

Bush Watch

Jobs and the Economy

The nation has lost 2.6 million private-sector jobs since January 2001, when President Bush took office. In four consecutive budgets, the White House has shortchanged America's working families in favor of cutting taxes for the nation's super-rich. The Bush administration is spending billions to rebuild Iraq's roads and schools, but not America's. While proposing to fund explorations to Mars, Bush repeatedly has refused to extend unemployment insurance for millions of jobless U.S. workers—even though the recent rate of long-term unemployment is tied for the highest rate since 1992.

Ended Overtime Pay Protections for Many U.S. Workers

The Bush administration published regulations in April 2004 to deny overtime pay protections to many U.S. workers. The changes to the Fair Labor Standards Act (FLSA) rules affect a wide range of the more than 80 million workers protected by the law's overtime requirements. The rules enable employers to reclassify many workers currently eligible for overtime pay as managers or administrative or professional employees who are exempt from time-and-a-half overtime pay. The new rules threaten overtime protections for large numbers of financial services, insurance industry, health care, high-tech and other workers and for workers whose income is above a certain level who are paid on a salary basis and who do nonmanual work. The Bush administration vehemently opposed legislation passed by both the House and the Senate that would have simply prohibited any rule changes taking away workers' overtime pay protections.

Bush's Budgets Shortchanged Working Families and Starved State Budgets

Bush's fiscal year budgets won massive tax cuts for the very wealthy and corporations but rejected the best vehicle for quick and significant job creation—investment in infrastructure—and requests only two-thirds of the transportation funding needed to upgrade roads, bridges and mass transit. Bush also has failed to provide meaningful assistance to states, which are struggling with their worst fiscal crises since World War II. The crises are compounded

by enormous unfunded federal mandates, which in fiscal year 2004 cost the states \$29 billion. As a result of the states' crises, 21 states were forced to lay off public employees between fiscal year 2003 and fiscal year 2004 to close or cut their state budget gaps.

Refused to Extend Unemployment Insurance for Jobless Workers

Republicans in Congress, with backing from the Bush administration, consistently rejected in 2002 and 2003 Democratic proposals that would have extended the emergency federal unemployment benefits program for long-term laid-off workers for another six months and added 13 weeks of regular benefits for jobless workers in all states. The stonewalling continues: The federal emergency program expired at the end of December 2003, and the Bush administration has not asked Congress to extend the emergency program and refused to support an extension. Meanwhile, the Center on Budget and Policy Priorities reports 1.4 million unem-



ployed workers ran out of regular unemployment benefits during the first quarter of 2004. They were unable to find jobs with no emergency federal unemployment insurance to fall back on.



Cut Job Training Funds and Forced Elimination of Funding for Dislocated Workers Programs

Backed by the Bush administration, the House Appropriations Committee June 14, 2001, eliminated \$259 million from current funding for dislocated worker programs and another \$100 million in adult job training programs. Since Bush took office, funding for job training has declined in real dollars. The Bush fiscal year (FY) 2005 budget cuts funding for job training and employment programs by \$1 billion (in inflation-adjusted dollars) over 2001 levels. Programs for dislocated workers have been hit particularly hard. Per capita (inflation-adjusted) spending on programs to re-employ and retrain laid-off workers fell from \$274 per unemployed worker in 2001 to \$175 per unemployed worker in 2004. The 2005 Bush budget would reduce spending even further, to \$167 per unemployed worker.

Eliminated Report on Mass Layoffs and Plant Closings

The Bush Department of Labor announced in December 2002 it no longer would issue public reports on mass layoffs and plant closings, a decision that later was reversed. According to the December announcement, the last report was to have been released in November 2002. The Bureau of Labor Statistics' monthly analysis detailed every layoff of more than 50 workers and the type of industry. The November 2002 report

showed 2,150 mass layoffs and about 240,000 workers lost their jobs, mostly in the manufacturing industries. State officials said the monthly reports are vital in helping them plan and fund their dislocated worker programs and services. In early 2003, Senate Democrats were successful in restoring funding for the Mass Layoffs Statistics program as part of the FY 2003 appropriations bill.

Tried to Ban Project Labor Agreements for Federally Funded Construction

One of Bush's first actions when he took office was to issue an Executive Order banning the use of project labor agreements (PLAs) on all federally funded construction projects. PLAs are negotiated prior to the start of a construction project between unions and the project owners or construction managers. The agreements generally establish a common set of work rules, working conditions, hiring practices and settlement dispute mechanisms, usually with the stipulation that there will be no strikes by the unions or lockouts by management. Following the order, construction unions began a drive to restore the use of PLAs, and eventually more than 30 Republican members of the House of Representatives sent a letter to Bush urging that he reconsider the move. In April 2001, the administration modified the order to allow most covered projects by pre-existing PLAs to continue unthreatened. However, new project labor agreements are still banned by the Bush Executive Order.



RALPH ALSWANG

“I'm starting to feel that looking for a job is pointless, because I can't even afford the appropriate clothes for an interview.”

**—Beverly Smith
Hartford, Conn.**

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