

Public employee compensation takes center stage

By Dan Balz, Washington Post

SAN DIEGO – Rick Snyder, the former Gateway executive who was just elected governor of Michigan, calls it the next big national issue, on a scale with health care in its importance to the economic vitality of the country. But unlike health care, this battle will be fought in the states, not in Washington.

Snyder is talking about public employee compensation. Like almost every governor in the country, Republican or Democrat, he has identified the issue as a priority in his strategy to deal with looming budgetary shortfalls and structural deficits that plague state governments. The changes governors will seek could produce pain for many state workers and their families and will generate strong resistance from powerful public employee unions.

Snyder is one of a trio of newly elected Republican governors in the industrial Midwest. (The others are Ohio's John Kasich and Wisconsin's Scott Walker.) Each will inherit a state government hemorrhaging dollars and a state economy that has suffered from long-term job loss, particularly in the manufacturing sector.

They will come into office in January after campaigns in which they promised to slash their budgets, to avoid raising taxes (and cut them where they can), and to revitalize economies that have proven stubbornly resistant to past economic development schemes. But even before they can implement their longer-term plans to boost their economies, they will have to address their budgets.

Asked where he will have to try to cut, Snyder quickly pointed

to public employee compensation. "I view that as one of the toughest things I need to do as the next governor," he said Thursday morning over coffee at the Republican Governors Association meeting.

Read the whole story