

New wave of state worker layoffs begins in New York

Philip Guelpa
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Layoff notices were sent to 451 New York State employees at the end of last week. This is the first wave of layoffs that could reach a total of 9,800 if the state workforce does not agree to contract concessions equaling \$450 million this year alone.

The biggest hit was taken by the Department of Transportation, which will lose 199 employees. These cutbacks are part of the new state budget that was adopted by the Democrats and Republicans at the end of March. Existing state worker contracts expired at that time. The first set of layoffs will become effective by the end of July.

A week earlier, New York State's Democratic governor, Andrew Cuomo, and the state's largest public worker union, the Civil Service Employees Association (CSEA), announced a tentative contract agreement. Closed-door negotiations had been in progress for several months under Cuomo's threat of mass layoffs. The membership will vote on the agreement, with the result due in mid-August.

Contract negotiations with the other major public employee union, the Public Employees Federation (PEF), appear to have stalled in recent weeks ("New York's Democratic governor demands mass layoffs, pension cutbacks," 13 June 2011). Of the threatened layoffs, 4,500 would be of members of CSEA. The remaining 5,300 would come principally from workers belonging to PEF. CSEA represents primarily blue-collar workers and PEF white-collar, professional employees.

Since CSEA had already reached a tentative agreement, its members were excluded from the current round of layoffs. However, Governor Cuomo has made it clear that should CSEA members reject the cuts agreed to by the union leadership thousands of additional layoffs would swiftly follow.

The main provisions of the proposed five-year CSEA contract (previous contracts were for four years) include:

- A two-year pay freeze, with a lump-sum payment of \$1,000 in the third year and 2 percent raises in the fourth and fifth years.
- A total of nine unpaid furlough days.

- Significant increases to health insurance premiums (2-6 percent, depending on pay grade) and in medical co-pays and prescription payments.

Union leaders accept without question that workers must pay for the economic crisis. CSEA President Danny Donohue said when announcing the agreement, "These are not ordinary times, and CSEA and the Cuomo administration have worked very hard at the bargaining table to produce an agreement that balances shared sacrifice with fairness and respect."

"Respect" has become a code word for the Democratic Party tactic of keeping union officials "at the table" in order to impose massive concessions on their members, as opposed to the Republicans' general preference for seeking to bypass the unions altogether. "Shared sacrifice" is repeatedly invoked to justify substantial concessions by workers while the wealthy become ever richer. According to Donohue, "We also recognize that we had to do our share to share that so-called pain."

Governor Cuomo expressed his gratitude for the services rendered by the union leaders. "I commend the union and its leadership for making a significant contribution to help get the state's fiscal house in order and making the shared sacrifices these difficult times require. Working together, we will turn this state around and get our economy moving once again."

The nakedness of the union's capitulation is exemplified by the inclusion of a "no-layoff" pledge by the governor for only the first two years of the five-year contract. Layoffs would be permitted during the remaining three years under "extraordinary circumstances." Donohue has already acknowledged that "these are not ordinary times," thus justifying in advance any future layoffs.

Most state workers live paycheck to paycheck. The furloughs combined with increases in medical expenses, not to mention the pay freeze in the face of rising costs for food and other essentials will represent real financial hardship.

The disenfranchisement of union members in the closed-door negotiations between the Cuomo administration and the

union leadership was referred to by one union member quoted by a local television station. Rosemarie Heinegg, who is under threat of layoff, said, “Most of the people feel utterly powerless and that decisions are made high above them and they have absolutely no input.”

As in many other states, the economic crisis is being used as an opportunity to eliminate earlier gains made by public and private sector workers.

The news media and the governor are promoting the proposed CSEA agreement as a “model” that should set the pattern for other public employee unions. The PEF leadership is currently conducting a poll of its members to determine if they would accept the CSEA terms.

Cuomo is explicitly using the layoff threat as a club against state workers. The unions accept the demand for major concessions, only quibbling over the details in the hope of avoiding a revolt by their memberships, as recently happened in Connecticut.

There is, in effect, no “negotiation” in any meaningful sense. The unions are completely tied to the Democratic Party. PEF supported Cuomo in his campaign for governor and PEF members are paying the price for that alliance.

Aside from empty phrasemongering about “respect,” the bureaucrats will take no action that threatens that relationship. When the unions speak of bargaining, they mean offering their services to facilitate the imposition of devastating cutbacks on their members.

The outgoing administration of the previous governor, Democrat David Paterson, laid off 900 New York State employees at the end of last year. Since 2008 the state workforce has been reduced by nearly 9,000 employees, a loss of 3.2 percent.

The WSWs recently spoke with state workers during their lunch hour on the Capitol Mall about the contract negotiations.

Pat is a PEF member who works in health care and is under threat of layoff. She expressed concern that cuts in health care services and personnel would have major negative effects. “I’ve worked in nursing homes and all different kinds of health care facilities and if you don’t have surveillance then it’s not a good thing.”

She described the governor’s initial proposal to PEF, which was made public a few weeks ago by the union as “horrific” and “infuriating.” The workers are very upset, she said.

Commenting on the recent contract rejection in Connecticut, Pat said, “My sense in hearing people in CSEA I think they’ll probably end up rejecting it also.”

Sean, another state worker, expressed strong feelings about economic inequality. “I feel that American is built on the backs of the middle class and lower class people. Those are the ones that do all the heavy duty, all the hard work.” He said that the least that the “higher ups” could do would be to take a few thousand dollars from their fringe benefits, their annual income, or their pensions to save jobs. “The system is designed for the rich to stay rich and the poor not to benefit from it.”

Tim Tierney is also a PEF member. He works for the State Education Department in IT. He too had strong feelings about economic disparities. “It’s amazing that it’s not making the headlines more. I’m dumbfounded why executive salaries are going up, and up, and up, and normal, everyday workers are going down.”

Tierney expressed doubt about how well unions are representing their members. “I think that’s why this first agreement [covering various state police units such as park rangers] was shot down overwhelmingly by the [union] officers who decided not to go along with it. I think the officers who negotiated that agreement are probably out the door.” He expressed the opinion that Cuomo is using a divide-and-conquer tactic against the CSEA and PEF.

A worker at the State Museum and PEF member, who asked that his name not be used, was very much opposed to the CSEA contract proposal. “It’s pretty harsh, I think. It’s a long time without raises and significant increase in the health benefit cost. I see increased health costs as eroding our benefits, and our benefits are bargained for as part of the reason we make less than privately employed workers.

“I expect PEF to only do worse than CSEA. I’ve seen the fiscal crisis first hand because we have no money at the museum. It’s been hard to buy supplies. We’ve had a hiring freeze for so long I can see that we’re in a tough spot. The people that are really paying for it are the wrong people, they’re the working people, not the ones who should be paying for it, but there don’t seem to be any other alternatives. It’s a very disappointing situation. It just seems that the money talks and the money has power.”



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