

DETROIT WORKER UNIONS BARTER RIGHTS FOR FALSE SENSE OF SECURITY



Keen to avert a financial meltdown, Detroit's city government is mulling over plans to impose lower-cost, labor agreements on municipal workers. A tentative agreement between Detroit Mayor Dave Bing, a Democrat, and Michigan Republican Gov. Rick Snyder would permit the city to impose its own labor contracts on the municipal workers. The contracts could also include terms to curtail public employees' pension benefits. If city unions do not give their assent to this proposal, it could be imposed in July, after their current terms expire at the end of June. However, a coalition of 30 labor unions, representing the Detroit workers ratified the new contracts. Their decision hastened by the knowledge, that state intervention in Detroit's finances looms over the city and an emergency could be imposed. Under the Emergency law, the Governor can dissolve unions, abolish collective bargaining and sack elected officials. An emergency can be imposed if a city is considered to be a financial failure. In what is being considered as a sell-out, the unions have agreed, "to accept 10% pay cuts, layoffs and changes to city pensions." It is charged that the unions have set aside considerations for fellow workers and accepted the contracts, even though the workers are not the cause for the Detroit's financial woes. The workers feel that the real cause of the financial crisis is mismanagement, a declining population and tax laws that prevent politicians and their rich friends from being taxed. Ironically, the new agreements would save the city \$54 million per year from the cuts and concessions, which is not even half of what Detroit Mayor Dave Bing had in mind. Terry Stanton, a spokesman for Gov. Snyder, confirmed "The state's concern is that the agreement does not generate the savings needed to address (Detroit's) long- and short-term crisis." It is clear that inspite of whatever the unions forego and give up, an emergency could still be imposed and pay and benefits could be reduced even further. Mayor Bing has called the labor agreements historic. However, the Detroit City Council must sign off on the deal before it can become applicable. One wonders if the workers will get anything in return, or is job security a mirage they will hopelessly chase.

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