

Testimony of

International Brotherhood of Teamsters, Local 72

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to the

New York State Commission on

State Asset Maximization

Privatizing Infrastructure Is Not The Answer

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Teamsters Local 72 represents approximately 3000 New York State Thruway Authority (“NYSTA”) employees that includes, among others, full-time and part-time toll collectors, maintenance workers and radio dispatchers. These employees are charged with the duty of helping to operate and maintain the New York State Thruway. Local 72 thanks you for the opportunity to address this Commission on this very important issue.

Privatizing public assets sounds good in theory. In practice, however, it simply does not work with respect to roads and highways. I respectfully refer the Commission and those interested in this issue to read the testimony given by PEF President Ken Brynien. The testimony can be accessed by going to: <http://nysamcommission.org/pdf/testimony/110608/Brynien.pdf>. Mr. Brynien accurately summarizes how privatizing public roads and highways has failed all across this nation. The conclusion reached by Mr. Brynien is that privatizing public roads and highways actually leads to higher tolls, higher taxes, fraud, corruption and financial disorder. Our research supports this conclusion and this is why Local 72 does not support privatizing any public roads or highways.

I have been part of many roundtable discussions and consortiums on the issue of privatizing toll roads. I have listened to person after person discuss how local governments are “exploring” this option even in the face of compelling data showing that privatizing does not work. I have personal experience on how privatizing is a failure with respect to the NYSTA. Local 72 employees used to perform many tasks that are now contracted to private firms. For example, we would replace bridge decks, paint bridges and paint-stripe the Thruway. These are all functions that are now contracted to private firms. In many of these cases, the work performed is substantially inferior and costlier as compared to the work performed by Local 72 employees, which makes sense since the work once performed by skilled employees with years of experience making a set wage are now being performed by the lowest bidder seeking to maximize profits.

Our employees work everyday on the bridge they used to paint and the road they used to stripe. Our employees have ownership over their work. Contractors do not. Our employees make a good wage with benefits and pensions. These employees live in the area they work, pay taxes and help the local economy. In many cases, private contractors do not provide any benefits to their employees and these employees do not live in or contribute to the local community.

When Local 72 employees do work, there only requirement is to get the job done right. The health and safety of the community is of paramount interest to Local 72 and the NYSTA. Profit is not an issue.

For example, snow and ice removal is the primary function on Local 72 employees in the winter season. The NYSTA has a bare-pavement policy, which is exactly what it sounds like – plow until you have a road clear of snow and ice. You can have this type of policy when safety, not profit, is your primary goal. This fact is why, in most cases, important public infrastructure is operated and maintained on a not-for-profit basis. If these roads are sold to private corporations with shareholders and margins to consider, there will be no bare-pavement policy or other non-mandated safety precautions because there is no money in it.

New York State is in a time of financial crisis. We all realize that. However, now is not the time to think small. These ideas of privatizing public assets are nothing more than recycled band-aids or the proverbial finger in the leaking dam. New York needs to invest in its most important asset – the worker. Studies have shown and continue to show that Local 72 employees can do jobs better and cheaper than private companies. The NYSTA just held public hearings for a toll increase. While almost everyone objected to a toll increase, everyone who spoke about Local 72's employees had nothing but praise for the job they do. Local 72's employees are the best qualified to operate and maintain the roads in New York State and they should continue to do so. If privatized, tolls will increase nearly 400%, services will decrease, standards will decrease and taxes will probably go up as a result. More importantly, good, hard-working people who have given their life to public service and who have been keeping travelers safe, will be unemployed. Privatization is not the answer.

It is all too often and, I guess, too easy to finance the sins of government on the backs of working middle-class people. That is what is being proposed with respect to privatization. While the State would certainly reap a short-term financial gain, the common citizen would, over time, be punished. If, eventually, New York's roads and highways are privatized, tolls would skyrocket, services would decrease and the health and safety of New York travelers would be placed in jeopardy.

If you require any additional information, please contact me at (212) 691-4228 or local72@aol.com. Thank you for your time and consideration.