



my testimony. The results of the survey “paint a troubling picture of economic and job insecurity” and “deep-seated concern about workers futures.” Findings include that over one third of Americans are having trouble making ends meet and that 30% of workers have more in credit card debt than then they do in retirement savings. Furthermore, approximately 1/3 of workers are concerned about their own job security. Please keep in mind, this survey was taken before the most recent collapse of financial markets. The studies director goes on to say that “nearly a decade of unaddressed worker concerns is contributing to rising anxiety as many Americans believe they can not achieve or hold onto the middle class American Dream.” With a statement as dire as this, we ask “what are our policy makers doing to change course?” Where do we go from here?

Senator Menendez recently announced a federal policy platform focusing on rescuing middle class families. Included were recommendations for significant investments in public works and infrastructure and a reversal in the current “laissez fair attitude” about regulation. Also suggested by the national AFL-CIO were shifting away from free trade and toward fair trade, which includes protections for workers and the environment, to make America more competitive globally and enhance job creation in the manufacturing sector. Finally, health care and retirement security have been singled out as the most significant contributors to worker pessimism about the future, as more and more of a family’s income is spent on health care, as more and more traditional pensions are eaten up by bankruptcy, and 401(k) savings are lagging due to reduced employer contributions.

I’m hopeful this federal platform will be enacted, but gridlock between Congress and the White House will most likely result in little, if any, benefit for workers, with Wall Street again benefiting from the vast majority of the economic stimulus.

Here in New Jersey, we urge legislative leaders and Governor Corzine to take a different course, a detour toward Main Street, rather than continuing to take the same road that has failed us. Although options are limited, we do have opportunities. The New Jersey State AFL-CIO has three policy recommendations:


1. **Infrastructure Investment:** The most direct route to job creation, the state has struggled for over a decade on how to finance the Transportation Trust Fund, which is currently only funded through 2011. We respectfully urge policymakers from both parties to come together to find a realistic solution to adequately financing the TTF. Until that time, we fully support the current toll restructuring proposal being examined by the Turnpike Authority and the Atlantic City Expressway, which will result in the creation of jobs and provide a small economic stimulus to the state, which insures these roads are safe, while seeking to reduce congestion.

2. **Raise the Minimum Wage:** One policy that would immediately benefit both workers and the state’s economy would be to increase the minimum wage. This would immediately increase the purchasing power of approximately 40,000 residents. The purchasing power of the minimum wage has declined over the past 25 years. The virtually stagnant rate over this period negatively impacted the purchasing power of New Jersey’s minimum wage earners. Similarly, if the minimum wage is maintained at its current level, its

relative value will deteriorate in the future, causing an inflation-induced pay cut that will increase the difficulty for families who solely depend on the minimum wage to purchase basic needs. This in turn hurts the state's economy.

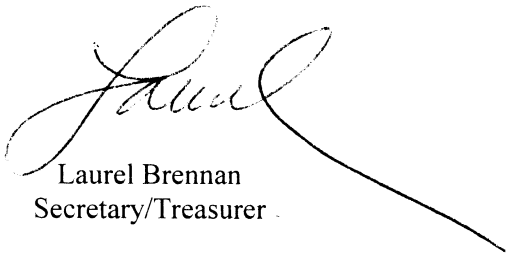
3. Reform our broken Health Care System: The amount workers pay towards health care has skyrocketed and more people in our state are losing coverage due to increased costs. We commend Sen. Vitale for initiating a dialogue on universal health care in New Jersey, and we urge him and legislative leadership to act on a plan immediately that focuses on reducing costs and making prescription drugs more affordable.

In closing, the citizens of New Jersey are looking to their elected officials to confront this economic problem head on, and not simply "ride it out" or hope for the best. You have an opportunity to make a difference in resident's life by acting on these policy recommendations now, and urge you to do. Please make the needs of middle class families on Main Street a priority now, and take action on their behalf.



Charles Wowkanech  
President

Sincerely,



Laurel Brennan  
Secretary/Treasurer

CW:LB:tec  
Attachments  
OPEIU:153