

New York Says It Cut Too Many From Its Payroll

State Will Begin Hiring to Fill Some Vacancies

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ALBANY, Aug. 1 — Governor Cuomo cut too many people from the state work force and now must hire new workers to fill some of the vacancies he created, state officials said today.

The announcement set off a new round of debate about the Governor's program to pare the work force, with Mr. Cuomo saying it had been a crucial part of balancing his budget and critics saying that several state agencies had been badly disrupted by unnecessary layoffs and early retirements.

There have been complaints that as a result of staff cuts, motorists have had to wait on long lines to renew their licenses, patients at mental institutions have received inadequate care and taxpayers have had to wait longer for their returns to be processed.

'A State of Chaos'

"The state's service delivery system is in a state of chaos," said William L. McGowan, president of the Civil Service Employees Association, the largest state workers' union.

Mr. Cuomo's aides acknowledged that the cutbacks had gone too far in some of the state's most important agencies — including the Office of Mental Hygiene, the Office of Mental Retardation, the Department of Motor Vehicles and the Department of Taxation and Finance.

They announced that these four agencies and at least one other, the Health Department, would be allowed to hire at least 1,575 workers to fill some of the vacancies created by staff cutbacks.

The key reason the state went over its targets for reducing the work force, the state officials said, was a program for encouraging the early retirement of workers.

Under this program, workers over age 55 were given an extra three years of pension credit for leaving the work force before their regular retirement age.

'Putting Back About 1,500'

"We had literally 50 percent more early retirements than we had anticipated," said Michael J. Del Giudice, Mr. Cuomo's secretary. "We are putting back about 1,500 people to compensate for the oversuccess of the early retirement program." A total of some 8,000 workers accepted the early retirement program, including about 6,400 whose salaries come directly from state tax receipts.

An additional 4,100 jobs were eliminated either through layoffs, attrition or the abolition of vacant positions.

Mr. Cuomo's top aides acknowledged that they had, in effect, paid more people to retire early by sweetening their pensions than was necessary to meet the goals for a reduced work force. But they discounted the fiscal impact of doing this. "The impact in the total scheme of things is marginal," said Peter Lynch, a deputy budget director.

Each worker who retired early costs the state an average of \$15,300 above normal pension costs, Mr. Lynch said.