

# PEOPLE'S WORLD

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## Illinois governor makes state workers the scapegoats

By John Bachtell



In what he termed “the most difficult budget” in the state’s history, Illinois Governor Pat Quinn on March 6, called for deep cuts in a wide range of social programs.

In increasingly desperate tones, Quinn blamed the projected deep cuts on the state pension crisis, essentially pitting the public against public workers.

Quinn said money allocated for education and other programs must be directed to pensions, in this case about 20 percent of the budget. Under the proposal, the budget will only be balanced by delaying payment of state debt. Illinois has a backlog of \$9 billion in unpaid bills.

Those waiting to be paid include thousands of day care centers operated out of homes, home health care operations and non-profits that offer essential services like child nutrition and drug and alcohol rehabilitation programs. Many of these operations have been forced to shut down because they have not been paid, leaving the state’s social safety net increasingly in tatters.

The Quinn budget would slash money for public education, which is already severely underfunded by \$400 million, reducing it to its 2008 level. This would be the third year in a row education funding per student has been cut. In addition the state owes school districts some \$634 million

in past aid.

“We’ve gone in and made cuts every year, and the bottom line is the kids get the short end of the stick,” longtime Lincoln-Way District 210 Superintendent Lawrence Wyllie told the Chicago Tribune.

While the budget would increase funding for some social programs, it does freeze payments to municipalities. Such a cut cost Chicago about \$31 million.

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The pension crisis, amounting to \$96 billion in liabilities, is the largest of any state in the country. It is the result of the one of the most regressive state taxation systems, which has left the state consistently short of funds.

While state workers have paid into the sys-

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tem without fail over the years, the state has not. Because of severe revenue shortfalls, that money was instead diverted to pay for other essential programs.

On March 11, the Securities and Exchange Commission accused Illinois of engaging in fraud, covering up the true extent of the pension crisis from bond investors.

In his remarks Quinn turned this on its head, insisting money was now being diverted from funding education and other programs to pay for the pensions.

We Are One, the statewide coalition of unions representing public workers blasted the budget proposal, saying it represented a false choice.

“The reality is we can afford both adequate funding for public services and keeping promises made to retirees. The problem is that far too much money is wasted on special tax breaks and loopholes for large corporations that deprive the state of revenue while failing to provide promised benefits,” said the coalition in a statement.

The coalition outlined over \$2 billion that could be raised immediately by closing corporate tax loopholes. While Quinn outlined ways to close

\$445 million in similar loopholes, he didn’t propose any tax increases.

Meanwhile, powerful business interests have kept a steady drumbeat calling for cuts in state pensions while remaining silent on tax increases on the wealthy and corporations.

Lawrence Msall, president of the big business backed Civic Federation insisted, “There are no roads out of the fiscal crisis except through pension reform.”

Dan Montgomery, president of the Illinois Federation of Teachers, said, “Springfield lawmakers created the massive pension debt by skipping payments and borrowing more. To call that debt an education expense is not only a gimmick, but also an insult to teachers everywhere. We are not to blame, and our students shouldn’t suffer.”

The IFT called for passage of HB 3162, which they termed a fair resolution to the budget crisis. The bill would set up ironclad guarantees on pension obligations while public workers would pay two percent more toward their retirement.



**John Bachtell writes for Peoplesworld.org**

## **The GOP budget must be rejected**

By PW Editorial Board

**T**he GOP budget rolled out by Paul Ryan this week was described yesterday by AFL-CIO President Richard Trumka as “a zombie he won’t let die.”

“Instead of calling for sensible repeal of the sequester, Ryan doubles down on harmful cuts to education, health care, and other programs that build a strong middle class,” the leader of the nation’s largest labor federation declared. He noted that all of the elements of the new GOP budget were rejected by the voters less than half a year ago. Unlike Democratic-backed proposals by the president that would close tax loopholes for the super wealthy the GOP plan gives even more tax breaks to the rich, higher subsidies to companies that ship jobs overseas and bigger tax cuts to corporations.

The GOP budget calls for repeal of the Affordable Health Care Act (Obamacare), replaces Medicare with a voucher system in which seniors receive coupons that cover only a small part of their health care needs and then leaves them on

their own to figure out how to pay for the rest, and drastically slashes both Medicaid and a host of public services.

“This budget would cut spending by \$5.7 trillion - devastating child nutrition, cancer research, and other key programs in an attempt to shrink government back to the size it was in the 1950’s,” Trumka said in an official statement issued by the AFL-CIO. Labor and its allies have been warning for months now that the fragile state of the economic recovery makes any cuts to state and local government programs extremely dangerous. The cuts already made, they say, have prevented the recovery from happening faster.

Trade union and community groups are also unhappy about the apparent willingness of some Democrats to move in the direction of cuts and are intent on keeping the pressure on even the president to remember the issues on which he campaigned for re-election.

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# Wage theft curb sought

By Mark Gruenberg

Saying wage theft is moving beyond its once-usual occupational fields of construction, trucking and household help, a panel of experts on the issue urged stronger state and federal laws against firms that cheat workers, tougher legal definitions that make it hard for employers to define workers as cheatable “independent contractors,” and increased and more-coordinated enforcement.

The National Consumers League, the labor-backed group which has been battling wage theft - and for workers’ rights - for 114 years, convened the panel on Capitol Hill to brief congressional staffers on the hugeness of an ignored problem.

But wage theft comes through arbitrary employer rulings that workers are “independent contractors.” That’s a form of fraud that hurts workers, honest employers and governments, too, panelists said.

Millions of workers are arbitrarily called “independent contractors.” That cheats them of pay, forces them to pay double in Social Security payroll taxes, denies them unemployment insurance and workers compensation and robs them of job safety and health law protections, said Kim Bobo of Chicago-based Interfaith Worker Justice.

Calling workers “independent contractors” also puts them outside the protection of already weak U.S. labor laws, denying them the right to organize and join unions.

The panelists also included Carpenters wage specialist Matthew Capece, Massachusetts Labor Standards Department Director Heather Rowe



The panel also said wage theft is not just a case of small local firms cutting corners, but often of national companies with deliberate decisions to make their workers “independent contractors.” Among the biggest offenders are FedEx, the nation’s largest package express firm and Pulte Homes, its second-largest homebuilder. Though the panel did not say so, both are also notoriously and often illegally anti-union.

Panelists urged passage of laws that end misclassification of workers as “independent contractors.” They suggested coordinating wage theft enforcement across states and different agencies. They also applauded crackdowns by Kentucky, Tennessee, California, New York, Illinois and a Connecticut-Massachusetts combo.

And Bobo, author of the definitive book on the issue, said Congress should double the current 1,000 wage and hour inspectors the Labor Department now employs. Those probes are supposed to deal with wage theft, overtime denial, underpayment of the minimum wage and more, for 135 million workers, she said.

**Calling workers “independent contractors” puts them outside the protection of already weak U.S. labor laws.**

## L.A. workers demonstrate

By Eric Gordon

**N**o contract, no peace! chanted over fifty demonstrators from SEIU/USWW (Service Employees International Union/United Service Workers West) in Los Angeles.

The union, which represents Kaiser's contracted security officers, says that it has been bargaining in good faith, while staying on the job despite the absence of a contract since last August.

Among the demands for inclusion in a new contract is one for more than two days sick leave per year. Workers say that if a security officer at a KP hospital has to return to work with the flu, after only two days, they can leave the hospital sicker than when they came in.

They also note that if they don't have time to properly heal after an illness they jeopardize the health of hospital patients.

SEIU/USWW is also negotiating the master contract between its workers and the owners of high-rise complexes throughout Los Angeles and Orange counties. That expired in December. Ironically, some of those security workers actually have Kaiser medical benefits in their package. The workers at Kaiser who are employed by Securitas, however, do not have those Kaiser benefits. Workers say they will not allow themselves to be divided on the basis of the levels of health benefits they now have.

SEIU has launched an educational campaign to inform both Kaiser members and the general public about how the security workers at these healthcare facilities cannot afford to get sick, and can't afford not to work.

## Guatemala a las puertas de primer juicio por genocidio

Por Randy Saborit Mora

**L**a sociedad guatemalteca vive a las puertas del comienzo del primer juicio por genocidio en este país, en el cual están implicados los exgenerales Efraín Ríos Montt y José Rodríguez.

Por su parte, la Corte de Constitucionalidad (CC) negó la semana anterior el recurso de apelación planteado por el exdictador Ríos Montt.

A este y Rodríguez, jefe de la inteligencia militar durante el gobierno de facto de aquel (1982-1983), la Fiscalía los señala por presuntamente ser los autores intelectuales de la matanza de mil 771 indígenas de la etnia maya ixil en el mencionado período.

Con la resolución de la CC, apegada al derecho, se quita un obstáculo más de los interpuestos por esos militares inculpados de graves violaciones a los derechos humanos en busca de obstruir el proceso y evitar llegar a un juicio, remarcaron las organizaciones querellantes en este caso.

De este modo, estimaron en un comunicado la Asociación para la Justicia y Reconciliación (AJR) y el Centro para la Acción Legal en Derechos Humanos (Caldh), se ratifica la continuidad del debate oral y público en contra Ríos Montt y Rodríguez.

Los sobrevivientes y víctimas del conflicto armado interno (1960-1996) consideran de gran importancia la resolución de la CC y exhortan a los operadores judiciales a cumplir con su función de impartir justicia.

El juez Gálvez designó el pasado 28 de enero al Tribunal B de Mayor Riesgo para asumir el caso, decisión calificada por la Premio Nobel de la Paz 1992, Rigoberta Menchú, como un acto ético, moral y necesario para la paz guatemalteca.

"Las víctimas, y la sociedad en general, hemos esperado durante mucho tiempo que la justicia tome su lugar y permita avanzar hacia la paz y la reconciliación", expresó al respecto Menchú, en una nota de la Fundación que lleva su nombre.

El fiscal Orlando López ratificó, en audiencias celebradas en enero último, las pruebas de cargo y las imputaciones contra Ríos Montt y Rodríguez.

López precisó, que aunque ambos no fueron los autores materiales de la masacre de mil 771 indígenas de la etnia maya ixil, sí tenían conocimiento de los hechos perpetrados de 1982 y 1983.

Según peritajes y exhumaciones, acotó, la mayoría de las víctimas eran niños y ancianos, personas que por edad no podían empuñar un arma, como para ser señalados como guerrilleros.

Fuerzas de seguridad ultimaron a unos 250 mil guatemaltecos, 45 mil de ellos víctimas de desapariciones forzadas durante la contienda civil de 1960 a 1996 en esta nación centroamericana, estiman grupos humanitarios.

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