

CofC to offer entrepreneurship seminars to 150,000 unemployed

BY XAVIRA NEGGERS CRESCIONI
Of the Daily Sun staff
xnegggers@prdailynews.net

“Entrepreneurship is the path to Puerto Rico’s growth and people’s self improvement,” Gov. Fortuño said Wednesday during his keynote speech at the Puerto Rico Conference 2010 Entrepreneurship for Growth hosted by the Puerto Rico Chamber of Commerce and Babson College.

To foster local entrepreneurship Fortuño announced he had extended an additional \$40 million to the Economic Development Bank for loans to local businesses, while the CofC and Babson College, which specializes in business studies, signed an agreement to launch a series of free training seminars to help 150,000 people who have lost their jobs start their own businesses.

Under the accord, “free seminars will be held for all bread winners who have been laid off so they can become entrepreneurs,” said Francisco Rodríguez, director at UBS Puerto Rico and a member of the conference’s organization committee. “People must change paradigms, and it’s something radical because people have to stop thinking as employees and start thinking like business owners.”

“This is a great opportunity to work on economic development, while facing the reality of changes [in the workplace] that

should not be underestimated. We must consider a more entrepreneurial future in order to change Puerto Rico’s economy. But we aren’t going to celebrate because the program sounds good, we want these seminars to produce concrete action,” Leonard Schlesinger, president of Babson College, said.

A date has yet to be set for the training seminars, which will help participants develop the skills needed to open their own businesses.

It was also announced that 10 companies will donate \$25,000 each to support and mentor nine new local businesses formed as result of these seminars.

During his keynote speech, Fortuño told the group of some 500 prospective investors from the mainland, Latin America and Europe that “Puerto Rico is ready to do business.”

Businesses that hire workers would be able to benefit from Puerto Rico’s inclusion in the federal HIRE Act, which subsidizes businesses’ Social Security payments for people they hire who have been unemployed for 60 days or more. If the business keeps that person on the job for a year, it will also receive a \$1,000 credit, Fortuño said.

The governor also underlined pending changes to the island’s permitting law, promises to lower taxes for local individuals and corporations starting next year, and the new law promoting public-private partnerships as steps toward the island’s increased competi-



Daily Sun/Mauricio Pascual

Gov. Fortuño speaking at the Puerto Rico Conference 2010-Entrepreneurship For Growth at the Conrad Condado Plaza, Wednesday.

tiveness, and said the worst is over for Puerto Rico.

By the end of the year, three of eight PPPs in the pipeline will begin procurement for construction, he said, adding that PPPs include improvements to state highways 66, 52, and 22; improvements to local schools and the conversion of power plants from oil to natural gas.

“For way too many years, the main obstacle to Puerto Rico’s growth has been its own government,” Fortuño said, adding that while the island had the largest deficit of any U.S. jurisdiction, steps to put government back on track will enable him “to deliver a completely balanced budget by fiscal 2013.”

“The days of clumsy government bureaucracy unable to think outside the box, of an economy spiraling downward, crumbling government finances and eroding social fiber are over,” he said.

“Short term we have to stabilize the economy by injecting federal and state funds to keep it afloat, then we have to remedy structural problems, which is being done through new laws,” Economic Development Secre-

tary José Pérez Riera said. Some \$2.4 billion or 37 percent of \$6.4 billion in American Recovery and Reinvestment Act funds earmarked for Puerto Rico already have been invested on the island, Fortuño said, referring also to the commonwealth’s \$500 million stimulus plan.

Displaced workers protest

While there was an upbeat atmosphere at the conference, outside, a group of 50 public workers of the 21,000 the government laid off over the past year blocked traffic outside of the Conrad Condado Plaza Hotel and were being watched by a group of more than 100 police officers.

The group received the governor with shouts of “anti-worker, anti-worker, Fortuño anti-worker!” while union leaders shouted over bullhorns that the large police deployment showed Fortuño “is scared” because he knows he is not “to the liking of the people of Puerto Rico.”

“We want to reiterate to the governor that he should review the seven proposals we sent him [in] January of last year, which are [fund] collection measures that if implemented would prevent the layoff of workers,” Federico Torres Montalvo, president of the United Coordinator of Government Workers, said.

Local business people should know “they are supporting the governor’s perverse policies that affect workers and the poor and benefit those who have the most,” Torres Montalvo said.

To foreign investors, Torres Montalvo said, “this is the reality of Puerto Rico and if they sell you a different Puerto Rico, you should know that here there is a more profound crisis than other countries that has been aggravated by firings and privatization.”

Union talks at Puerto Rico Symphony break down

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The Corporation of Musical Arts and its subsidiaries have no plans to fire workers and lay off unionized musicians from the Puerto Rico Symphony, but is negotiating clauses on management’s rights in talks on their collective bargaining agreement that expired Aug. 18, 2009, agency executive director Melissa Santana said Wednesday.

“We haven’t fired anyone nor are we going to fire anyone, nor are we going to reduce the staff of musicians. Gov. Fortuño has not cut this agency’s budget and musicians continue with the same salary,” Santana said.

“What we have now is a block in [the year-long] negotiations because the union does not accept articles on management’s rights,” Santana said, adding that for the past 20

years this labor accord has been one-sided.

The accord between the Corporation and the American Federation of Musicians covered 2005 through 2008 and was extended through Aug. 18, 2009. While there is no labor accord currently in effect, the agency has voluntarily honored all union members’ benefits, she said.

“In [some] cases their benefits surpass those of government employees,” Santana said.

Besides differences over articles on management’s rights, talks have come to a halt because of disagreement over whether a new labor agreement would be retroactive. The union wants any accord to be applied retroactively from a year and a half ago, while Santana said it would be premature to enter such a pact “since we don’t know what will be negotiated, [or] the economic and operational impact of each article.”

The eight musicians on the negotiating team also called

for them to be excused from any absences from rehearsals with full pay, Santana said, adding “the corporation doesn’t accept this proposal because it constitutes a union leave paid by the employer and this would affect attendance and the quality of rehearsals.”

The union wants to discuss articles related to salary hikes and increases to marginal benefits first, but the corporation rejects this as it would be better to reach agreements on non-economic clauses before entering salary talks due to the current fiscal reality, she said.

Santana said the corporation has accepted all the clauses the union submitted regarding the workplace being a closed union shop, transportation, complaints processes, deduction of union quotas, but the union has rejected clauses presented by the corporation on contracting, dress, management’s rights and worker health and safety.