Wage increase does not cause budget cuts

Dear Editor:

Last week’s article on budget cuts, while accurate in many respects, uncritically presents a misconception which demands correction. In detailing President Bloom’s remarks, the article states, “The new staff wage, combined with the endowment’s decline, has exhausted most of the new funds that would have been available for next year's budget, Bloom added.” As a student representative to the College Budget Committee, I was thoroughly puzzled with this statement. The numbers simply do not bear out the assertion that the new staff minimum wage of $9 an hour has been in any way substantially responsible for “exhausting” available funds. First, the total cost to the college of implementing the $9 minimum wage recommendation is only about $30,000. Now consider that after decisions approved by the Board of Managers in December (and after the endowment’s decline), the money available for new and continuing expenditures was several multiples of the cost of the new minimum wage. The $9 minimum wage policy “exhausts” available funds at the level of less than 5.4 percent.

In fact, the staff minimum wage increase is only one (and a small one at that) of numerous additional expenses that have tightened this year’s budgetary picture. With unavoidable spikes in health insurance costs and ongoing salary pressures, the overall compensation allocation for faculty in excess of standard increases comes out to five times the cost of the $9 minimum wage. To look at this another way, the college saves substantial funds yearly — including this year — as a result of vacant staff positions. The college recoups annually through staff vacancies in the range of five to seven times the cost of the new minimum wage. Of course, some level of vacancy is natural; however, continuing vacancies often require workers already covering full-time duties to do more work.

Similar assertions to the one attributed to President Bloom in last week’s article have implicated the minimum wage recommendation as a major causal factor in next year’s student fee increase (see “Tuition increase will be higher than expected,” Feb. 28). These claims perpetuate what seems to be a clear misconception that the new minimum wage has “exhausted” budget coffers and necessitated cutbacks. Actual numbers refute these as myths. Most troubling is that such misrepresentations serve both to remind some staff members — specifically, the group of low-wage workers who will gain some benefit from the $9 minimum wage — how indebted they should feel to this institution for its great sacrifice, and to erode community support for low-wage workers on campus.

Sam Blair ’02
Student Representative to CBC

Academic budgets also cut

Dear Editor:

As a representative to the College Budget Committee, I feel compelled to correct a misrepresentation in last week’s article about budget cuts. The Phoenix article gave the impression that academic departments were somehow exempt from the exercise of seeking ways to cut five percent from their budgets. That is simply not the case. In fact, all academic departments were asked to find ways to reduce their budgets by five percent. While many academic departments reported that they were unable to make this accommodation, others were able to find creative ways of cutting expenditures by two to five percent. On the other hand, the article correctly indicated that no cuts should significantly hurt the educational program.

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