In a decision that brought New Year’s cheer to tens of thousands of California state workers, an Alameda County Superior Court judge ruled Dec. 31 that Republican Governor Arnold Schwarzenegger exceeded his authority last year when he ordered them to take three unpaid furlough days each month to help cover a soaring deficit in the state’s general fund. After the order was issued last February, the Service Employees International Union Local 1000 filed a lawsuit, together with the California Attorneys, Administrative Law Judges and Hearing Officers in State Employment (CASE) and the Union of American Physicians and Dentists.

In three separate rulings, Judge Frank Roesch said the governor’s use of the state’s Emergency Services Act was illegal because while the state had no budget when the orders were issued, the furloughs extended far beyond the date the budget came into effect. He also said that furloughing state workers whose agencies are supported by special funds rather than the general fund interferes with the functioning of specialized agencies like the Department of Motor Vehicles, and questioned the rationale of cutting their wages to help cover a general fund deficit.

SEIU 1000 said the furloughs resulted in a nearly 15 percent pay cut for its members, causing some to lose their homes or suffer damaged credit ratings. The union had already negotiated a contract with the state that included a 5 percent wage cut.

Workers affected by the ruling are employed by state agencies funded through special funds, like the Department of Motor Vehicles, rather than through the state’s general fund. SEIU Local 1000 spokesperson Jim Zamora said slightly more than half of Local 1000’s nearly 100,000 workers are affected by the decision.

Schwarzenegger’s spokesperson said the go-
Governor will appeal the judge’s decision, and predicted the issue will ultimately be decided by the California Supreme Court. An appeal would bring an automatic stay of the proceedings, but Zamora said the union plans to request the stay be lifted, opening the way to restoring the workers’ full pay. He said the union feels it may be possible to challenge the furloughs of all the state workers it represents.

Later this week, Schwarzenegger will deliver his final “State of the State” address and issue his budget proposals for 2010-11. On top of the $60 billion in budget shortfalls in 2009, the nonpartisan Legislative Analyst’s Office foresees a general fund gap of nearly $21 billion over the next 18 months. The governor is widely expected to call for more draconian cuts in human services and mass transit programs, and to renew his drive for oil drilling off the Santa Barbara coast.

Though California has by far the biggest general fund deficit, most states are expected to face sharpening budget crises in 2010. “The worst recession since the 1930s has caused the steepest decline in state tax receipts on record,” the Center on Budget and Policy Priorities said late last year. Besides new gaps that have opened up in current fiscal year budgets, CBPP foresees state budget shortfalls in the new fiscal year, “as big as or bigger than they faced this year,” and states will “continue to struggle to find the revenue needed to support critical public services for a number of years.”

At least 43 states have already cut services to residents, CBPP said. Pointing out that federal aid including American Recovery and Reinvestment Act funds have alleviated part of this year’s shortfalls, the Center said federal funds already allocated will likely be used up before the crisis ends, resulting in 2011 budget gaps even bigger than the current ones. It urged extension of federal support to states for Medicaid and education, to cover the period when states’ fiscal circumstances are expected to remain problematic.

Marilyn Bechtel is a writer for the PW.

Disaster decade

By PW Editorial Board

It took the Washington Post until almost a year after he left office to do it, but on its front page Jan. 2 the paper, which normally emphasizes happy economic news, printed a report that described the Bush years as the worst decade for the U.S. economy in modern times.

“There has been zero net job creation since December 1999,” the report declared. “No previous decade going back to the 1940s had job growth of less than 20 percent. Economic output rose at its slowest rate of any decade since the 1930s as well.”

As if that were not bad enough, the Post continued: “Middle-income households made less in 2008, when adjusted for inflation, than they did in 1999 - and the number is sure to have declined further during a difficult 2009. It was the first decade of falling median incomes since figures were first compiled in the 1960s.”

Topping it all off, the report concluded: “It was, according to a wide range of data, a lost decade for American workers.”

The Post report noted that during the Bush years “capital was funneled to build mini-mansions in the Sun-Belt, many which now sit empty, rather than toward industrial machines or other business investment that might generate economic output and jobs for years to come.”

The only thing missing from the Washington Post was the relationship to this past decade and the inner-workings of capitalism, ala Karl Marx’s seminal work, Capital.

In her article AFL-CIO’s Tula Connell noted that “the cataclysmic widening of the income gap between the obscenely rich and the rest of us is the very definition of the decade of disaster.”

But towards the end of the decade a political shift took place. The political landscape of the class struggle shifted away from the far-right GOP, which pushes the most extreme pro-corporate, pro-capitalist policies, towards an era that could achieve wide ranging reforms for the benefit of the people. But that’s if the opportunity is seized and acted upon by the millions.
Union workers file discrimination charge against hotel

By Pepe Lozano

Members of Unite HERE Local 450 at the Wyndham Suites Hotel here filed discrimination and union busting charges against the hotel after 90 workers were fired Dec. 4.

Positions from the general manager down to the dishwasher were terminated one day before ownership of the hotel officially changed hands over to the Georgia-based Dellisart Lodging and Hospitality Management.

Many of the workers had worked at the hotel for decades and only seven employees were left with a job after the firings took place.

The workers and their union filed a discrimination complaint with the National Labor Relations Board against Dellisart. The workers claim the new management is trying to push the union out.

Despite recent hotel closings at the Wyndham in nearby Rosemont and the Sheraton in Arlington Heights, where workers are also represented by Local 450, union officials feel it’s important that the Glenview workers take a stand.

Economists blame the current recession for the lack of business hotels are getting these days. Yet others say many hotels still remain quite profitable.

The Glenview workers said they were told the reason why they were fired was because the new owners did not want the hotel to be a union shop. Such a claim, union officials argue, constitutes discrimination.

Douglas Artusio, Dellisart CEO, reportedly said his company took over the hotel the day after the workers were let go and was not responsible for any earlier actions.

The previous management was court-appointed GF Management, which ran the hotel while the company was in receivership. However a former senior management employee said before the workers were fired the former interim GF Management General Manager Rick Henrickson said Dellisart had left him a long list of workers they wanted terminated before taking over. Most if not all were union workers.

Apparently another former manager also said they were told by Henrickson that Dellisart would not require their services. That former manager also claims GF Management did not pay them for accrued vacation time as required by law. Union officials say members were paid out of their accrued vacation time. A union contract that expired last May at the Glenview hotel was recently renewed and signed off on by GF Management and was still in effect, say union officials.

Meanwhile the workers continue to regularly picket outside the hotel and union officials have been meeting with area lawmakers to help them get their jobs back. Although the workers were given Illinois Warn Act notifications because of an ownership change, they did not think they would lose their jobs.

The workers and their union said they were not given the chance to apply to the new company until after they were already fired. They were told to submit applications at a different location in the nearby town of Lincolnshire.
Se legalizan los matrimonios “gay” en la capital Mexicana

Por Emile Schepers

El Arzobispo de la Ciudad de México y primado de México, Norberto Rivera, calificó a la acción como “inmoral” y dijo que podría llevar el país a su destrucción, ya que según el, el propósito del matrimonio es la procreación que, obviamente, las parejas homosexuales no pueden hacer.

Enojados legisladores de PAN, PRI y PVEM exigieron que el ejecutivo del Distrito Federal, Marcelo Ebrard, del PRD, vetara a la medida, pero aparentemente no lo hará. Se va a tratar de impugnar la ley como inconstitucional, como intentaron hacer también cuando la Asamblea Legislativa legalizó al aborto.

Pese a esta oposición, algunos personajes del PAN y PRI dicen que ven a la medida como un avance positivo para los derechos de todos los mexicanos.

Por Emile Schepers