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January 26, 2007

**Iris Salters: Labor Voices**

## Michigan needs creative budget fixes

### Raise taxes, cut corporate welfare and invest in students and families



Michigan is in trouble. To oversimplify Michigan's terrible budget situation: The state doesn't take in enough money to pay its bills.

We need sufficient income to fix this huge budget mess -- and that means considering all options. There has been talk about expanding the sales tax to cover luxury items like country club fees and concert tickets.

Just last week, the state's budget experts projected that we'll be more than \$800 million in the hole this year and as much as \$3 billion by the next fiscal year.

### Cutting isn't so simple

So what are our options? Some say let's cut more services, while others say that we need to raise money to fund the programs that Michigan citizens need and want. It's that simple. Right?

As a state, we've already devastated budgets and programs, eliminated jobs, accepted cuts in services and tapped special "rainy day" savings accounts where they existed. We've moved tax collection dates, borrowed when feasible and approved a few one-time accounting gimmicks to manage cash flow.

It's time to find creative, long-term solutions. Our elected state policy-makers need to show the political courage that defines real leadership.

They need to deal with what's known as a "structural deficit" in the budget. Some of the choices -- such as raising taxes and curbing corporate welfare -- won't be popular. But they're necessary to protect our most vulnerable citizens, including children.

A new gubernatorial commission is working right now to investigate ways to patch the holes in the state budget. It's a well-rounded group, consisting of two ex-governors, a former state treasurer, former state budget director, two former university presidents and a former state schools superintendent. It's a group with enough experience to provide meaningful direction.

### Tax cuts erode security

We didn't get into this financial hole without lots of digging. Each time the Legislature agreed to give a special-interest group another tax break, the hole was dug a little deeper. For seven years, tax cuts eroded our financial security even as we held on to promises that cutting taxes would help businesses -- and even individuals.

But where are we now? Layoffs continue, tuition at public universities skyrockets and our youth flee the state. And as Bill Gates has suggested, world-class universities and highly trained workers have more to do with where businesses locate or expand than do low tax rates.

Yet we can't have a high standard of living or a highly trained work force without a strong K-16 education system. Proposed mid-year cuts of more than \$200 per student must be abandoned.

We need creative solutions to ensure that our schools, colleges and universities don't become victims in the next round of cost-cutting to plug the budget problem.

### Boldly invest in education

In fact, we should boldly move in the opposite direction: Investing in our students and families.

We should invest in Michigan's future by giving all children equal access to high-quality preschool experiences. That could include providing caregivers with the tools they need to make sure children come to school ready to learn and possibly expand our education system to include preschool for all children.

It is folly to expect students to compete in a global society without a solid educational foundation. Schools and educators are stepping up to the bat in strengthening the K-12 program. Key to that is ensuring that all children have an enriching environment from birth. This means quality pre-K programs for all children.

Finally, we must fund high-quality professional development for teachers. Currently, the state mandates that districts provide three days for professional development, but no money is set aside for this purpose and few other resources are

provided. That leaves many districts scrambling to provide some sort of training with too little follow-up or impact.

## **Education is a cornerstone**

How can we call for more resources at a time of such financial crisis? We cannot afford not to invest in our schools.

As the cornerstone of our state's economic recovery plans, education should be the first place our leaders look to nourish -- and the last place they look to diminish. They need to find ways to get the best return on this important investment.

Employers will find the highly educated work force and the good quality of life they seek if we're willing to invest in our children now.

*Iris Salters is president of the Michigan Education Association, a union that represents teachers and education support staff. Please e-mail comments to [letters@detnews.com](mailto:letters@detnews.com).*

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## **Labor Voices**

Labor Voices columns are written for The News on a rotating basis by United Auto Workers President Ron Gettelfinger, Teamster President James Hoffa, Michigan AFL-CIO President Mark Gaffney and Michigan Education Association President Iris Salters. The News hopes to provide a forum for discussing workplace issues that are critical to a large segment of Michigan's population, whether or not they are union members. Look for Labor Voices every Friday in The Detroit News.

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