



# EMPLOYMENT TRENDS IN STATE GOVERNMENT

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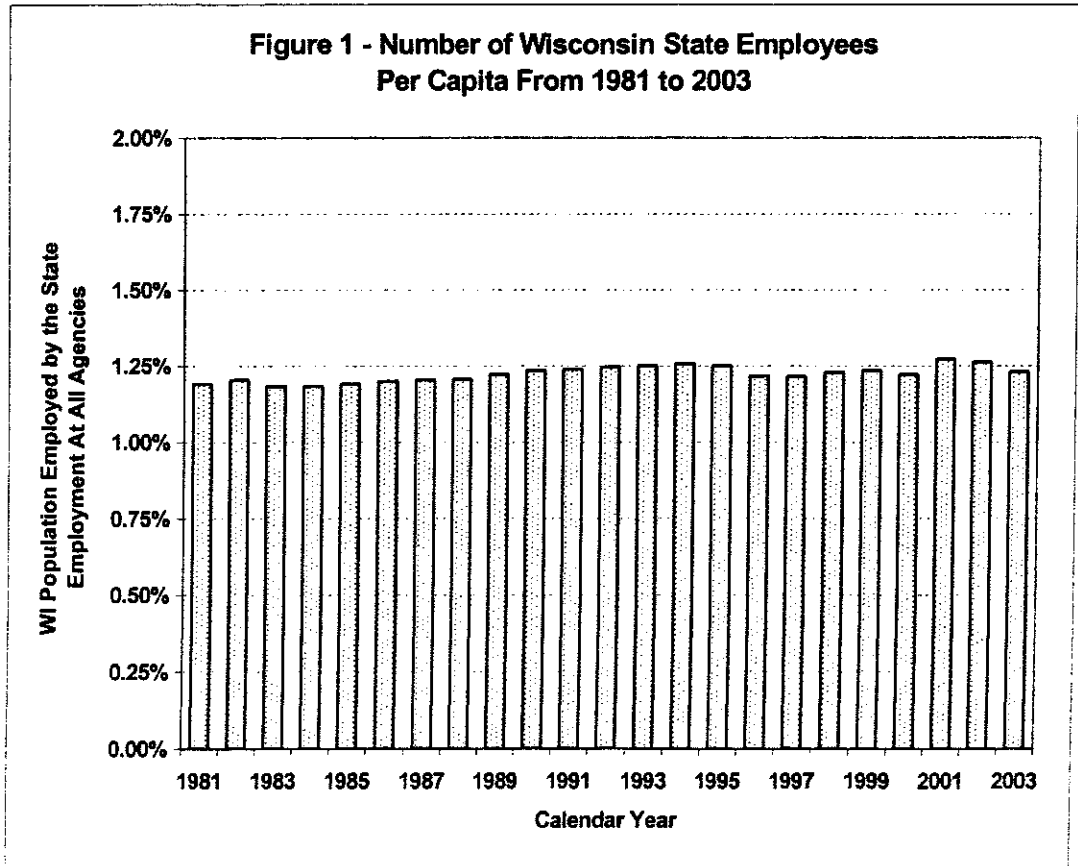
The State Engineering Association is very concerned about some of the trends in state government. As can be seen in Figure 1, the number of state employees that serve the citizens of this state has been relatively stable over the last 22 years, when measured on a per capita basis. This information was obtained from the US Census Bureau and from Budget Reports for the State. Some fluctuations are visible but generally the number of state employees per capita has remained relatively stable for over two decades.

In 1993, the Department of Corrections (DOC) was established from the old Department of Health and Family Services. DOC has seen the lion's share of the growth in the number of state employees, rising almost 5,500 over the last 10 years. How was this growth funded? Resources were shifted to DOC from other agencies. The programs that were cut were the programs that are responsible for providing general government services to the public.

The University of Wisconsin (UW) is another giant of the budget, however the number of UW employees per capita has remained relatively stable. The biggest change to the UW System occurred in 1998-99 biennium when University Hospitals was separated. Overall the number of persons employed by the University is nearly 40 percent of the total number of state employees at about 28,000 to 31,000 individuals. Each of these individuals is important if Wisconsin is to be competitive in the area of technology development and innovation.

Although the number of state employees per capita has remained relatively stable over the last two decades, the Governor and some legislators have proposed that the number of state employees has to be cut to balance the budget. The Governor has even gone so far as to state that he will eliminate 10,000 positions over 8 years. You might think that this action is just what we need to reduce state taxes. Unfortunately, it is not that simple. Cutting the number of employees does not reduce the demand for state services by Wisconsin residents, thus the employees that are cut are often replaced by consultants at a higher cost. Furthermore, the cuts are focused towards a small part of state government, with

Figure 1 - Number of Wisconsin State Employees Per Capita From 1981 to 2003



the UW and DOC largely untouched.

Figure 2 shows the drop in the number of state employees per capita in agencies other than DOC and

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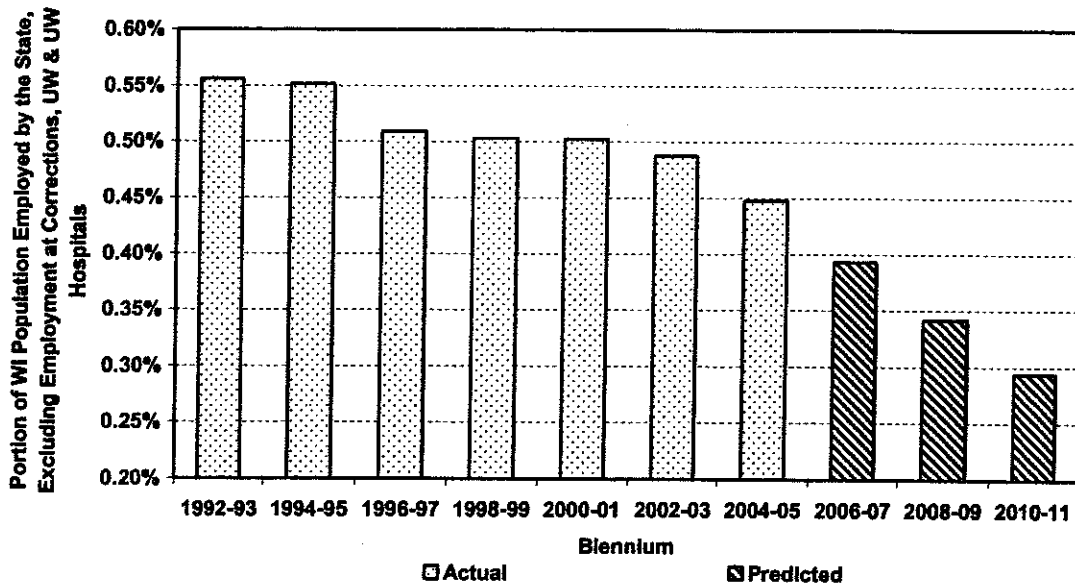
UW from 1992 to 2004 as the state has shifted resources from other agencies to support DOC. Figure 2 also shows the predicted downward trend of employees per capita as Governor Doyle reduces the number of state employees by approximately 2.0 percent per year. This prediction is based on the assumption that the Governor stops shifting resources to DOC, thus the number of employees at DOC and UW remain constant. The people that are to be cut are the people

The bottom line is that under Governor Doyle's vision of state government, there will be a lot fewer state employees to answer your questions or to make sure that private sector contractors comply with the laws you have enacted through your legislators and governor. Some governmental functions cannot be delegated, such as enforcement of the laws of the state or ensuring safe building construction. Other jobs have already been delegated to consultants, but at a much higher cost. These consultants often have automatic pay increases in their contracts of 4 to 5 percent per year.

They charge for overhead and they also have to make a profit, whereas when you pay for a state employee, you are not paying a markup for any additional profit.

What is the future going to be like? There will be a lot fewer public employees to do the day to day resource management and protection of public health and welfare. More projects will be constructed without adequate safeguards. Fewer state employees will be available to deliver the services that the public demands, so consumer protection will suffer. Problems will have to be

Figure 2 - State Employees Per Capita That Provide General Government Services to the Public - Bienniums Starting in 1992 Through 2004 and the Future Under Governor Doyle's Planned Cuts



Assumptions: Population growth at 0.83 percent per year from 2004 through 2010, number of state employees declines by 2.00 percent each year, number of employees at Dept of Corrections, UW and UW Hospitals remains constant.

that provide the general government services to the citizens of Wisconsin. They enforce the laws that you wanted implemented, they protect your environment, they protect your health and safety, they enforce requirements for safe construction of facilities and infrastructure, they design and maintain your transportation system, etc. If the Governor continues to shift resources to DOC from other agencies, the downward trend will be much worse than portrayed in Figure 2.

resolved through the courts which is generally the least cost-effective way to resolve a problem. Where once the Wisconsin Idea was foremost and all citizens benefited, now we will see the deterioration that is evident in other parts of this nation and the gradual erosion of the quality of life in Wisconsin.

I would like to thank individuals in SEA that provided valuable input into this article and the Wisconsin Legislature for some of the invaluable data used in developing the information about current positions and agency staffing levels.