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Public Sector Unions Are Hobbling Pittsburgh

Labor Day 2005 is shaping up to be tumultuous for unions in Pittsburgh and Allegheny County. This year's holiday will arrive with the prospect of several work stoppages involving the labor movement's strongest component, the public sector.

The start of the school year is always a wild card. That's because Pennsylvania's public school teachers not under contract have the ability to walk out of their jobs for two weeks every school year without penalty. Last year, teachers in the Ringgold School District did just that. In terms of the frequency of school strikes, Pennsylvania's record is abysmal. From 1993 to 2002, one out of every two school strikes in the country occurred in Pennsylvania, according to the Pennsylvania School Boards Association (PSBA).

This year, support workers in the South Allegheny School District are on strike, asking for a six percent pay raise and better health care coverage for teachers' aides. Teachers in the Bethel Park School District, who just voted to authorize a strike late last week, might soon be on the picket line. They are on a 48-hour strike notice as negotiations continue.

How is it that parents and students can have their lives and education disrupted with absolutely no regard from striking teachers? It is a logical outcome of the teachers' unions and their supporters in the Legislature creating a massive imbalance of power in the bargaining process. Teachers can strike but parents can go to jail if they don't make sure their children are in class. That pretty well sums up the preposterous situation Pennsylvania has created in public education.

Teachers receive guaranteed annual wage increases, enjoy top of the line health care benefits and were included in the statewide pension boost package in 2001. Meanwhile taxpayers must dig ever deeper to fund all these benefits. Endlessly repeated taxpayer calls for reform and accountability are cavalierly brushed aside while the education establishment accumulates privileges and power without having to be held accountable for poor performance in a large number of Pennsylvania schools.

Besides the school strikes, the possibility of two major transportation-related strikes looms large in the City of Pittsburgh and the region. First, the Teamsters are currently striking several downtown lots and garages owned by private companies. In all likelihood, this will extend to lots and garages of the Pittsburgh Public Parking Authority. The issues are familiar: contributions to health care, work rules, and the use of automated pay machines. According to a newspaper report quoting a union official, the health care offer from the Parking Authority is "even worse" than that of private operators, meaning that a prolonged strike might be on the horizon. Parking rates might well be raised still higher if the unions win the bargaining battle.

Second, and more far-reaching, is the negotiation between the Amalgamated Transit Union and the Port Authority. The contract with the union's 2,400 drivers and mechanics expired June 30, and the parties are currently in a period of fact-finding. The fact-finding report is due September 2. If either the Port Authority or the union rejects the report, and they refuse to go to final and binding arbitration, the stage is set for a transit strike, the first in Allegheny County since the early 1990s.

Beyond the wage and benefit issues, the transit union has expressed vehement opposition to a contract provision that would outsource a percentage of authority routes to private carriers. Union leaders characterized this as the authority asking them "to give away our work" as if the work was theirs to give away. Unfortunately, too many people in the region actually believe the work belongs to the union rather than the employer and the taxpayers who heavily subsidize the cost of PAT operations.

Clearly, strikes and talk of strikes are unsettling. But it must be borne in mind that there are many other labor related issues in Pennsylvania that ought to be addressed. This includes needed reform of Act 111, which gives police and fire unions a hammerlock level of power over municipalities in contract negotiations. Our survey of neighboring states found elements in their arbitration statutes (mediation, fact-finding, ability of the municipality to pay) that are absent in Act 111. Also, state law mandating that prevailing (basically union) wage be paid on projects that receive public money not only add to the costs of projects, they effectively shut out non-union contactors from bidding.

The trends in union membership are clear. Nationally, union membership in the private sector has fallen under 8 percent, while the public sector workforce is 36 percent unionized. Of course, in Allegheny County and Pittsburgh the non-supervisory public work force is very heavily unionized. It is also clear that, on average, states with low levels of public sector unionization and Right-to-Work are growing faster than states, like Pennsylvania, that do not have these growth enhancing policies. Obviously, if the Commonwealth were truly interested in economic growth, it would adopt these policies. But it won't happen anytime soon, and probably never.

Instead, we can expect the Commonwealth to hold on to its very poor ranking as a job producer and to continue its hopelessly inept, top down, corporate welfare driven economic development policies. Indeed, that's the fully predictable result of what happens when real, underlying growth inhibiting problems are not dealt with. Government tries to compensate by adopting ill-advised policies that actually make the situation worse in the long run.

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