

Detroit Federation of Teachers agrees to new concessions contract

Joe Kishore
5 December 2009

After months of closed-door negotiations, the Detroit Federation of Teachers (DFT) has reached a tentative agreement with the Detroit School Board that includes major new concessions in wages, benefits and work rules.

The three-year deal was announced Thursday night, and teachers will be presented with the details at a mass meeting at Cobo Hall in downtown Detroit on Sunday. Voting will take place over the following two weeks.

The agreement includes projected savings for the school district of \$30-\$40 million over three years. The \$28 million reduction in health care costs includes the elimination of the Blue Cross/Blue Shield health care plan. Detroit Public Schools Emergency Financial Manager Robert Bobb had previously stated that the aim of the district was to squeeze \$45 million in concessions from teachers over five years.

Wages for teachers will be frozen for two years, with a one-percent increase in the third year of the deal. With rising prices, this amounts to a significant cut in real income. The contract also includes sweeping change pushed by the Obama administration to tie teacher pay to evaluations and “performance” (merit pay).

According to the *Detroit News*, in a separate measure, the DFT has agreed to “a \$250 deduction from [teachers’] paychecks, or \$500 a month,” under the so-called Termination Incentive Plan, and the placement of this money in a separate account. The collected sums would only be returned to the teachers when they leave the district. This will allow the district to delay payment on taxes for the deducted sums.

In effect, this is a massive pay cut in terms of what teachers will take home each week. It would have the added intended consequence of forcing many teachers to retire early.

The deal received the enthusiastic endorsement of Michigan’s Democratic governor Jennifer Granholm. “I am deeply thankful to Robert Bobb and [DFT President] Keith Johnson for the extraordinary leadership it took to achieve an agreement that will move the Detroit Public Schools forward, even while we struggle with an ongoing school finance crisis in Michigan,” Granholm said.

Bobb continues to hold out the threat of sending the school district into bankruptcy court, where the contract revisions would be imposed by force, if teachers do not accept the concessions.

The previous contract expired June 30. In late August, the union eliminated any possibility of strike action at the beginning of the school year by agreeing to a contract extension through the end of October. This deadline was later extended again.

The contract extension also prevented a united movement of teachers with Detroit city workers, who are facing demands from the city for a ten-percent wage cut.

DFT president Johnson has made clear from the outset that the union would agree to concessions. At a mass meeting in August, announcing the extension, Johnson affirmed his commitment to “work together” with Bobb to achieve a “fair and equitable” contract.

The attack on Detroit teachers is part of an attempt by the city and state government, backed by the Obama administration, to force workers to pay for the economic crisis, including through massive cuts in education spending and other social services.

The latest contract agreement comes after the Detroit school district laid off more than 2,400 employees and shut down 29 schools, with plans to close dozens more.

Governor Granholm recently signed a budget that includes a \$300 cut in per-pupil funding for K-12

schools throughout Michigan. Some districts will face cuts of up to \$600 per student. Districts have responded by laying off staff and teachers, eliminating programs and enacting other crippling cuts.

According to a study released by the state Department of Education, 41 school districts and charter schools reported an operating loss in 2008-09, compared to 27 in 2007-08. This number is expected to soar this year, as the statewide cuts take effect.

Teachers throughout the state will face increasing demands to accept concessions in wages and benefits. An editorial in the *Detroit News* on Friday set the tone, declaring, "By now, school districts and their teachers should realize that the state money cut from their budgets by lawmakers and Gov. Jennifer Granholm is not coming back. Even if some of the money were restored, it would be gone next year."

The *News* continued by insisting, "Districts should use this financial crisis as an opportunity to forge more reasonable contracts with their unions. In nearly every district in the state, the current level of pay, health care and retirement benefits is unsustainable."

All of these cuts have the implicit backing of the Obama administration, which has refused to bail out state and local governments facing unprecedented budget crises, even as it has handed out trillions to the banks and recently announced an escalation of the war in Afghanistan that will cost \$30 billion a year. The administration has explicitly endorsed the overhaul being carried out by Bobb, holding up the transformation of the Detroit Public Schools as a model for the entire country.

Obama is also pushing state governments to implement right-wing education policies, including charter schools and merit pay, by withholding the very limited funds for public education made available by the federal government from states that do not carry out such policies. In order to meet these criteria, the Michigan Senate, with the support of the Democrats and Republicans, passed legislation this week expanding the use of charter schools.



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