

NEW YORK LAYOFFS MAY BE AVERTED BY CONTRACT RENEWAL



Those of you who have been following our ongoing coverage of the potential layoffs of roughly 3,500 members of the Public Employees Federation, the second-largest union of state workers in New York, will remember that the fates of these workers all hinge on the ability of the union and the state's governor to come to an agreement about the terms of continued employment. Governor Andrew M. Cuomo needs the unions to make some concessions in order to balance his state budget. The Public Employees Federation wants to ensure that their members get the best possible deal, one that does not deny them basic needs, such as health insurance coverage. In order to make this situation work, there have been several rounds of negotiations. On Sunday Governor Cuomo's office and the union officials reached a tentative last-second deal. The deal includes a revised package of wage and benefit concessions that will allow the union members to stay in their jobs. The new agreement is a bit of a surprise. It only comprises minor changes from the previously negotiated version of the contract. That version was rejected by the voting union members just last month. After that contract was rejected, the Governor announced that the 3,500 layoffs would be needed to make up the budget savings that those concessions would have equaled.



The layoffs can be averted if the newly minted contract is approved by the union's executive board. The union's executive board is currently considering the contract, and is expected to give a verdict either on Monday or Tuesday. If no agreement can be reached then the layoffs will take effect on Wednesday. Even if this stage is reached there is one more obstacle, a vote by the union members. If the executive board agrees to the proposal Mr. Cuomo is willing to suspend the layoffs long enough to allow the union to hold a general vote. Since the Public Employees Federation has roughly 55,000 members holding a vote before Wednesday is not a pragmatic step. "I am confident that my administration has been more than reasonable and fair," Mr. Cuomo said in an official statement. "Simply put, the fate of the members is in the union's hands. It's up to them." The revisions to the four-year contract include several concessions on the side of the union. The members of the union will have to decide if they are willing to accept the following change: - A three-year freeze in all of their wages. - A raise of only 2% in the final year of the contract. - Paying a higher percentage of the costs for their health insurance premiums. - Waiting on payment for the nine furlough days mandated by the contract until the end of the contract term. - Losing \$1000 in bonus to be paid to members. If the layoffs occur they will be the state's largest wave of job cuts in the past two decades. So, the question remains, will the union members ratify the changes or will almost 3,500 people in New York State be out of work?