

City Offers 'State' Deal Plus Pension Rollback In DC 37 Wage Talks

By DAVID SIMS | Posted: Monday, November 14, 2011 5:00 pm

The Bloomberg administration is seeking a contract deal with District Council 37 that includes a three-year wage freeze, increases in pension and health-care contributions and a rise in the retirement age for new hires, under proposals made Nov. 10 that echo key provisions of the deals reached between Governor Cuomo and the two largest state-employee unions.

The city proposed a five-year agreement that would conclude with two 2-percent raises. It is also demanding "extended service requirements and increased employee contributions" for new hires' pensions, a 10-percent premium for basic health insurance along with HIP co-pays and higher deductibles for all workers, and a reduction of welfare contributions by \$100 "on a rate basis."

Pension Wasn't on State Menu

Mr. Cuomo's deals with the Public Employees Federation and the Civil Service Employees Association fell along the same lines, minus the pension provisions. While the CSEA handily approved its deal, PEF's members initially rejected theirs before approving a slightly tweaked version on Nov. 3.

District Council 37's contract expired almost two years ago, and Executive Director Lillian Roberts said in a statement that the union was looking for wage increases for its members, who have not gotten a raise since March 2009.

"Over the past few years, layoffs and attrition have reduced the city's workforce by thousands, forcing our members to do more with less," Ms. Roberts said. "We've risen to meet this challenge. Our members are working harder than ever, and the cost of living is on the rise. Our members need a wage increase, and that is why we've requested to begin negotiations."

She said that although the city was claiming it did not have the funds for raises because of looming budget deficits, "It is the Mayor's own policies that have created these budget deficits, which he chooses to solve by laying off thousands of our members, most recently at the Department of Education."

'Invest in the Workforce'

Ms. Roberts added, "The Mayor has allowed out-of-control spending on outside private contractors, unregulated tax breaks for wealthy corporations, and millions in uncollected tax revenues to accumulate... Instead of continuing down the path of job-killing budget cuts, the Mayor should invest in the city's workforce, which would help unemployment and jumpstart our economy."

Labor Relations Commissioner James F. Hanley confirmed in a phone interview that the Nov. 10 bargaining session had been the first with the union since its contract expired in March 2010. DC 37 received two 4-percent raises in 2008 and 2009 under that deal.

When asked about Ms. Roberts's statement that the city could find the money for wage increases, he said, "They made that claim, and we don't agree."

DC 37 is pointing to a 71-percent increase in spending on outside contracts under the Bloomberg administration as the clearest example of bad budget policies. The union also claims that the city has failed to collect approximately \$1 billion in tax revenue because of cuts and poor policy in the Department of Finance.

Long Line of Expired Deals

Most of the contracts negotiated under the pattern of two 4-percent raises, a deal the city reached with Teamsters Local 237, DC 37 and most other municipal unions beginning in September of 2008, have now expired.

Some unions, such as the United Federation of Teachers and Council of School Supervisors and Administrators, are still looking to secure a contract based on that pattern and have filed impasse proceedings with the Public Employment Relations Board.

But the city's demands from the meeting with DC 37 seem to indicate that Mayor Bloomberg wants to make the Governor's statewide deals the new pattern for municipal unions as well.

Along with the wage freeze and pension and health-care changes, the city is also asking for an increase in administrative charges for union dues and to raise the threshold for part-time workers to 20 hours per week.

The city also proposed eliminating "reverse out-of-title" provisions and "any and all references to selection of employees based on seniority, and/or any and all restrictions on assignments based on transfer procedures in any unit agreement."