

FROM SENATOR ED O'NEILL

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Taxing Veterans, Haircuts and Heating Oil?

By Edward O'Neill

Last year, I wrote an op-ed piece "RI Business, Taxpayers Must Fight Like Unions". The article was published in The Providence Sunday Journal and discussed the lack of effectiveness of business's ability to mount an effective campaign to change the makeup of the General Assembly.

During the 2010 election, good government groups led by the RI Statewide Coalition, and the RISC Business Network, attempted to rally business and provide financial support for business friendly candidates to change the mix in the legislature. Intentions were good, a strong effort was made, but it was a failure. Organized labor, meanwhile, stuck to its play book and took out disobedient democrats via primaries. They also helped elect Governor Chafee. So here we are.

Now we have a proposed budget that will take a sick cow and poison it. Small business, the backbone of our state economy, would suffer the most. Taxing our way out of a deficit will also hurt the people who can afford it the least, the poor. The Chafee administration is now proposing taxing the veterans out of what little they have, and taxing heating oil and haircuts. What are we doing?

Where are the budget cuts? I am often told that government is not like business, the laws of physics do not apply. We can't do it because we have always done it this way. I guess we could not send men to the moon or launch a space station. After all, it had never been done before.

Why won't zero based budgeting work? Maybe because it has not been tried? How about each department head reducing his/her budget by 15%, ranking the functions and services by the most critical at the base and building the budgets with the least critical items at the top. The common trick is to lop off the things that will cause the largest outcry to deflect the focus off what should be cut.

In the business world, when we were told to reduce our budgets, we did, or our replacement did. When is the last time a state department head was sent packing for overspending or failing to make required budget cuts? Has all hiring been stopped? Are all purchases on hold?

What is being done to reduce costs? Where is the "team effort" to reduce expenses? In a prior life in high tech, we had "Team Improvement Programs". These teams were made up of people doing the work with an in-house facilitator, not an outside hire. Have we tapped the giant reservoir of ideas available from the state workers doing the jobs? Are we listening to them? We saved millions of dollars at my former employer by listening and improving the tools our people worked with. People like to work smarter, not harder.

Labor leader George Nee said publically that we should give our state workers a chance to improve productivity. They know best how to get the job done. I agree with Mr. Nee on this point. Operational excellence is a natural outcome of people working as a team. Everyone needs an oar in the water to get our costs down. The day has dawned where everyone is beginning to realize that we all need to work together to get our state operations lean. That means better thinking, better systems, better tools, and better leadership.

Our new administration has failed in recruiting new thinkers and change agents while pushing away some of our best and brightest. Colonel Brendan Doherty is gone, and Education Commissioner Deborah Gist may be on her way out, given the composition of the new Board of Regents.

We need to burn the proposed budget and start over. Let's get some intellectual horsepower to help. I'll bet if we locked our department heads in a room with a few of our business leaders and Treasurer they could hammer out a better budget in 2 weeks than we have now.

What do we have to lose?

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