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Stop outsourcing before expanding tax breaks

Accountability lacking at Walker agency overseeing Foxconn deal

MADISON – A recent investigative report by [WKOW-TV](#) found that Gov. Walker’s jobs agency gave millions in taxpayer dollars to companies that outsourced Wisconsin jobs. Two companies specifically, Plexus Corp. and Eaton Corp., outsourced hundreds of Wisconsin jobs after receiving taxpayer subsidies from the Walker administration.

“Gov. Walker’s dismal jobs record continues to raise questions about his administration’s ability to oversee a \$3 billion corporate tax giveaway,” said Senate Democratic Leader Jennifer Shilling (D-La Crosse). “Wisconsin families are sick and tired of seeing their tax dollars going to companies that turn around and outsource jobs. If Gov. Walker won’t hold a company responsible for outsourcing hundreds of jobs after receiving state subsidies, how is his administration going to protect taxpayers if a foreign company is awarded \$3 billion in state subsidies?”

According to the WKOW report, Plexus Corp. received \$6.9 million in enterprise zone tax credits from the Walker administration as well as a \$2 million job creation tax credit for its Appleton location, “despite agency records showing no new jobs have been created there since 2011.” The company laid off 116 workers from its Neenah facility and outsourced their jobs in July 2012.

The report went on to detail a \$658,929 job creation tax credit awarded to Eaton Corp. for adding 15 jobs since 2011. However, the company “laid off 163 employees at its Cooper Power Systems plant in Pewaukee in April 2013” and moved those jobs to Mexico. In April 2015, the company outsourced an additional 93 jobs to Mexico from its Watertown facility.

Neither of these companies have had their tax breaks revoked by the Walker administration. The WKOW investigation found that the administration has failed to recover nearly one third of all taxpayer subsidies to companies that have violated the terms of their contracts with the state.

In total, more than 11,000 Wisconsin jobs have been outsourced since Gov. Walker took office.

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