

## **Labor's Statements on Fiscal Stability Commission's Recommendations**

*The Connecticut AFL-CIO, CT Education Association, AFSCME Council 4, AFT Connecticut, and SEBAC made the following statements in response to the Commission on Fiscal Stability and Economic Growth's recommendations:*

### **Lori J. Pelletier, President of the Connecticut AFL-CIO:**

“We suspected the [fix was in](#) a month ago and now we have the proof. These recommendations are a gift to the Connecticut Conference of Municipalities and the Connecticut Business & Industry Association. Not surprisingly, many of the Commission members are directly or indirectly tied to CBIA – either as current or former board members, or with their company as a member of the business lobby.

“This entire process has been plagued by a lack of transparency. The commission has been meeting in secret and most of the commission members had less than 24 hours to review the recommendations before they were released. On top of that, one member of the commission, Bob Patricelli, quietly created a nonprofit to support their work and did so a month before the commission even met. And this nonprofit is not controlled by the commission, but rather one member.

“The recommendations were supposed to be about creating fiscal stability and strong economic growth, but are nothing short of a full frontal attack on working people in the state. While there are some positive recommendations – such as increasing the minimum wage and lowering the tax rates for the middle class and working poor – the overall recommendations are a gift to the state's ultra-wealthy and seek to diminish the wages and benefits of Connecticut's workers.”

### **Donald Williams, Executive Director of the Connecticut Education Association:**

“There is much to unpack in the committee's report, but raising taxes that disproportionately harm the middle class while providing tax cuts for the wealthy is not a formula that makes sense. Raising the state sales tax and gas tax while eliminating the estate and gift tax, and lowering income taxes most significantly for the wealthy, are not the bold reforms our state needs to help grow our economy.

“While we agree with other recommendations to improve our infrastructure and cities, we oppose taking away the rights of working men and women that will worsen wage inequality and make Connecticut less attractive for skilled employees.

“The proposal to utilize the revenue stream of the state lottery system for the teacher retirement fund is a concept that requires further examination, but could help reduce unfunded liability, ensure a consistent revenue stream, and improve the long term viability of the fund. The Teachers' Retirement Viability Commission is also examining options to secure the stability of the fund, and we await the recommendations from this Commission in the coming weeks.”

**Sal Luciano, Executive Director of AFSCME Council 4:**

“We vehemently disagree with the Commission’s push to decimate collective bargaining over health care and pensions for state and local government employees.

“Our union represents thousands of public service workers – from correctional officers, school paraprofessionals and wage and hour enforcement agents to plow drivers, child abuse investigators and police officers – that are central to Connecticut’s economic and social well-being. Stripping these employees of their rights and their freedom to negotiate a decent standard of living will not stabilize the state economy but will instead introduce chaos and hardship.

“Let’s learn from Wisconsin, where the Republican and Koch Brother war on unionized workers have contributed to stagnant wages and job growth, a shrinking middle class and even more limited economic opportunities for workers of color. Collective bargaining has worked for Connecticut and brought stability to what’s left of our middle class. We urge Gov. Malloy and the legislature to take notice, and resist the urge to customize a ‘Wisconsin moment’ for Connecticut.”

**Jan Hochadel, President of AFT Connecticut:**

“Rolling-back state employees’ freedom to negotiate their own future is not just an affront to the rights of working people; it ignores decades of evidence. Union members have shown over and over that collective bargaining works to reduce costs and achieve greater sustainability while maintaining labor peace.

“The commission’s proposal turns a blind eye to the recent record, in particular. State employees, through our unions, have saved taxpayers billions in cost saving agreements reached in 2009, 2011 and again last year.

“Why would the commission’s members willfully disregard these contributions? An even more significant question is why they would shut the door on the possibility of state employees working together with future administrations to be part of the solution?”

**Danny Livingston, Chief Negotiator for the State Employee Bargaining Agent Coalition:**

“The notion that we can solve Connecticut’s unfunded liability problems by ‘elevating them to the General Assembly’ is ill-informed. For the first four decades of its life, Connecticut’s state employees’ pension plan was controlled solely by the politicians and that is precisely when the unfunded liability was created – not a penny was set aside for the first 32 years. Through collective bargaining, we created the enforceable funding obligation and a funding system that is affordable and sustainable for the long term. Compare that to the Teachers Retirement System where the General Assembly does control the funding of the pension plan and there is no collective bargaining. The result has been that no progress has been made in reforming the pension funding system. Collective bargaining is the solution, not the problem.”