

The Virgin Islands Consortium

All Unions Are Being Asked To Give Up Retroactive Pay; Mapp Tells The Consortium

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ST. CROIX -- Governor Kenneth Mapp told The Consortium today that all unions are being asked to consider giving up retroactive monies that the government owes their members in exchange for salary increases. The governor's remarks confirm what sources with knowledge of the negotiations between the unions and the Mapp administration's chief labor negotiator, Natalie Tang How, [told](#) The Consortium.

"There is a discussion that some of the contracts carry significant retroactive obligations," Mr. Mapp said. "All of the unions are being asked if they're willing to give up those retroactive payments and to be quite candid, some have volunteered to give them up if they can be brought fully on step."

The governor was clear in stating that negotiations were ongoing, but he suggested that if employees were willing to hold on to ten-year-old contracts and wanted lump sum payouts, there was not much that he could do.

"It's been ten years that employees of the Virgin Islands Government have seen any increase in their pay, and if you hold on and you say, 'well, I had a contract that's ten years old and I want all my money...'" The governor did not complete his statement; however his expression suggested that such a stance would result in a stalemate and thereby stall progress on the [promised salary increases](#).

And Mr. Mapp, sensing the delicacy of the matter, said his administration was not placing a demand on government employees to give up their retroactive pay; and again stressed that negotiations are underway.

"I am very committed to raising the salaries of the employees, and to the extent that they give me the opportunity to be able to do that with the resources that are available, they're going to get their money," the governor concluded.

Sources have told The Consortium that Ms. Tang How has been asking union representatives to sign a document that would release the G.V.I. from the over \$300 million it owes government employees and receive in return salary increases that don't match 2016 levels. Some departments, for example, will only be brought to levels that they should have been receiving in 2012.

The Senate [recently passed](#) and Mr. Mapp has signed into law a measure that makes available some \$19 million to fund the promised salary increases, which will bring government employees' salaries closer to what they're supposed to earn in 2016 — but not completely up to step.

Last year, former O.C.B. Chief Negotiator Dr. Valdemar A. Hill, Jr. told senators who make up the Committee on Finance that the G.V.I. owed some of its current and former employees over \$300 million in retroactive pay dating back 1989.

The \$300 million include the last four contracts that O.C.B. negotiated with local labor unions in 2010, where a plan to raise government employees' salaries as a way to pay the retroactive money was agreed upon. However, the plan was never implemented, Mr. Hill said.

But the owed money, almost three times the territory's budget deficit, is so much that the government simply cannot afford to make the payments in cash alone, said senators, citing Mr. Hill's testimony. So they suggested new offerings be brought to the table in lieu of cash.

"What are we providing [the employees] other than empty promises of future possible funds?" Sen. Sammuel Sanes asked.

Mr. Hill said in 2007 the Legislature created a commission with the sole responsibility of setting up a system whereby retroactive funds could be paid to individuals. The job was very tedious, however in 2010 the system was completed, and the legislature approved a measure allowing \$45 million in retro monies to be paid to employees — but the funds were never disbursed.

The \$45 million promise came in July 2010, after Mr. Hill successfully negotiated contracts with four unions for pay increases in lieu of retroactive payments, and was informed by the Office of Management and Budget that the funds were available to facilitate the pay increases. However, in the early days of 2011, “there was a proclamation that the government simply didn’t have the funds to cause those payment contracts to be implemented,” Mr. Hill said.

Mr. Hill added that discussions were held with the former administration on finding inventive ways of making the retro payments. One such way was to have government departments and agencies include an appropriation in their budgets for the pay increase contracts that were negotiated in 2010, he said.

It is not clear how the situation will unfold with unions that have chosen not to sign the document asking that they waive monies owed to their members; but the stalemate stands to further delay long overdue pay increases owed to government employees.

Feature Image: Natalie Tang How, courtesy V.I. Legislature.