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As Wisconsin Fails to Create Jobs, Merger of State Jobs Agency with WHEDA will Create Further Chaos in Job Creation Efforts.

MADISON – As Wisconsin continues to fail to create jobs under Republicans, Gov. Walker and legislative Republicans are moving forward with a proposed merger that will create further chaos at the state's job creation agency.

The merger of the Wisconsin Economic Development Corporation (WEDC) with the Wisconsin Housing and Economic Development Authority (WHEDA) proposed by Gov. Walker and now Sen. Rick Gudex (R-Fond du Lac) comes at a time when WEDC is plagued with massive turnover, loan delinquencies and continued outsourcing by companies receiving public assistance.

"There is no question that Wisconsin is lagging the nation on job creation and upending our state job creation agency will further harm our efforts to create jobs in Wisconsin," Assembly Democratic Leader Peter Barca (D-Kenosha) said. "The ongoing problems at the Wisconsin Economic Development Corporation underscore the need for more focus and planning – not a frantic collision with a completely different state agency."

At a WEDC Board meeting today, Rep. Barca and Senator Julie Lassa (D-Stevens Point) highlighted the ongoing problems at WEDC and called for the Governor and Republicans to abandon their plans to merge the agencies.

"I have yet to hear what benefit the state will receive from merging these two agencies," Sen. Lassa said. "Apparently the cost savings will not be great, and it's not clear how either businesses or home mortgage borrowers will receive better service by merging these two functions. We know from the WEDC debacle that there is a risk involved when state agencies are put in disarray. Before we approve this merger, we should know exactly what benefits we will be receiving for taking that risk."

Today, the WEDC Board was set to discuss a myriad of issues that demonstrate that WEDC continues to be an agency in turmoil. The current issues at stake include: concerns about companies receiving aid and outsourcing jobs, delinquencies in the performance reports and loan repayments, and Gov. Walker's international trade missions that have been part of his global show of his presidential ambitions.

Wisconsin's economic woes under Gov. Walker continue to harm Wisconsin workers and businesses. According to the Bureau of Labor Statistics, Wisconsin is ranked 40th in the nation in job growth over the past year and 42nd in the nation in wage growth. A recent analysis also found that this year Wisconsin is on pace to have the highest number of layoffs since Gov. Walker took office in 2011.