

DETROIT PLANS TO AVOID JOB LOSS SUBMITTED



Those of you who follow our coverage here at Layoff Watch with any frequency will recall a recent piece we did, covering the budget conflict in the city of Detroit. The city mayor had a plan to help correct the budget issues, but at a heavy price to the people who are employed by the city. For those of you who did not catch the initial coverage here is an excerpt: "The Motor City is getting ready to motor some of its workers right out of their jobs and into the unemployment line. Dave Bing, the current Mayor of Detroit, recently made an announcement of some grim news: the city is getting ready to lay off about 1000 of its workers in order to stay solvent. The city says that if they do not make these job cuts than the city will have seriously consider declaring bankruptcy." We also talked about a second plan, one being prepared by the city council, to help avert at least some of the layoffs. We always knew that the plan would involve some serious cuts to the city's services. Some of the cuts discussed included: - Closing all of the city's recreation centers. - Making cuts to the police and firefighter's budgets. (Specifics were not discussed, but staff reduction could also be included in this part of the plan.) - Selling off parking lots owned by the city to private companies that can make a profit off of the parking fees. - Eliminating all of the subsidies to local museums as well as to the Detroit Zoo. Well, the City Council members have finally released their completed list of the budget recommendations, for cutting costs and saving jobs that have been the object of contention, and those recommendations will include a lot of unusual changes. In addition to the cuts that we already discussed the plan also calls for: - An increase in city bus fares. The fare increase proposed would be an increase of \$2 for regular route fare and an increase of about \$1 to the People Mover fare. - The elimination of all city-paid parking and cell phones. - Cuts to the salaries of all of city executives. The plan asks all of the city executives to cut all of their salaries down to \$100,000. - Providing an early-retirement package that would allow some of the lower-paid police officers to stay on the force without increasing costs. Of course there is nothing to say that the Mayor will take the advice of the City Council. The proposal was sent to the office of Mayor Bing yesterday afternoon for his consideration. Today at 3pm there will be a joint committee meeting with Chief Operations Officer Chris Brown to discuss the ideas and decide which of them, if any, are a viable way to avert the layoffs. "We're going to continue to do our due diligence," Council President Charles Pugh told a local reporter for the Detroit News. "We can't implement the plan, but what we can say is we're willing to push and make sure the folks who people elected to do this are the ones who are going to do it."

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