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New York Needs Good Jobs NOW!

New York State AFL-CIO's Guiding Principles for the Regional Economic Development Councils

Governor Cuomo has laid out a new direction for economic development in New York State through the formation of Regional Economic Development Councils, and by creating a more cohesive state program. This is an uncharted path, but what is clear is that the success of this initiative will ultimately be gauged by the creation of good jobs that enable workers to support themselves and their families. Anything less will be a missed opportunity.

There must be ample opportunity for all who will be impacted by the decisions made by these councils to play a real and meaningful role in the process. At the end of the day, workers and the communities they live in must be the true beneficiaries of economic development, and therefore both must have a prominent role in the deliberations.

The New York State AFL-CIO supports efforts to create good jobs throughout the state and sets forth the following principles to guide the Regional Councils toward that goal:

- **Prevailing Rate:** When taxpayer money is used for economic development, we must adhere to prevailing rate. Government subsidies should not be an avenue for unscrupulous actors to undercut responsible employers by taking advantage of their workers. Prevailing rate ensures that contractors that provide their employees with decent wages and benefits can compete on a level playing field for new projects created with taxpayer money.
- **Wage Standards:** As prevailing rate helps ensure that taxpayer money promotes quality jobs in construction, there must be protections for the permanent jobs created post construction. Adequate wage standards should be built into economic development agreements to ensure that the public's money is not being used to create poverty jobs.
- **Clawbacks:** The benchmark for success is the actual jobs created. There must be protection for the public's investment if those goals are not met. If a recipient of economic development benefits does not create the jobs they promised, or does not otherwise meet the terms of the agreement, then there must be a mechanism for the state to recoup its investment.
- **Transparency:** The public has a right to know how its money is being invested. Adequate tracking, record keeping, and reporting of results must be available to the public in a clear and accessible manner.