Detroit financial advisory board approves huge cuts in worker pay

David Brown 14 July 2012

The city of Detroit Financial Advisory Board has approved Democratic Mayor David Bing's proposal for over \$100 million in cuts to the city's workforce. The centerpiece of this proposal is a 10 percent pay cut for all unionized city workers, which will be imposed without negotiations.

The advisory board made its decision Thursday, but it still needs to be voted on by the city council, which could happen as early as Tuesday. The consent agreement between the city and the state authorizes the city to enforce the change on each union as its contract expires. Around half of the union contracts expired last month and have not been renegotiated.

The Bing administration fought for the consent agreement so that the mayor could enforce budget cuts rather than have an emergency financial manager appointed by the governor do the same.

In addition to the 10 percent pay cut, workers will be required to contribute more to their health care. The number of vacation hours they can accrue will also be halved from 320 to 160. Outside of the cuts to workers, the city budget is expected to be cut by an additional \$150 million.

Even more cuts are planned for the coming year. Bing has separate plans to lay off 2,600 of the city's 11,000 employees in early August, and to end retiree vision and dental coverage by 2013.

Several city and county workers who spoke with the World Socialist Web Site declined to comment due to instructions from their union, the American Federation of State, County and Municipal Employees (AFSCME). The unions have played a critical role in working with the city's Democratic Party establishment to try to prevent the emergence of opposition to the budget cuts.

In fact, the city unions had already agreed to similar

attacks on their members. Financial Advisory Board member Darrell Burks noted to the *Detroit Free Press* that there was no "significant change in what was recommended today and what was agreed to with the unions early on."

Among the workers hardest hit by the cuts are the city's firefighters. Nathaniel Tobi, who has been a chief of apparatus for 30 years, spoke with reporters from the *World Socialist Web Site* about the pay cuts and layoffs. The apparatus division of the department maintains equipment.

"What I want to know is if the city doesn't need all these workers, why do they still need all these managers? They're laying off all these workers but they still have nine city council members and nine people on the financial advisory board. If this was a shared sacrifice they'd be cutting top and bottom."

Last month, separately from the current pay cut, Bing announced that 164 of the city's 881 firefighting jobs would be cut. The poor state of the city's fire department is readily seen by the dilapidated state of its facilities, which can be difficult to distinguish from abandoned buildings.

"As it is we are way understaffed," Tobi said. "We used to have 63 employees. Now we just have 19, but we still have to repair all the equipment for Emergency Medical Services, all the fire trucks and the personal protective equipment for the firefighters.

"Because of the cuts we can't keep up with the equipment. Whatever laws and standards there are, we're in violation. We just don't have the staff. We haven't been cited because the regulators have cuts of their own. They don't inspect unless there's a

complaint or, god forbid, an accident.

"The city officials don't even pretend to take care of our interests. People need to take to the streets like they do in Europe," Tobi added.



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