# THE FISCAL "CLIFF": WHY A SOLUTION TO UNEMPLOYMENT IS THE KEY

The so-called "fiscal cliff" is a manufactured "emergency" designed by conservative deficit hawks to shrink government, destroy public sector unions, and erode the so-cial safety net. The "sequester" has only just begun. So far this is some of the fallout:

#### **Unemployment Benefits**

**800,000 workers in 19 states** have seen their benefits cut by a little more than 10 percent – or about \$120 a month, on average. When all states implement these cuts, they will affect as many as **3.8 million jobless workers**.

#### **Head Start**

Some Head Start programs are already cutting their programs for the current school year – dropping children from the program, **ending the school year several weeks early**, **cutting services** such as bus transportation, or **reducing enrollment eligibility** for next fall.

#### **Meals on Wheels**

Seniors' programs in various states are **cutting the number of home-delivered meals** provided or seniors served.

## **Housing Assistance**

Federal housing assistance will be cut by more than \$2 billion this year alone. An estimated **140,000 fewer households** – low-income families, seniors, and people with disabilities, in short, the most vulnerable – will receive vouchers to help them afford decent housing.

In addition to the above cuts, local law enforcement, medical research, K-12 education, environmental protection, and many other areas also face cuts that will affect communities across the country.

Each of these areas also affects jobs. The answer to sequestration is **NOT MORE BELT TIGHTENING**, but **DIRECT GOVERNMENT JOB CREATION**. Calling for no more cuts is a weak response. **WE MUST DEMAND JOBS!** 

Job creation puts more money in people's pockets, as well as into the federal treasury for deficit reduction as well as saving the programs that are now threatened with cuts. People can be put to work in rebuilding and repairing our deteriorating infrastructure, teaching our kids, providing child and elder care, quality, accessible health care, housing, environmental conservation and renovation, and many more things needed by our society. Job creation also aids unionization! There are several bills now in Congress that would create jobs. Please see the reverse side of this sheet for information about this legislation and what you can do about it.

Phone: 203-856-3877 • Web: www.njfac.org • E-mail: njfac@njfac.org

# $\star$ Jobs Legislation pending before congress $\star$



**HR 1000** − The Humphrey-Hawkins 21st Century Full Employment & Training Act

Rep. John Conyers (D-MI) has introduced HR 1000, a comprehensive bill that creates a new national jobs program. Crafted with the input of NJFAC and other job creation advocates, HR 1000 recommits the U.S. to seeking a national goal of full employment, where everyone has the right to useful work at living wages. The bill would create millions of new local jobs through partnerships between the Department of Labor and state and local governments, non-profit community organizations, and small businesses. HR 1000 would create new jobs in the fields of construction, infrastructure repair, energy and conservation, education, health care, human services and neighborhood renovation. The bill's provisions respect existing collective bargaining agreements, and protect worker rights to join labor unions.

HR 1000 creates a "National Full Employment Trust Fund," funded by a Financial Transactions Tax on Wall Street financial speculation. The financial transactions tax will include a 1/4 of 1 percent (0.25%) tax on stock transactions; and similar small taxes on futures, options, and swaps transactions. These modest assessments on Wall Street operations would generate \$100-150 billion per year – enough money to create 2.5 to 3.9 million jobs throughout the US during the first two years of the program. The bill would also help bring down the federal deficit. For every 1 million unemployed people who go back to work, the federal deficit decreases by \$54 billion.

**HR 1617** – Emergency Jobs to Restore the American Dream Act

Rep. Jan Schakowsky (D-IL) has introduced HR 1617, which would create over 2 million jobs over two years, to build and renovate schools and housing, implement energy audit programs and retrofits, and expand childcare and early education. In addition, the bill would create many new jobs for teachers, police, firefighters, and health care workers, while providing 250,000 part-time and work-study jobs for college students, and 100,000 jobs for youth to improve public parks. HR 1617 would cost \$227 billion over two years, and is fully paid for through separate legislation that creates higher tax brackets for millionaires and billionaires, eliminates subsidies for Big Oil, and closes loopholes for corporations that ship American jobs overseas.

FY 2014 Budget Legislation – Increase Public Investments in Infrastructure, and Create a National Infrastructure Bank (Senate Congressional Resolution 8, Amendment 653)

In the Democratic budget passed narrowly by the Senate on March 23, Sen. Patty Murray (D-WA) proposed \$100 billion in new infrastructure investments, including \$50 billion for transportation, \$20 billion for repairs and technology upgrades for schools, \$10 billion for fixing dams and ports, \$10 billion for job training, and \$10 billion to establish a National Infrastructure Bank. The Bank would have the ability to leverage private and public capital to support infrastructure projects of national and regional significance, including transportation, energy, and water. The National Infrastructure Bank will operate as an independent, wholly-owned Government entity outside of political influence. Jobs advocates should support the adoption of the Senate plan, and oppose efforts by the House to eliminate infrastructure spending.

## **YOU CAN HELP!!**

## **Support Job Creation Legislation**

Pass a resolution supporting these bills in your union or Labor Council. Visit http://www.putamericatowork.net/ for more information about the bills, related federal legislation, and sample resolutions.

**Visit www.njfac.org** for information about unemployment, job creation and workplace issues.

**National Jobs For All Coalition •** P.O Box 96, Lynbrook, NY 11563

Phone: 203-856-3877 • Web: www.njfac.org • E-mail: njfac@njfac.org