

Unions and the Great Pay Debate

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by: [Sandy Parker](#)

The State Employees International Union (SEIU) called it “a smear campaign” and “a constant refrain in the Republican handbook.”

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At Unshackle Upstate, we prefer to call it fiscal responsibility, the duty to analyze a significant segment of taxpayer-funded state spending to determine if changes might be in order.

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We’re both talking about the debate over public sector compensation, a discussion that’s taken on new life in the state’s current budget crisis.

In a blog posting this week on at SEIU.org, the union – which has strong membership among New York state Employees – cited a new report by the National Institute for Retirement Security that it said succeeded in “Debunking the Myth of the Wealthy State Worker.”

SEIU said that according to this report – a national analysis by two economists – state and local public sector employees are paid 11 to 12 percent less than their private sector counterparts.

Might sound like a reasonable argument, but it misses two key points that basically render it irrelevant to New York’s situation.

For starters, if you look at just New York data, you get a very different result. Unshackle Upstate own report, New York’s Double Standard, found that across Upstate, salaries for state and local government employees were 10 percent higher than the private-sector average.

In fact, Alaska is the only state that pays its government employees higher wages and salaries than New York. And the salaries and wages of New York’s government workers are 44 percent higher than the average of the other 49 states.

There are a lot of other statistics I could cite, but if you want more, you can read [the report](#) itself.

Truth is, there’s only one point that I really need to make: New York’s public employees deserve the fairest compensation we can afford. And right now, New York can’t afford this.

When unions and others rail about the high salaries paid to executives of private companies, they miss the point. Those salaries are paid out of the proceeds of the company, not by taxpayers! If a company doesn’t make money, it can’t pay its workers.

Which brings me to my final point – my disappointment – make that angry frustration – over the unwillingness of union leadership to even discuss wage and benefit concessions that could help New York through this crisis.

Public employee unions in Ohio, Florida, Massachusetts, Nevada, Oregon and Connecticut have each accepted pay and benefit reductions to help their governments weather the results of the worst economic downturn in 80 years.

But the leadership of New York’s unions? They’d rather sacrifice jobs of their membership than agree to any cuts. And because of New York’s Taylor and Triborough laws, they don’t have to. We’re the only state in the union to have such “wage and benefit guarantees” on the books. Kind of makes you wonder. Then it makes you mad.