

**Testimony of Thomas Paine Cronin, President
AFSCME District Council 47
City Council Hearing - February 16, 2005**

Today, we have heard a virtual chorus of supporters arguing for ending the business privilege tax (or BPT). We agree that the parts of the BPT are onerous and unfair, in particular the Gross Receipts Tax. This tax does put an unfair burden on small businesses.

However, everyone here must understand that cutting taxes will inevitably lead to a reduction in city services. Over the past years, city employees have seen the slow but steady reduction in the number of people who provide city services. While some may argue that the city workforce must be scaled back, it is also clear that the changing demographics of our city have increased the demand for a greater variety of services.

Now we are caught in tax cutting frenzy based on the popular yet unproven premise that by reducing taxes to the lowest level possible will create and sustain a growth in jobs and thus the overall economy of our city. Even if one accepts this notion on faith alone, it still fails to explain how the level of services provided by the city can be sustained.

Unfortunately, we all have seen the real effects of reducing tax revenues; mothballing of various fire fighting units around the city; conversions of neighborhood swimming pools to sprinkler lots; reduction in the size of the police force; diminished hours in twenty of our branch libraries.

At the same time, city employees are once again told to “do more with less.” I am here today to tell you that all of these tax cuts will end up forcing city workers to “do everything with nothing.”

That idea should be an anathema to everyone who claims title to the name and characterization of “public servant.” To expect that services can be sustained while reducing the funding for those services is clearly the triumph of hope over reality.

We need to make our city more attractive for businesses and people to come here but we must not do so at the expense of the more than one million people who live here now.