

NY's 'prevailing' protection racket

State laws governing pay for public works should be reformed, not expanded

BY E.J. MCMAHON

Few public policies carry a more misleading moniker than New York's "prevailing wage" law for public works projects — a job-destroying cost-escalator that Gov. Andrew M. Cuomo and the State Legislature may be on the verge of expanding as part of their impending state budget deal.

To an average voter living outside the reality-distorting bubble of New York government, the phrase prevailing wage implies the going rate of pay in a competitive market for skilled labor. In reality, what the prevailing wage law imposes on public works is neither truly prevailing nor limited to wages.

New York law requires public works contractors to pay the hourly amount set forth in any union contract covering as few as 30 percent of building trades workers in a given locality. The mandated "wage" includes the unions' contractual "supplemental benefits," pegged to the costs of union pension funds and health plans.

And those benefits aren't cheap. In Nassau and Suffolk counties, for example, the \$39.40 hourly pay of union laborers, among the building trades' lowest paid journeymen, must be supplemented by a \$29.56-an-hour contribution to the laborers' union benefit funds.

By imposing union contracts on public projects, the law requires that work be organized in line with age-old union jurisdictions and occupational classifications — effectively undermining the productivity advantages of nonunion and mixed "open-shop" contractors.

The prevailing wage law boosts the cost of public works by as much as 20 percent on Long Island and 25 percent in New York City, our research at the Empire Center has found. What private developers characterize as productivity-sapping union work rules translates into fewer new highways, transit upgrades, schools, sidewalks and other public improvements.

While the general prevailing wage mandate is embedded in the state constitution, the 30 per-



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Assemb. Phil Ramos, right, union leaders and workers rally in Wyandanch last week for a proposed state prevailing wage law.

cent threshold is a matter of state law — which Cuomo's Department of Labor continues to enforce across the state, even though it's increasingly clear that union deals no longer cover 30 percent of construction workers statewide. The real number, federal statistics indicate, was 21 percent last year.

Not incidentally, nearly all the building trades unions have growing ranks of retired workers dependent on underfunded pension and health plans. Thus, the prevailing wage law isn't just a

source of new member dues, but of desperately needed fresh cash to backfill retirement plans.

For more than a decade, the construction unions' highest priority in Albany has been to expand the prevailing wage requirement to a wider range of government-subsidized private projects, including those receiving tax incentives from industrial development agencies. Even with Cuomo's backing, the effort was making little headway — until the arrival of the Senate's new Democratic majority,

whose members have a knee-jerk tendency to favor anything stamped with a union label.

The Senate majority, like Assembly Democrats, included a provision in its one-house budget bill that would expand the definition of public works to include an array of government-subsidized projects, putting Cuomo on the spot to deliver. He has acknowledged that expanding prevailing wage will mean less work, yet he still talked of forging some compromise that could only have the same result.

New York's prevailing wage law is a relic of the late 19th century, designed to protect local firms and workers from lower-cost competitors from other regions. What survives is an increasingly costly protection racket for a shrinking but still politically powerful labor cartel.

Instead of expanding the noxious impact of prevailing wage, Cuomo and the legislature should reform the law — so that prevailing wage actually means what it implies.



E.J. McMahon is research director of the Empire Center for Public Policy.



JOHNNY MILANO

Buses from the Jericho district line up for the start of the new school year in August 2016.

The serious job of driving a school bus

As a school bus driver for 19 years, thanks for the recognition of our work in "Who drives LI's school buses" [News, March 24].

The story mentions a desire to have drivers take a personality test. Drivers must calmly handle the idiosyncrasies of perhaps as

many as 60 students on one run. While driving, I must watch the road with care or watch the students. It's a big decision. Between blinks, I could miss their high jinks. Drivers also must be respectful to sometimes irate parents, watch for suspicious individuals and be alert for unsafe drivers.

I have been spit at, kicked,

cursed at, insulted and even had a snowball smashed in my face in retaliation for a disciplinary student write-up. But most of my students and parents have been nice. To get through my day, despite some hardships, my philosophy always has been to be nice and have a sense of humor.

I don't know whether a personality test could work. The best way to judge a driver's fitness is through job interviews and job performance.

Peter Scott,
Nissequoque

The story did not mention that New York State requires bus drivers to take a two-hour safety refresher course twice a year, and to pass written and road tests every two years. I drove a bus for 31 years and did this, as all drivers do. These requirements make bus rides safer for everyone.

Joyce Schroeder,
East Northport

In your story, I was struck by the bus driver who sings "Happy Birthday" to her passengers. In the 1950s in Freeport, we had a bus driver for elementary-age students who sang popular songs. We sang along to "(How Much Is) That Doggie in the Window?" by Patti Page, and at the line "The one with the waggly tail," every child lifted an arm and wagged an index finger. To this day, it's such a pleasant memory of a driver who made the ride fun. Thanks to all bus drivers. You make nice memories for us!

Linda Kay,
Kings Park

Noble teachers of peace, social justice

It was heartwarming to see the article celebrating the visionary generosity of Michael D'Innocenzo and Martin Melkonian, two remarkable Hofstra University professors ["A boost for

peace studies," News, March 17].

As a Hofstra alum and history major, I had the good fortune of being a student of both "Mike and Marty." The importance of striving to achieve peace, social justice, civic-mindedness and civility were lessons they imparted to students, extending far beyond the classroom. My love of history and government and politics was nourished at Hofstra and influenced my decision to become an educator.

The monetary contributions these professors made to the university's Institute for Peace Studies illustrate, yet again, their commitment to peace and social justice at a critical time in U.S. history. May their example inspire the next generation of leaders to pursue these noble goals.

Carolyn Faggioni,
Bellmore

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