



Legislation Text

File #: Res 2056-2009, **Version:** *

Res. No. 2056

Resolution urging Puerto Rican Governor Luis Fortuño to meet with the labor unions representing Central government workers in Puerto Rico to discuss alternative solutions to the economic crisis and reduce the privatization of important government functions, for the benefit of all Puerto Ricans including the thousands who live in, or have relatives who live in, New York City.

By Council Members Mendez, Liu, Mark-Viverito, Barron, Brewer, Gonzalez, Jackson, Palma, Weprin and Gerson

Whereas, Puerto Rico is a commonwealth under the sovereignty of the United States; and

Whereas, According to most recent data released by the U.S. Census Bureau for 2007, there are nearly 4 million people of Puerto Rican descent living in the United States, which represents 9 % of the entire U.S. Hispanic population; and

Whereas, Over 1 million people of Puerto Rican descent are living in New York State, of whom approximately 786,000 live in New York City; and

Whereas, People of Puerto Rican descent make up 35% of all Hispanics living in New York State, as well as 35% of all Hispanics living in New York City, representing the largest group of Hispanics living in both the City and State; and

Whereas, Puerto Rico is in its third year of recession and its government agencies are facing a \$3.2 billion budget deficit that would raise the cumulative deficit to \$21 billion, according to *The New York Times*; and

Whereas, To address the Commonwealth's budget crisis, on March 4, 2009, Luis Fortuño, Governor of Puerto Rico, introduced Public Law 7, "The Special Law Declaring a State of Fiscal Emergency and Establishing a Comprehensive Plan to Stabilize the Economy and Save Puerto Rico's Credit," which was

passed in both the Commonwealth's House and Senate two days later; and

Whereas, Under Public Law 7, the government will lay off 30,000 or more public employees and freeze government salaries for 2 years beginning July 1, 2009; and

Whereas, Public Law 7 also suspends collective bargaining agreements between the Commonwealth and its employees' unions for 2 years, and would privatize essential public services; and

Whereas, The government is Puerto Rico's main employer and its employees make up approximately 21 to 24 percent of the work force on the island, so the layoffs would especially adversely impact the workers and their families, in addition to all other residents in need of public services; and

Whereas, Unions like the AFL-CIO, UAW and others strongly oppose Public Law 7, including the privatization of vital public services, and call upon the Governor to ensure that collective bargaining and other labor rights for workers are protected; and

Whereas, Union members are willing to participate in a dialogue with Governor Fortuño and contribute ideas that could possibly help stabilize the island's economy; and

Whereas, In January 2009, a coalition of unions presented to the Governor a set of alternate solutions to address the current economic crisis in Puerto Rico; and

Whereas, In May 2009, a delegation of New York Senators went to Puerto Rico and discussed the impact of Public Law 7 on workers in Puerto Rico, and were assured of the Governor's openness to discussing this issue with the unions; and

Whereas, On May 29, 2009, nearly 8,000 government workers were the first to lose their jobs and the layoffs were immediate for 4,000 of those workers, while the remaining employees will be dismissed by early July, according to the Associated Press; and

Whereas, Public Law 7 may have devastating consequences throughout the Puerto Rico, not only for the 30,000 workers whose jobs will be eliminated, but also for every Puerto Rican who relies on the critical services provided by the government; and

Whereas, This stabilization plan may lead to a deeper recession and increased unemployment; and

Whereas, The layoffs come as Puerto Rico faces an unemployment rate of nearly 15 percent, higher than anywhere on the U.S. mainland, according to the Associated Press; and

Whereas, The economic downturn in the United States has resulted in foreclosed properties, a volatile stock market, a decrease in consumer spending, and increased unemployment in the mainland, as well as in New York City; and

Whereas, The U.S. Department of Labor reported that the nation's unemployment rate rose to 6.7 percent in November 2008, and according to the New York State Department of Labor, the State's unemployment rate was 5.5 percent in October 2008, compared to 4.4 percent in October 2007, and New York City's unemployment rate in October was 5.7 percent, compared to 5.2 percent the previous year; and

Whereas, Since thousands of New Yorkers have relatives living in Puerto Rico, it is not unlikely that with increased unemployment on the island, New York City will see an influx of people coming from Puerto Rico to work, which may cause further strain on the City's economy; now, therefore, be it

Resolved, That the Council of the City of New York urges Puerto Rican Governor Luis Fortuño to meet with the labor unions representing Central government workers in Puerto Rico to discuss alternative solutions to the economic crisis and reduce the privatization of important government functions, for the benefit of all Puerto Ricans including the thousands who live in, or have relatives who live in, New York City.

LS#7532
6/23/09
TC/RC