

Unions Say Thanks for Nothing To Mayor's No-Retro Contract Offer

By DAVID SIMS | Posted: Monday, April 22, 2013 5:30 pm

If the city's unions want contracts with the Bloomberg administration guaranteeing future raises, they're going to have to accept a lack of retroactivity and start paying a portion of their health-care costs, Deputy Mayor Caswell Holloway indicated in an April 15 letter to Municipal Labor Chairman Harry Nespoli that the union leader immediately rejected as "an insult to labor."

Mr. Holloway publicly presented his plan at a Citizens Budget Commission breakfast on April 17, an appearance that underlined how unpalatable it is for the city's unions, given the CBC's habit of calling for aggressive cuts to city workers' pay and benefits.

Includes Health Incentives

He said the city had budgeted for fair raises in the future if public-employee unions agreed to no retroactive hikes and a restructuring of health benefits that includes contributions from workers and retirees, and incentives for healthy lifestyle changes like quitting smoking.

This would be a particularly tall order for a union like the United Federation of Teachers, which has been working under an expired contract since Nov. 1, 2009 and never received the pattern raises of two 4-percent bumps given to most other unions in 2008 and 2009. The largest police and fire unions would also have to forsake retroactivity dating back to Aug. 1, 2010.

Mr. Holloway's proposal was quickly pronounced dead on arrival by union leaders, and not just because he proposed it less than nine months before his boss leaves office and the next Mayor is much more likely to discuss more-equitable terms.

"It's sort of like a peacock sprouting his feathers and running around," United Federation of Teachers President Michael Mulgrew said in a phone interview. "It's not gonna do any good. He went to the CBC to talk about how he's negotiating with us, but he's not gonna negotiate with us."

'A Public-Relations Stunt'

He called it "a stunt" designed to answer questions from the 2013 candidates about the looming retroactive-raise liability awaiting the next mayor.

"Every major union is without a contract, and he did it on purpose," he said. "The Mayor can now answer the question, say 'I've offered to negotiate with all of the unions.' That's all this was. It's ridiculous."

Mr. Nespoli said he thought Mr. Holloway's offer amounted to political posturing from a Mayor

concerned about his legacy, adding he was taken aback by his emphasis on the lack of layoffs since the 2008 recession.

“New York City recovered more quickly from the national recession than any other city—and we did it without eliminating essential services or laying off of the city employees who provide them—from Police Officers on the beat to the Teachers in our classrooms,” Mr. Holloway said in a statement. During the CBC breakfast, he added that the Mayor could have cut jobs instead of freezing pay, and didn’t.

‘Lucky to Have Their Jobs?’

“I just don’t know how he can make a statement that the city workers are lucky to have their jobs,” Mr. Nespoli said. “That is totally out of line, and where he got that from I don’t know. Especially after all the city workers have done during these disasters.”

Mr. Mulgrew agreed, saying he had gotten passionate feedback from his members about Mr. Holloway’s remarks. “Guess what, maybe in nine months Mr. Holloway would be thankful if he had a job,” he quipped.

Although the Deputy Mayor sent him the letter before speaking to the CBC, Mr. Nespoli said the city’s proposal was unilateral, when changes to health plans are usually considered after months of talks involving unions and providers.

Where Were We?

“Every time we put an RFP out in the past, the MLC was involved, along with the city, to work together, so that we can find the cheaper cost for the city and keep the quality of health coverage that we have now,” he said. And HIP and GHI have always been there and they’ve always sat down at the table.”

“And he’s saying to me they’ve been working on this thing for five and a half months, but I get a letter Monday, and we weren’t included,” he continued. “This administration has 277 days left, and he wanted to do something quickly. Look, we’re willing to sit down and talk about anything, but when you talk about changing health coverage, this changes things for the next 10 years. You don’t rush through this, and to be perfectly honest, the next administration should be working with the unions.”

Mr. Mulgrew said the Mayor obviously had no real interest in solving the fiscal problem of the expired contracts, or else he would have already dealt with it.

“What he’s really trying to do at this point is hamstringing the city so it can’t move forward on good fiscal footing,” he said. “He’s the Mayor of the 1 percent. That’s his legacy. He gave the city away

to his friends.”