

January 5, 2002

City Fires 3,500 Former Welfare Recipients

By NINA BERNSTEIN

On the last day of the Giuliani administration, the city's departing welfare commissioner ordered the dismissal of more than 3,500 former welfare recipients now working at union wages for the city parks department, and withdrew the promise of such jobs from about 1,200 others who were reaching their federal welfare time limits last month.

The dismissed workers will be referred to a temporary staffing agency that was given a contract in October to place people who have reached their welfare time limits in transitional jobs in government agencies. But under the contract, the parks workers, now making \$9.38 an hour, would be paid \$7.95 to do the same work.

Last year, the parks department rejected a similar arrangement as a violation of city labor law, and it is unclear whether any of the workers will be able to reclaim their jobs, even at lower wages.

"We will be converting to a program wherein all future referrals will be employed as temporary staff through a temporary staffing company," the commissioner of human resources, Jason Turner, wrote to the parks commissioner, Henry J. Stern, in a letter dated Dec. 31.

The letter is causing consternation at the Parks and Recreation Department, where administrators and union representatives alike opposed a similar proposal Mr. Turner made late last year to shift the federally subsidized parks workers to a temporary employment agency.

With no one named yet to succeed Mr. Stern, department officials would not discuss the issue on the record. But Mark Rosenthal, president of the union local that represents seasonal parks workers, echoed administrators' private expressions of dismay.

"They want to profiteer off the misery — bring them here and pay them even less than \$9.38 an hour, and put a middleman in between," Mr. Rosenthal said. "These are all single mothers with children. I don't see where it helps them to get less and no union benefits."

Mr. Turner's last-minute legacy is now part of a larger re-evaluation by the Bloomberg administration: how to handle the veteran welfare recipients who have served as the city's shadow work force. Their value to the city will increase in a time of cutbacks and deficits, primarily because they can be paid mainly out of a federal welfare fund rather than city and state treasuries.

At the parks department, for example, the regular staff has dwindled to 1,900 from a 1986 high of 4,900, and the agency can ill afford to lose the 3,500 subsidized workers. Many of them began cleaning parks and supervising playgrounds last March, in renewable jobs lasting 11 months and two weeks.

"We have temporarily ceased our efforts to provide publicly subsidized jobs in order to re-evaluate the current program," Debra Sproles, the spokeswoman for the city's Human Resources Administration, said in a statement issued this week after consultation with the new welfare commissioner, Verna Eggleston.

"More specifically, H.R.A. is reviewing the program in terms of funding availability and identifying the appropriate balance between the jobs offered in the public versus the private sector."

Ms. Sproles said Mr. Turner was in Wisconsin and unreachable there. But she confirmed that the temporary staffing agency is a TempForce franchise in Brooklyn.

According to a copy of the contract, the franchise, backed by Randstad, its Amsterdam-based corporate parent, was the low bidder on a \$578 million, three-year contract to employ up to 10,000 people reaching their welfare time limits. The contract has been funded at the level of \$75 million in federal money. All the job categories being offered, including clerical, food service and janitorial, pay \$7.95 an hour.

The franchise is owned and operated by Annette Donaldson, a former resident of Howard Beach, Queens, where she was also known as Annette Rocca. She now runs the Brooklyn operation from her home in Boca Raton, Fla., according to a spokeswoman, Carolyn Doyle.

The subsidized parks job program has always included coaching to help place the workers in private sector jobs, but most lack a high school diploma and a driver's license, and opportunities at the union wage level are even scarcer in a recession, parks managers said.

More troubling to welfare lawyers is that in October and November, when the city called in more than 10,000 welfare recipients who were nearing their time limits, it offered the parks jobs in lieu of a transition to Safety Net Assistance, the state-financed alternative for which most families were eligible. It now appears that by then, Mr. Turner had already contracted with TempForce, and people who accepted the parks jobs were cut from the welfare rolls — as were those who refused the offer.

"It seems to us particularly unfair to change the rules of the game in midstream," said Marc Cohan, a lawyer with the Welfare Law Center, a national advocacy group. He added that the replacement of seasonal union workers with temporary staff members paid using welfare money might violate state provisions.

Federal, state and city laws ban the use of welfare money to displace regular employees, and several lawsuits are already pending against the city on the issue. Mayor Michael R. Bloomberg's call for 20 percent cuts by most city agencies is likely to sharpen existing concerns about worker displacement.

Betsy McCormack, a spokeswoman for the state Department of Labor, said, "H.R.A. has indicated to us that they are re-evaluating their program and we are working with them to ensure that displacement of workers does not occur."