are receiving Medicaid assistance, up 115,000 from one year ago. According to the *Globe*, Terence Dougherty, interim Medicaid director, “said the recession and widespread job losses have swelled the number of residents seeking assistance through the Medicaid program by more than the Patrick administration anticipated when it put together this year’s budget proposal a year ago.”

Dougherty said co-payments for office visits would double, to \$6. Payments for brand name drugs will jump from \$3 to \$5 for those making more than \$15,000 a year.

Under the proposed cuts, dental care for adults will be severely restricted and people will no longer receive

dentures or other oral care, aside from cleanings, x-rays and emergency services. The state also wants mental health patients to get prior approval from MassHealth before they can fill prescriptions for certain brand name antidepressants.

Other areas affected by the budget cuts include education, with \$111.72 million in cuts; public safety, \$21.43 million; administration and finance, \$15.73 million; and housing and development with \$11.02 million cut.



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