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Detroit, unions approaching concessions deadline

COREY WILLIAMS, Associated Press

DETROIT (AP) — City officials continue to negotiate with Detroit's 21 unions and 48 bargaining units with time running out on Mayor Dave Bing's deadline for deals to be reached on health, pension and other concessions.

The number of bargaining units has made the process cumbersome, especially with all sides operating beneath the imposing specter of a state-appointed emergency manager who would take over the city's finances and have the authority to redo union contracts.

Bing has set Tuesday as the deadline for the concessions and other structural changes to help the city avoid going deeper into debt. A preliminary review from the state showed a nearly \$200 million general fund deficit for 2011. A review team is meeting with Detroit officials and poring over its books to determine if a financial emergency exists. It is expected to report back to Gov. Rick Snyder by the end of February. Snyder then could decide if Detroit will — or won't — get an emergency manager.

"All parties are working extremely hard to get an agreement," Bing's chief of staff, Kirk Lewis, said about the negotiations with city unions. "We've really never had this kind of honest dialogue. You will see a more collaborative process as we go forward."

The process often includes separate negotiations with each bargaining unit, which range from bus drivers to legal assistants, to police and firefighters, to senior water systems chemists.

"It is extremely time-consuming to do these kinds of negotiations," Lewis said.

"Typically, you would not have these amounts of unions."

The wants and desires of the bargaining units often vary, depending on the jobs they do. Police and firefighters have different demands than electricians or street maintenance workers.

"The guy you're talking to now wants to know what kind of deal you cut with the guy you just finished talking to and the next guy you talk to," said James McTevia, a business turnaround expert. "I don't know any other way to do it, unless all of the unions were to agree to a single individual as a person who would cut the deal across the board for everybody."

Auditors had said Detroit could run out of money as early as April, but Bing claims that won't happen because of cost-cutting and other measures taking effect. About 1,000 workers will be laid off soon, saving Detroit \$14 million. Longer-term avoidance of a cash crisis likely depends on concessions not yet reached.

Earlier in January, the mayor revealed an 18-month plan that calls for \$102 million in savings through June and \$258 million over the 2013 fiscal year, but those hinge on how far he gets with the unions.

The city has about 11,000 employees. Three years ago, there were more than 13,000 workers on Detroit's payroll.

"We have lost many of our membership through attrition," said Yolanda Langston, Detroit chapter president of the Service Employees International Union, which represents the city's blight inspectors and civilian fingerprint technicians in the police department.

"City employees are leaving in droves," she said. "You have some who are scared about providing stability for their families and have found other jobs; others who have been laid off previously and decided not to come back."

The 100 or so members of the Detroit SEIU are being represented in the current talks by Teamsters and AFSCME bargainers.

"Bargaining with coalitions on certain common issues can be beneficial in terms of streamlining the bargaining process," Langston said. "However, some issues may not directly involve some of the bargaining units. Because of that, bargaining could very well become time-consuming, which concerns me."

There also have been rumors of the unions consolidating, she added.

"SEIU opposes consolidating all bargaining units," Langston said. "We always have come to the table on behalf of our members and our community. Consolidating all of those unions ... I believe SEIU members would simply get lost in the sauce."

Bing worries that if deals are not reached quickly with city unions, Detroit — like Benton Harbor, Flint, Pontiac and Ecorse — will get a state overseer. Under Public Act 4, emergency managers can dissolve elected boards and remove mayors. They also have the authority to restructure hard-fought union contracts.

In negotiating with city unions for concessions over the past two years, Bing has warned of state involvement in Detroit's finances.

"We do know that some EMs have negotiated contracts with bargaining units elsewhere in the state," Langston said. "We are concerned a great deal if we have to sit down at the table with an EM."

Snyder repeatedly has said he doesn't want an emergency manager in Detroit and that he hopes the city is able to work out of its fiscal jam.

"I think the governor has got to act responsibly," McTevia said. "But he has to be sensitive to a city decimated by unemployment and a city that is not anywhere near the tax base it used to have. Somebody has got to bring some revenue into the picture. The city can't afford to pay for the services they have."

http://hosted2.ap.org/ALDEC/TDNational/Article_2012-01-29-Detroit%20Finances-Unions/id-b72b3f34b1964713949a628624d9f327