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Unions take a hit in fight over future

By JANE ROH
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It's been a bruising year for public employees unions in New Jersey.

Upon passage of the \$29.4 billion budget last week, Gov. Chris Christie received praise from national conservatives for successfully battering big labor's image.

Feeling more vulnerable than ever, public employees wonder if they have any allies left in Trenton.

"I think there's a very serious question about how public employment and public employees are viewed going forward," said John Weingart, associate director of the Eagleton Institute of Politics at Rutgers.

Though public workers are increasingly losing such long-held entitlements as longevity pay and sell-back of sick time, many are troubled by perceived attacks on their way of life.

"This is about more than labor," said Rahaman Muhammad, president of Service Employees International Union Local 617, based in Newark.

"These Draconian cuts that have been made in programs that benefit the poor and working poor, there's no middle class anymore."

Lost in the sparring between the governor and the unions is labor's long history of advocating for the working class. As some public employees see it, their longtime allies find facing off with Christie too politically risky.

"Some of our friends in the Democratic Party have gotten caught up in the governor's honeymoon," said Bill Lavin, president of the state Firefighter's Mutual Benevolent Association. "They lost their way. They're not representing us."

Some of labor's ire has been directed at Senate President Stephen M. Sweeney, D-Gloucester, a general organizer for the International Association of Ironworkers. While public employees are only recently feeling the recession's pinch, his mostly private-sector members were hit early on.

"My employers can go out of business anytime, and they do go out of business all the time," Sweeney said. "In the public sector, the philosophy is government cannot go bankrupt and has the ability to tax, so just tax."

If the governor went after public employee unions hard, those unions went after Sweeney and his longtime friend Sen. Donald Norcross, D-Camden, in equal measure. Sweeney has been greeted at public functions with giant inflatable rats. Both he and Norcross have been told they would receive none of the traditional union support for Democrats.

But Sweeney insisted his caucus has made its opposition clear.

"But at the end of the day, if I hold a press conference naked and Christie holds another press conference, I know where the press is going to be," he argued.

Sweeney urged his union critics to remember that fights for raising the minimum wage and more family care assistance have always been led by New Jersey Democrats.

"If my friends in the labor movement think that I'm being unfair, I would point to a whole host of legislation I've done over the years," he said.

"But because I'm a union person they want me to ignore everything else that's going on and only legislate for them. I'm not doing that. I was elected by all the people, not just union people."

"The governor has the absolute upper hand," said Norcross, leader of the Southern New Jersey AFL-CIO. "When folks suggest that we didn't fight, they obviously were somewhere other than in the budget hearings and the legislative process."

Sweeney's introduction of a 2.9 percent statutory cap on property taxes appears to have forced Christie to back away from a 2.5 cap as an amendment to the state's constitution.

Over the weekend, the two united to announce a 2 percent statutory cap.

But Pete Guzzo, a lobbyist for the state Fraternal Order of Police, expressed the fear shared by many that bashing of public employees would have lasting repercussions. "Some of the things in this budget really go to the heart of impacting the collective bargaining process. Pension reforms that affect future hires -- that battle is done. Now the battle is to protect current employees."

Shortly after helping to pass the budget, Democratic lawmakers began referring to it as "a Republican budget." New Jerseyans are expected to see higher tax bills as compensation for deep cuts in municipal and school aid. Residents also will see more and higher fees for select services and programs.

And while economists look for signs of new hiring in the private sector, job-shedding in government may be just beginning.

After increasing slightly in 2009, local government employee numbers began a downward slide in January, according to state Department of Labor and Workforce Development data.

Some economists view the crackdown on government services and employees as not just ill-timed but potentially disastrous, because it could spell a second round of precipitous job losses in the state.

"In stage one of the financial crisis, the government bailed out the private sector, particularly the leading banks. The public financial crisis is the second stage," said Jeffrey Keefe, of Rutgers' School of Management and Labor Relations.

Federal stimulus aid helped keep states afloat during the worst of the downturn, but that aid is drying up. In addition, tax revenues in the state aren't coming back, and neither is aid.

"In this stage -- which began a year ago but was forestalled by stimulus money -- public-sector employment is under pressure. Without the stimulus support the serious cuts will begin now," Keefe continued.

"When our members are put out of work, those left behind will be compromised in their ability to do their jobs and keep people safe," warned Lavin of the FMBA.

"We fully understand there's an economic crisis, but there are some things you cannot do without. I don't know how mayors will fulfill their obligation to keep people safe."

Christie has dismissed warnings of a worsening financial crisis, pointing to his 33-bill "tool kit" to help municipalities survive the austere budget.

"In my conversations with the Senate president, he has assured me that we're going to move toward a conclusion on the tool kit by early this fall," Christie said.

For now, more serious questions about the future of government workers are being eclipsed by Christie's ongoing battle with the state's largest teachers union, the New Jersey Education Association, which could not be reached for comment.

"The NJEA has become a convenient and fairly easy symbolic target for the governor," said Weingart of the Eagleton Institute. "The unions have not managed to evoke much public sympathy."

The next challenge for public workers will be evading public outrage when 2012's pension fund payment puts a dent in the budget.

It was Christie's call not to make a \$3.1 billion pension obligation payment this year.

"Probably \$7 billion of that \$11 billion deficit is coming back next year," Sweeney said. "The problem isn't solved, and hopefully the public is savvy enough to see beyond the top lines. That \$3 billion nonpayment will lead to a \$4 billion pension hole next year."

"If that happened in my local union, I'd be taken away in handcuffs," said Norcross, who stressed public workers were not to blame.

It remains to be seen if Democrats and unions can patch things up.

But for some, the wounds are too fresh.

"There's such anger and disappointment that I have with Democrats," Lavin said. "We need to see if we have any friends left in Trenton. If we have to run our own candidates, so be it."

"We are at the forefront of reminding politicians that if we think your policies won't benefit working people, then we won't support you," SEIU's Muhammad added.

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