

WEDC Wants Tax Dollars Back from Company Outsourcing Wisconsin Jobs

Written by GBP Staff

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<http://newiproggressive.com/images/stories/S5/grainger-workers2-s5.jpg>



Grainger Industrial Supply of Janesville, awarded \$500,000 by WEDC in 2011, failed to create the 130 new jobs originally promised and did not meet retention goals. Five more employees lost their jobs Thursday when the multinational outsourced their work to Panama. State attempting to claw back \$50,000 in tax credits.

JANESVILLE, WI - The problems with Gov. Scott Walker's Wisconsin Economic Development Corporation (WEDC) never seem to stop. Once again we are finding out that a company, in this case Grainger Industrial Supply, which has received thousands in taxpayer dollars for the purpose of creating jobs, not only failed to create a single job, but is sending Wisconsin jobs to Panama.

The U.S. Department of Labor (USDOL) certified Thursday that at least five employees of W.W. Grainger in Janesville lost their jobs when the multinational business supply corporation outsourced their work to Panama, even though the company was awarded \$50,000 in tax credits from WEDC.

According to [WKOW 27 News](#) in Madison, WEDC awarded the company, more commonly known as Grainger Industrial Supply, with a \$500,000 development opportunity zones award for its Janesville facility. The original award was developed by WEDC's predecessor, the Wisconsin Department of Commerce, in 2010 with the contract ultimately executed by WEDC in July 2011.

The stated purpose of the award was for job creation or retention.

WEDC's public annual report shows Grainger has not created any of the 130 jobs originally planned for the site and only retained 808 of the 1,169 planned to date.

WEDC Spokesperson Steven Michels sent 27 News a statement Thursday afternoon saying the

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agency is seeking to claw back the \$50,000 from Grainger.

"In October 2015, at the conclusion of the contract's 5-year retention period the award was closed out. WEDC determined that Grainger did not retain the jobs required under the contract," wrote Michels. "In November 2015, WEDC revoked the tax credits and has worked with Grainger to repay the \$50,000 in credits thereby making the state whole."



Michels did not specify if any of the \$50,000 has been paid back to the state yet.

"This is a pattern that we have seen over and over and over. And it's got to stop. Wisconsin taxpayers should not be paying to send their own jobs to foreign countries," said Senator Dave Hansen (D-Green Bay) in a statement released today. "Creating good jobs may not be a priority for this Governor or this Legislature, but taking steps to protect our workers and taxpayers from seeing their jobs and hard-earned pay being used to outsource their jobs should be.

"Unfortunately there seems to be little concern for stopping this abuse of Wisconsin taxpayers and workers," concludes Hansen.

Legislative writer Jay Wadd contributed to this story.