

# **Quick Facts & Key Points Concerning H.R. 1000,** **The Humphrey Hawkins Full Employment and Training Act**

Rep. John Conyers, Jr. (MI-13)

## **Purpose of the Legislation**

The purpose of H.R. 1000, the "Humphrey Hawkins Full Employment and Training Act" is to make sure there are enough jobs available for everyone who wants to work and thereby create a full employment society. It will do this by creating temporary jobs in the public and not-for-profit sectors of the economy to compensate for any job shortages that exist in the economy as a whole—just as New Deal programs did during the Great Depression. These temporary jobs will provide decent work for unemployed and underemployed individuals while simultaneously addressing community needs and reducing disparities in health, housing, education, job training, and public infrastructure.

## **Facts about Unemployment**

In July 2015 official unemployment stood at 8.3 million, but there were also 6.3 million people working part-time who wanted full-time jobs and 6.4 million jobless individuals who wanted to work but were not counted as unemployed. All together there were at 21 million people in the United States who were partially or totally unemployed at a time when employers had only 5.2 million job openings—belying the claims of economists who say we're approaching (or even at) full employment.

## **Social Costs of Unemployment**

The effects of this unemployment plague are devastating. In addition to wreaking havoc with the finances of its victims and their families, it is associated with increased rates of both mental and physical illness (including death rates), marital and relationship breakups, behavioral problems and lower academic performance for the children of the unemployed, worsening rates of both suicide and attempted suicide, and increased hopelessness—especially for young adults denied the opportunity to realize their potential.

## **What Would the Jobs Pay?**

The jobs would pay the same wages as equivalent jobs in the regular public sector and would include including health insurance and paid leave benefits.

## **What Kind of Jobs Would be Created?**

- Constructing, repairing, improving and beautifying low and moderate income housing and public facilities of all types—both buildings and open spaces.
- Providing a wide variety of human services, including the augmentation of staffing levels in existing agencies and programs.
- Creating special programs to remedy the disadvantages that certain population groups face in obtaining equal access to education, training, employment, and entrepreneurial opportunities.
- Restoring and revitalizing abandoned and vacant properties.
- Expanding and improving emergency food programs.
- Expanding and augmenting the staffing of Head Start, child care, and other early childhood education programs.
- Supplementing the labor force of private contractors undertaking federally or State-funded infrastructure projects.
- Expanding access to broadband or wireless Internet service in underserved areas.
- Implementing a wide range of environmental initiatives to conserve natural resources, remediate environmental damage, reverse climate change, and achieve environmental sustainability.
- Installing solar panels on suitable roof throughout the country, regardless of the financial ability of the families or organizations that occupy the buildings.
- Creating and providing support for community gardens wherever interest exists.
- Reducing the cost of environmentally responsible infrastructure repairs and improvements—especially in communities that are strapped for funds.
- Enhancing emergency preparedness for natural and other community disasters, and improving post-emergency assistance for the victims of such disasters.

- Expanding work-study opportunities for secondary and post-secondary students, and creating “bridge employment” for recent graduates unable to find work.
- Any other activity that addresses public needs.

### **Criteria for Distributing Job Creation Funds**

Grants would be available to both government agencies and not-for profit organizations, but only in communities where there were too few jobs to provide work for all job seekers. Grant applicants would be required to consult with community leaders, including labor organizations, nonprofit organizations, government officials, and local residents to assess community needs and insure that their project would serve them. Projects in areas with the greatest economic need would be prioritized.

### **Other Specifics Concerning the Jobs**

- All of the jobs would have to last for at least one year.
- Program employees would have the right to choose between full-time (40 hours per week) and part-time employment.
- There would be no time limit on an individual’s eligibility for employment in a program-funded job (or a succession of such jobs), but program employees would have to remain available for employment in equivalent non-program jobs if and when they became available.
- Regular employees in both local government and the not-for-profit sector would be afforded strong protection against replacement by program employees.
- Jobs could be provided in unionized work places only with the consent of the union and with terms and conditions of employment for the jobs negotiated with the union.

### **Where Would the Money Come From?**

HR 1000 would establish a national Full Employment Trust Fund with two accounts. One account would be reserved for the creation of jobs. The second account would fund job placement services and job training programs in which the participants would be paid a stipend. Revenue for the trust fund would come from a small tax on transactions involving the purchase and sale of financial securities. This kind of tax is known as a “Financial Transactions Tax” or FTT. To forestall recessions, the Trust Fund would also be empowered to borrow money from the Federal Reserve System whenever additional funds were needed to prevent the unemployment rate from increasing more than 1%.

### **How Many Jobs Would HR 1000 be Able to Create?**

About 6 million new jobs and paid training positions, not counting the additional jobs program spending would stimulate the private sector to create when the economy was in recession or recovering from one.

### **Would This Be Enough to Achieve Full Employment**

Not immediately, but it would be capable of achieving that goal over time as the program’s anti-recessionary effects took hold and labor markets adjusted to the guaranteed availability of work for all job seekers. The achievement of genuine full employment is an internationally recognized human rights obligation and has been formally recognized as a goal of the federal government in duly enacted legislation. H.R. 1000 is designed not only to recommit the federal government to the achievement of this goal but to actually achieve the goal.

### **Would It Be Inflationary?**

No. The legislation has been carefully designed to prevent the inflationary upsurge that accompanies efforts to push the unemployment rate below the 4% to 5% range using a general economic stimulus. This is a key advantage of the direct job creation strategy that distinguishes it from other job creation strategies. The bill also includes a provision that would restrict program hiring to those workers in greatest need should inflation ever become a problem.

### **Contacts for Further Information**

- Logan Martinez, National Jobs for All Coalition and Jobs for All Network: 937-260-2591, [www.PutAmericaToWork.net/](http://www.PutAmericaToWork.net/), or [loganmartinez2u@yahoo.com](mailto:loganmartinez2u@yahoo.com).
- Philip Harvey, Professor of Law and Economics, Rutgers University [philip.harvey@rutgers.edu](mailto:philip.harvey@rutgers.edu).