

Wisconsin governor releases district-by-district school cuts

By Tobin Reese
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In a press conference Wednesday in the Wisconsin state capitol of Madison, Governor Scott Walker proposed a massive budget reduction in state funding for public schools.

According to Walker's budget office analysis, school districts would see a decrease of 5.5 percent—or a \$465 million—in revenue for 2011-2012. District revenue is a combination of state aid as well as local property taxes.

By prohibiting increases in local taxes to make up the loss in state aid, Walker is seeking to gut public education, while he promotes vouchers for private schools and the expansion of privately run charter schools. His budget will force districts to slash programs, increase class sizes, close schools and accelerate the attack on the living standards and working conditions of teachers and other school employees.

In order to calculate the impact of the new budget, the Legislative Fiscal Bureau drew up a hypothetical financial plan for the current year based on the proposed aid changes. The loss would have been a statewide average of a staggering 8.7 percent, with many districts seeing a 10 percent cut or more.

During Walker's speech, he claimed the loss in state funding would easily be covered by redirecting 10 percent of employees' salaries toward pension and health insurance costs. This net loss of salary would be devastating to teachers and other school employees who are currently struggling with the rising cost of living and stagnating or already decreased wages.

Even after increasing employee health insurance premiums to 12.6 percent and raising pension payments to 5.8 percent of their annual salary, there would still be a shortfall in many of the school districts. Based on the Fiscal Bureau's figures, 94 of the 423 Wisconsin school districts would have to make additional cuts in

order to balance their budgets. These school districts would be faced with large numbers of layoffs, capping any salary increases at inflation, changing health insurance providers to the lowest possible bidder, and possibly carrying out even more draconian cuts to employee benefits.

Michelle Hancock, superintendent of Kenosha Unified School District, was quoted in the *Milwaukee Journal Sentinel* praising Milwaukee Public Schools for considering a four-day school week. While no official announcements have been made, other states have cut one day out of the school week in order to reduce costs of busing, utilities and salaries. It is difficult to imagine the increased pressures this would place on school employees, students, and parents who would be forced to find other arrangements for their children on the fifth day.

Walker also failed to mention escalating costs due to fuel prices, facility maintenance, electricity and other costs included in a school budget. Most schools assume a 2 percent increase in revenues each year in order to cover the continual costs of running a school district, according to an article in the *Wisconsin State Journal*.

"It's reasonable anywhere in society that we're not basing it on a projected increase; we're basing it on a zero sum," said Walker of the budget in the same article.

How is this reasonable in Wisconsin, or any other state for that matter? With rising commodity prices, an 11.1 percent unemployment rate in Wisconsin, falling wages, a fragile economy and continual inflation, this is a ludicrous statement. There is a need for increased social spending in all social programs—education being one of the most important.

In the 2010 US Census, figures showed that there are now 10 counties in Wisconsin with a higher than 15

percent poverty rate—with the majority of counties having an over 10 percent increase over the last decade. In the 2000 census, only two counties were above 15 percent. The highest poverty rates are among children, the elderly and minorities.

Katherine Curtis is a demographic specialist and author of a report by UW-Madison Extension on the 2010 census data for Wisconsin. In an article from the *Milwaukee Sentinel Journal* last December she had the following to say about the increasing poverty rates in Wisconsin:

“An increasing proportion of Wisconsin residents are facing economic hardship. These numbers suggest that economic development, including living wages, health benefits, food security, and housing affordability should be front and center in policy discussions.”

Walker’s proposed budget—not to mention his tax cuts already given to corporations—is focused on quite the opposite. The plan being enacted is one that will bankrupt school districts, forcing huge cuts, numerous layoffs, privatization and incredible financial burdens for school employees.

In this highly polarized state the money needed for social programs should come from a sharp increase in taxes on the wealthy. Instead, Walker is eliminating capital gains taxes and providing other windfalls for the wealthy. According to a report by the Institute on Taxation and Economic Policy, the state lost \$151 million in revenue due to preferential treatment of capital gains.

For their part, the unions have been scurrying as quickly as possible to sign contract extensions with school districts before Walker’s new law gutting collective bargaining rights goes into effect. While the living standards of teachers and other school employees are under attack, the unions have been allowed to continue to collect union dues—a measure that is prohibited by Walker’s new law, but only when the current contracts expire in two or three years.

These contracts are being rammed through with the same concessions—and sometimes more austere—than Walker’s original budget repair bill. Union executives are fearful that their own lucrative positions will be deemed unnecessary in carrying out the cuts aimed against workers and are eagerly working to convince the administration of their usefulness.

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