

## Union Leaders Attack Cuomo's Priorities By Ripping His Committee

Posted: Monday, January 3, 2011 5:00 pm | Updated: 1:40 pm, Mon Jan 3, 2011.

By DAVID SIMS |

Municipal union leaders called on the state and city governments to come to the negotiating table and work with them to fill budget deficits, rather than girding for war against labor and planning to lay off thousands to fill 2011 budget holes, on NY1's "Inside City Hall" Dec. 29.

United Federation of Teachers President Michael Mulgrew, District Council 37 Executive Director Lillian Roberts, Teamsters Local 237 President Gregory Floyd and Communications Workers of America Local 1180 President Cheliotos appeared on the program hosted by Errol Louis to discuss Governor Cuomo's plans to take on unions over wages and pensions.

### Decries 'Political Power Play'

The four did not concentrate on the new Governor, however, instead focusing on the business interests financially backing his campaign, particularly the "Committee to Save New York," a coalition of business leaders who support a "fiscally responsible" budget.

"We talk a lot about all of us trying to find common ground to get us to a better place," Mr. Mulgrew said. "But if they're going to try and use this economic downturn for a political power play instead of trying to find a way that we can get through this, then that's very disappointing.

"The unions of this city and state have a rich history of being there when things get tough," he continued. "But it has to be a respectful relationship."

All four labor leaders said that the burden of the deficit was falling too heavily on the shoulders of civil servants, with studies from business-backed groups like the Manhattan Institute placing much of the blame for the \$9-billion budget hole on pensions.

"For the people who created the financial crisis, the stock market, the real estate market, the sub-prime mortgages, everything's been forgotten and the conversation has shifted to the public employees," Mr. Floyd said. "Even if you took labor as a whole and got rid of us, you'd still have an \$8-billion deficit. We're not the villains in this crisis here."

### Wants Power to Sue Wall St.

Mr. Mulgrew said that a change in the Martin Act, which bars the pension funds from suing financial firms for the malfeasance that caused them to take huge hits during the financial crisis, would also be beneficial.

"This 'pension bomb' wouldn't be happening if we could recoup the losses of the fraudulent acts of these Wall Street firms," he said. "Defined pensions are a lot less costly than what they want to offer people, it saves in the long run."

"I don't see the notion of a shared sacrifice," Mr. Cheliotos remarked. "My members have to take second jobs, I see their spouses having to work, I see them take on debt and try to survive. And now they're being told that they're greedy. Well, excuse me, that's just not the reality."

The Local 1180 leader, who has frequently called for a more-progressive taxing system with higher rates for the rich and a stock transfer tax on Wall Street, maintained that tone in his suggestions.

### 'We Are the Middle Class'

"The top 1 percent in this city in 2008 earned 45 percent of all the income in this city. That's outrageous, and it's a threat to our democracy, and I think we need to be aware of that," he said. "Public workers are the backstop for the middle class. If we are pushed back to where we work and live in poverty, then where's everyone else going to be?"

Ms. Roberts called for reductions in contracting-out and pushed the study her union recently conducted showing that the Department of

Finance should be collecting some \$500 million more from cell-phone towers and adult entertainment clubs that currently are under-taxed.

“There’s 18,000 outside contracts; why aren’t they ending? We can do the job for many of them,” she said. “I think if you really took a very close look at them, you could probably get \$2 billion easy. But no one wants to touch them.”

There was almost no mention of Mr. Cuomo by any of the union leaders, however, although Mr. Floyd obliquely criticized him for using business surrogates like the Committee to Save New York to attack labor.

#### **‘Close Corporate Loopholes’**

“The people that we need in the room talking aren’t talking to us, they’re talking through people,” he said. “We can try to come up with a solution that’s going to be better for New York. The Committee to Save New York is this room, not that room.”

Mr. Mulgrew said there were other ways to raise money that the business community didn’t want to talk about. “We have a progressive income tax here. Now, that’s due to sunset. That’s going to cost us \$2 billion,” he said. “Closing huge corporate tax loopholes could save us \$2 billion also.”

“Using pension funds to fund the economy, create jobs, that’s where the conversation needs to go,” Mr. Floyd said. “We need to create jobs, not lose jobs.”

