

Chicago mayor demands wage, benefit cuts from teachers

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After saying it would not extend the current teachers' contract for an additional year because it could not afford a three percent wage increase that would come with it, the city of Chicago is demanding sweeping concessions in talks for a new agreement. This includes a seven percent pay cut in addition to higher health care contributions and diminished pensions.

Mayor Rahm Emanuel, who was recently re-elected in a runoff election last month, is using a largely manufactured budget crisis to demand the concessions from the city's 32,000 teachers and other school employees whose contract expires on June 30.

The current contract was imposed after the defeat of the Chicago teachers' strike in 2012. That struggle pitted teachers against Emanuel, Obama's former chief of staff, and the assault on public education spearheaded by Obama and both big business parties in the name of "school reform." The Chicago Teachers Union (CTU) gave in to Emanuel's demands for the expansion of testing-based teacher evaluation and loosening restrictions on teacher layoffs.

Allied with the Democratic Party, the CTU betrayed the strike, paving the way for its collaboration in a record number of public school closures and related layoffs. The year 2013 saw fifty elementary schools closed, thousands of layoffs and the dislocation of tens of thousands of students, which exacerbated overcrowding and placed additional strains on remaining teachers and staff.

In demanding the pay cut, the Emanuel administration cites a \$1.1 billion Chicago Public Schools budget shortfall. Budget shortfalls and a lack of tax revenue are also being used to press for deep cuts to the teachers' pension system. In addition, Tax Increment Financing districts siphon existing tax revenue into a mayor-controlled account used to attract

investment in wealthy areas.

City estimates for teacher pension underfunding is somewhere in the region of \$7 billion. As of 2014, the Chicago Teachers Pension Fund claimed 44,473 members. (See, "City worker pensions under attack") CPS spokesman Bill McCaffrey expressed hope the CTU would work with the school district in lobbying state leaders to resolve pension issues.

There have been recent calls in the *Chicago Tribune* and the business press, and from Illinois Republican Governor Bruce Rauner, for the Chicago Public Schools district to declare bankruptcy, with the goal of gutting the teacher pensions. Bankruptcy successfully paved the way for the slashing of pensions in Detroit, Michigan and Stockton, California.

Teacher pensions were introduced as a bargaining chip in the opening bid of the 2015 contract negotiations by none other than Chicago Teachers Union President Karen Lewis, who offered last year to negotiate a cut to teacher pensions for educators who have not yet retired, a move lauded in the business press.

Last week, CTU Vice President Jesse Sharkey sought to diminish the importance of teacher compensation, declaring, "Money is not our membership's biggest concern right now."

This would be news to teachers who work in a city with one of the highest costs of living in the US.

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The CTU has not publicly reported any of its own wage or benefit proposals, instead referring to proposals that included smaller class sizes and the hiring of counselors and nurses, neither of which can be bargained over.

Accepting the lie used to justify cuts all over the

country—that there is no money—Sharkey continued, “If the district has no money to put a counselor in a school where a half-dozen kids get shot, or not enough money to have the counselor who’s there actually counsel, then they don’t have the money for a three percent raise, do they?”

Sharkey is a leading member of the International Socialist Organization. His comments only underscore the fact that the ISO, like its pseudo-left counter-part in Greece, Syriza, functions as a faction of the bourgeois political establishment.

Last week, school officials announced the smallest capital budget in 20 years. The \$160 million budget to repair the city’s many dilapidated schools is about one third of last year’s budget. While claiming there is no money to improve schools or the wages and benefits of educators, Emanuel continues to provide tax breaks to major corporate interests in the city like Boeing and the Chicago Mercantile Exchange. Last month, Governor Rauner approved \$100 million in corporate tax cuts.

While the majority of the city’s 400,000 public school students suffer, politically-connected charter school operators and other businesses continue to siphon money. Federal corruption investigations have been opened into Emanuel’s appointee to CEO of Chicago Public Schools, Barbara Byrd-Bennett, for awarding a \$20.5 million no-bid contract to SUPES Academy, an education and training company for teachers and principals that Byrd-Bennett had previous business relationships with.



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