

The Virgin Islands Consortium

Mapp To Forge Plan To Restore 8 Percent Pay Cut (\$65 Million) Of Government Employees

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Ernice Gilbert **December 12, 2016**



ST. CROIX -- Governor Kenneth Mapp at a press conference held at Government House here today said he believes that the Government of the Virgin Islands can and should restore the 8 percent pay cuts imposed on government employees during the former Governor John P. de Jongh administration.

A panel of the United States Court of Appeals for the Third Circuit [ruled in favor](#) of unionized employees, who were represented in a lawsuit brought by the United Steel Workers Union and the American Federation of Teachers.

"This ruling makes it clear that the government cannot just break our contracts," Rosa Soto-Thomas, president of the St. Croix Federation of Teachers, which is an affiliate of the American Federation of Teachers, said in mid-November. "The court's decision should serve as a deterrent to any future attempts by the Virgin Islands Legislature or governor to adopt laws that override our members' collective bargaining rights."

"We will work together with our members and the other unions involved as we move forward toward a final resolution of this case," Mrs. Soto-Thomas added. "We are grateful for the circuit court's recognition that the government must keep the bargains it makes with the teachers, paraprofessionals and school-related personnel who educate our children, and the other workers who provide essential public services to all Virgin Islands residents. The St. Croix Federation of Teachers will pursue reimbursement for the salary withheld."

Mr. Mapp announced his intention to propose a series of new revenue initiatives all combined in one measure dubbed the Virgin Islands Enhancement and Economic Recovery Act -- a five-year plan that the administration says will lift the territory out of economic stagnancy -- through which the government employees affected by the pay cut would see their salaries restored. He mentioned what is called "sin taxes" (taxes on alcohol and tobacco products), as well as taxes on timeshare unit owners, as two possible ideas to be included in the measure. The payments would be released over the course of two years, according to the governor, an amount he estimated to be \$65 million. The salary restoration would go to unionized and non-unionized employees who are both currently employed and no longer with the government.

Mr. Mapp noted that the additional taxes would not affect the cost of necessities of life for Virgin Islanders.

"There will be no additional costs for food, clothing, mortgages or standard needs for living for locals," Mr. Mapp said. "Our visitors that are utilizing our infrastructure and contributing waste and wear on the system will be asked to contribute their fair share."

The appellate court's decision overturns a September 2014 lower court ruling in favor of the government. The ruling gives the unions the opportunity to take the case to an arbitrator. However, Mr. Mapp said he would direct the Attorney General's Office, as well as the Office of Collective Bargaining, to ask the unions to hold on taking any action and allow the G.V.I. to make good on its promise of restoring the 8 percent salary cut. Mr. Mapp said he had also directed the O.C.B. to halt all negotiations with unions until the matter was resolved.

Later at the press conference, Mr. Mapp defended the legislative process by which the government entered an agreement with VIGL Operations, LLC to operate the territory's two horse racing tracks, and offer slot machine gaming. Referring to a newspaper editorial criticizing the exclusive arrangement and the introduction of slot machines in the St. Thomas-St. John District, Mr. Mapp offered examples of prior exclusive arrangements with business entities for certain government-approved, economy-enhancing initiatives, including Southland Gaming, which operates Video Lottery Terminals in the district, as well as Diageo and HESS Oil -- all agreements he deemed perfectly legal.

Mr. Mapp did indicate his intent to ask the Legislature to undo several of the changes to the agreement made during Senate consideration, which he believes would limit the revenue distribution envisioned by his administration, as well as compromise the integrity of the sport of horse racing in the Virgin Islands.

The governor said he intends to call the 31st Legislature into session to take action on the economic recovery measure.

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