

REMARKS BY SENATOR HUBERT H. HUMPHREY

TOWN HALL

~~ANAHEIM~~, CALIFORNIA
LOS ANGELES,

MAY 30, 1972

EVERY PERSON WHO LIVES IN CALIFORNIA IS SOMEHOW
 AFFECTED BY THE MASSIVE WELFARE SYSTEM OF THIS STATE.
 THERE'S NO GETTING AROUND IT. THE CITIZENS OF THIS STATE
 EITHER PAY THE COST OF WELFARE OR RECEIVE ITS BENEFITS.
 THE WELFARE SYSTEM TOUCHES EVERYONE.

AND CALIFORNIA HAS THE NATION'S NUMBER ONE WELFARE
 PROBLEM. THERE ARE MORE PEOPLE ON WELFARE IN CALIFORNIA
 THAN IN ANY OTHER STATE, AND MORE IS SPENT BY CALIFORNIA
TAXPAYERS ON WELFARE THAN BY CITIZENS OF ANY OTHER STATE
 IN THE UNION.

AS A CANDIDATE AND AS YOUR PRESIDENT, I WANT TO
 TACKLE THE PROBLEM OF WELFARE IN A COMPASSIONATE AND
 REASONABLE WAY.

THE PEOPLE WANT AN ANSWER TO THIS WELFARE MESS.
 THEY EXPECT A MAN WHO WANTS TO BE PRESIDENT OF THE
 UNITED STATES TO HAVE A REALISTIC, SENSIBLE ^{WELFARE} PROGRAM. ~~THAT~~
~~WILL END THE WELFARE OUTRAGE.~~

TODAY, I WANT TO DO TWO THINGS.

✓ I WANT TO OUTLINE A REASONED, SOUND WELFARE PROGRAM -- ONE THAT WILL MEET THE NEEDS OF THOSE WHO TRULY REQUIRE HELP, WHILE AT THE SAME TIME NOT INCREASE TAXES ON THE MIDDLE INCOME FAMILIES.

✓ AND, I WANT TO MATCH MY PROGRAM AGAINST SENATOR McGOVERN'S WELFARE PROGRAM. ✓ I WANT TO PUT THESE TWO PROGRAMS BEFORE THE PEOPLE OF CALIFORNIA SO THAT THEY WILL SEE THAT THERE ~~ONLY~~ IS A DIFFERENCE.

THE PEOPLE OF CALIFORNIA HAVE A RIGHT TO ASK:

--WHAT IS SENATOR McGOVERN'S TRUE WELFARE PROGRAM?

THE FACT IS -- HE HAS TWO PROGRAMS AND BOTH MEAN HIGHER TAXES FOR MIDDLE INCOME FAMILIES.

✓ SENATOR McGOVERN, ON JULY 29, 1971, INTRODUCED A WELFARE BILL IN THE UNITED STATES SENATE. THIS PROGRAM WILL PUT 104 MILLION PERSONS ON THE WELFARE ROLLS AND ACCORDING TO THE SENATE FINANCE COMMITTEE, IT WILL COST AMERICAN TAXPAYERS \$72 BILLION.

THIS BILL WILL PROVIDE A \$6,500 GUARANTEED ANNUAL INCOME FOR EVERY AMERICAN FAMILY OF FOUR.

IN OUR DEBATE LAST SUNDAY, SENATOR MCGOVERN CLAIMED THAT THIS WAS NOT HIS PROPOSAL, ^{SINCE} ~~AND THAT~~ HE INTRODUCED THIS LEGISLATION AT THE REQUEST OF A WELFARE GROUP.

~~HE ALSO STATED IN OUR DEBATE, THAT HE HAD MADE THESE POINTS PERFECTLY CLEAR ON THE SENATE FLOOR AT THE TIME HE INTRODUCED THE BILL.~~

~~I SUBMIT THAT SENATOR MCGOVERN NEVER SAID, ON THE FLOOR OF THE SENATE, THAT THE \$72 BILLION WELFARE BILL, WAS NOT HIS PROPOSAL. I HAVE HAD THE CONGRESSIONAL RECORD OF THAT DAY SEARCHED, AND I CAN ASSERT TO YOU THAT HE DID NOT MAKE THOSE STATEMENTS ON THE FLOOR OF THE SENATE.~~

HE DID NOT SUPPORT

~~SENATOR MCGOVERN MUST TAKE RESPONSIBILITY FOR WHAT HE HAS DONE. HE CANNOT HAVE IT BOTH WAYS. HE EITHER SUPPORTS IT, FAVORS THE \$72 BILLION WELFARE LEGISLATION, OR HE DOESN'T SUPPORT IT AND HE SHOULD NOT HAVE INTRODUCED IT.~~

~~BUT I WANT TO BE FAIR.~~

~~ABANDONED AND PUBLICLY DISAVOWED~~
~~NOW THAT~~ SENATOR MCGOVERN HAS ~~ABANDONED HIS POSITION AND~~
 HIS \$72 MILLION PROPOSAL, WE CAN ~~AND~~
~~WISHES TO~~ FOCUS ON HIS SECOND WELFARE PROPOSAL, THAT
 IS WHAT I WILL EXAMINE TODAY.

~~L~~ ^{NEW} ACCORDING TO SENATOR MCGOVERN'S PROPOSAL, EVERYBODY
 IN THE UNITED STATES WILL GET A \$1,000 WELFARE CHECK FROM
 THE UNITED STATES TREASURY.

AS HE SAID ON MAY 25, 1972: (*Public Broadcasting TV*)

"IT WOULDN'T MAKE ANY DIFFERENCE WHAT YOUR INCOME
 WAS, YOU'D STILL GET THAT \$1,000 A PERSON". (LIZ DREW SHOW).

~~L~~ REGARDLESS OF YOUR NEED, REGARDLESS OF HOW MUCH
 WEALTH YOU HAVE, UNDER THE MCGOVERN PROGRAM A GOVERNMENT
 HANDOUT WOULD ~~COME TO HOWARD HUGHES~~ *come to Howard Hughes just as a*
~~COME TO BILLIONAIRE HOWARD HUGHES~~ *needed welfare payments would come to*
~~THE POOR.~~

I THINK THE PEOPLE OF CALIFORNIA HAVE A RIGHT TO
 KNOW SOME FUNDAMENTAL PROBLEMS WITH THIS SCHEME.

FIRST - THE COST.

ON OUR SUNDAY DEBATE, SENATOR McGOVERN SAID, "I
HAVE PROPOSED NOTHING IN THE WAY OF WELFARE REFORM OR
DEFENSE REFORM OR FULL EMPLOYMENT OR ANYTHING ELSE WITHOUT
PROVIDING A METHOD FOR FINANCING IT".

YET, HE REFUSES TO TELL THE PEOPLE OF CALIFORNIA
HOW MUCH HIS WELFARE ~~PROGRAM~~ SCHEME WILL COST OR WHO WILL
PAY HOW MUCH.

HE HAS SAID HE DOESN'T HAVE AN "EXACT ESTIMATE ON
THIS PROPOSAL".

I FIND THIS STATEMENT UNBELIEVABLE.

MAYBE I CAN HELP ALL OF US DETERMINE THE APPROXIMATE
COST OF HIS PROGRAM TO THE TAXPAYERS.

SIMPLE ARITHMETIC TELLS US THAT \$1,000 PAID TO
EVERY MAN, WOMAN, AND CHILD IN THE UNITED STATES, TIMES 210
MILLION AMERICANS, EQUALS \$210 BILLION.

I AM WELL AWARE THAT SENATOR McGOVERN DOES NOT INTEND
FOR THE TREASURY TO LOSE \$210 BILLION.

HE DOES HAVE SOME SUGGESTIONS AS TO HOW THE TREASURY

MIGHT GET SOME OF IT BACK. HERE ARE A FEW:

--HE SUGGESTS ELIMINATING EVERY TAXPAYER'S PERSONAL
 EXEMPTION OF \$750. THIS ACT, UNWISE AS IT IS, ^{HE SAYS} WOULD BRING
 \$63 BILLION BACK INTO THE TREASURY, *EVEN ASSUMING FOR THE
 MOMENT THAT THIS DOUBTFUL FIGURE IS CORRECT,*
 SENATOR MCGOVERN'S PROGRAM NOW COSTS \$147 BILLION.

--HE SUGGESTS SCRAPPING THE PRESENT WELFARE SYSTEM.
 THAT WOULD RETURN \$7 BILLION TO THE TREASURY.

↳ NOW SENATOR MCGOVERN'S PROPOSAL WOULD COST \$140
 BILLION.

--FROM THIS POINT, HE MAKES SUGGESTIONS BUT DOESN'T
 SPECIFY DOLLAR AMOUNTS THAT COULD BE RETURNED TO THE TREASURY.
 FOR EXAMPLE, HE SAYS MONEY FROM THE SOCIAL SECURITY TRUST
FUND MIGHT BE USED TO FINANCE THIS \$1,000 WELFARE GIVEAWAY
 PROGRAM. *- well -*

↳ I AM OPPOSED TO TAMPERING WITH THE SOCIAL SECURITY
SYSTEM. ↳ I BELIEVE THIS IS CONTRARY TO THE BEST INTERESTS OF
 20 MILLION AMERICANS NOW RECEIVING SOCIAL SECURITY, AND TO

the millions of taxpayers who are paying into it, in the belief that it is an insurance fund
 and THE REST OF US WHO HOPE TO BE BENEFICIARIES OF THIS SYSTEM.

THE QUESTION NOW IS-- WHO PAYS THE ^{remaining} \$140 BILLION BILL?

ECONOMISTS TELL ME THAT THE GOVERNMENT CAN BE

EXPECTED TO RECOUP A MAXIMUM OF ABOUT \$25 BILLION IN EXCESS

INCOME TAXES RESULTING FROM THE ADDITIONAL INCOME THE McGOVERN

GIVEAWAY PUTS IN THE TAXPAYER'S HANDS,

THIS STILL LEAVES \$115 BILLION.

SENATOR McGOVERN SAYS THAT HE WILL LET THE RICH AND THE BIG CORPORATIONS PAY FOR THIS COST.

But even if you took all corporate profits
 AFTER ~~THE~~ SOME BUSINESSMEN CRITICIZED HIM, HE PLACED
 LAST WEEK \$45-

A FULL PAGE AD IN THE WALL STREET JOURNAL, IN WHICH HE RETREATED FROM HIS EARLIER POSITIONS OF INCREASING THE
 AN EFFECTIVE
 CORPORATE TAX RATE FROM 48 TO 52 PERCENT.

SO APPARENTLY HE DOES NOT WANT CORPORATIONS TO PAY FOR THIS \$115 BILLION.

AGAIN, I WANT TO ASK -- WHO PAYS THE BILL?

THE ANSWER NOW IS -- THE INDIVIDUAL TAXPAYER -- YOU

AND I.

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SENATOR McGOVERN'S EXPERTS, HOWEVER, DO NOT ACCEPT MY FIGURES OF ABOUT A \$115 BILLION ADDITIONAL COST TO THE AMERICAN TAXPAYER. AT A SPECIAL BRIEFING^{THAT}, HIS EXPERTS HELD FOR THE PRESS LAST SATURDAY ON THE McGOVERN WELFARE SCHEME, SOME OF THEM SAID THAT THE TOTAL FIGURE WOULD BE \$60 BILLION.

AND LET US DO SO FOR A MOMENT,
EVEN IF WE ASSUME THE ~~INACCURATE~~ McGOVERN FIGURES, ^{\$60 BILLION} ^{STAFF} [^]
~~I HAVE A STUDY OF THE~~ ^{the} SENATE FINANCE COMMITTEE ~~WHICH TELLS~~
~~AT ABOUT THE \$60 BILLION LEVEL~~ ^{McE} THAT THE ADDED COST TO THE AMERICAN TAXPAYER CAN BE

TRANSLATED INTO THESE HUMAN TERMS:

--TO THE SINGLE SECRETARY, LIVING IN SAN FRANCISCO,

MAKING \$8,000 A YEAR, THE COMMITTEE SAYS THE McGOVERN PLAN

MEANS AN INCREASED TAX OF \$567.

or the Secretary ends up with \$567 less than he or she had before. the

THE UNMARRIED PERSON SUFFERS MOST UNDER SENATOR

McGOVERN'S PLAN.

OF FOUR

--TO A FAMILY LIVING IN ^{Los Angeles} MAKING \$12,000

A YEAR, THE McGOVERN PROPOSAL WOULD INCREASE THEIR INCOME TAX

BY \$409.

--TO A FAMILY MAKING \$15,000, LIVING ~~RIGHT HERE IN~~

~~ORANGE COUNTY~~, THE McGOVERN WELFARE TAX WOULD BE \$588.

↳ THE SENATE COMMITTEE CALCULATED THESE FIGURES FROM
BASIC DATA PROVIDED BY SENATOR McGOVERN'S OWN PROPOSAL.

↳ IT'S CLEAR THAT THE McGOVERN \$1,000 WELFARE SCHEME
PUTS THE BURDEN OF PAYING FOR WELFARE WHERE IT HAS ALWAYS
BEEN - ON THE MIDDLE INCOME WORKING FAMILY.

THE COST IS SIMPLY UNBELIEVABLE, BUT THERE ARE
 OTHER SERIOUS FLAWS IN HIS APPROACH.

WHAT HAPPENS TO ^{THE} WORK ^{REQUIREMENT} ~~AND INCENTIVE TO WORK~~ THAT
 MUST BE A PART OF A WELFARE SYSTEM?

~~SENATOR McGOVERN'S PROPOSALS DO NOT GIVE ANY~~
~~INCENTIVE TO WORK. THERE ARE NO SUITABLE WORK REQUIREMENTS~~
~~IN HIS PROPOSAL.~~

HE SAYS THAT UNDER HIS SCHEME, ~~WELFARE IS AN~~
~~"AUTOMATIC SYSTEM".~~

"THERE WOULD BE NO REQUIREMENT TO WORK ANYMORE THAN
 THERE IS NOW A REQUIREMENT TO WORK. YOU CAN'T FORCE SOMEBODY
 TO WORK IF THEY DON'T WANT TO WORK".

BUT IF PEOPLE ARE ABLE-BODIED, AND THERE ARE JOBS,
 THEY SHOULD WORK AND NOT RECEIVE A \$1,000 WELFARE BENEFIT.
 AND THEY WANT TO WORK.

SENATOR McGOVERN'S SCHEME IS A SHARE THE ~~WELFARE~~ *wealth*
 BUT NOT SHARE THE WORK PROGRAM. *It is a radical*
income redistribution plan.

FINALLY, UNDER SENATOR McGOVERN'S PROPOSAL, THE
 OVER 500,000 BLIND, DISABLED, AND AGED CALIFORNIANS WHO NOW
 RECEIVE PUBLIC ASSISTANCE, WOULD ~~BE WORSE OFF THAN~~ *BE WORSE OFF THAN* UNDER THE
 PRESENT WELFARE SYSTEM.

RIGHT NOW, THEY RECEIVE ON AN AVERAGE OF \$178 A MONTH,
 UNDER SENATOR McGOVERN'S PROPOSAL, THEY WOULD GET
 \$1,000 A YEAR, OR \$85 A MONTH -- *HIS PLAN* ~~HE~~ WOULD TAKE AWAY \$93 A
 MONTH FROM EVERY AGED, BLIND, AND DISABLED PERSON, DEPENDENT
 ON PUBLIC ASSISTANCE IN CALIFORNIA, *UNLESS THE STATE SUPPLEMENTED*
THIS PAYMENT FROM ITS OWN TAX FUNDS.

THIS IS HARDLY REFORM. AND IT STRIKES AGAINST THOSE
 WHO CAN LEAST HELP THEMSELVES.

IN CONTRAST TO SENATOR McGOVERN'S PROGRAM, LET ME
OUTLINE MY PROPOSAL FOR WELFARE REFORM.

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Eliminate from Fed. Income
tax - all persons with
incomes below the
poverty level -
Put ~~5~~ ~~10~~ Billion back into
hands of poor people.

ITS AIM IS TO END HUNGER, TO STRENGTHEN THE FAMILY,
TO CUT THE BUREAUCRACY AND RED TAPE, TO PROVIDE JOBS,
ELIMINATE FRAUD, AND TREAT RECIPIENTS AND TAXPAYERS FAIRLY.

FIRST, WE NEED AN IMMEDIATE 25 PERCENT INCREASE IN
SOCIAL SECURITY BENEFITS, ~~THIS NEEDED INCREASE WILL KEEP~~
~~15 MILLION ELDERLY AMERICANS OFF PUBLIC ASSISTANCE, ACCORDING~~
~~TO ESTIMATES, THIS WILL COST \$4 BILLION.~~

SECOND, WE CAN TAKE THE FIVE MILLION ~~REMAINING~~ ^{ELDERLY}
^{poor by} ~~ELDERLY~~ PROVIDE THEM WITH A BASIC ASSISTANCE BENEFIT TO
LIFT THEM IMMEDIATELY ABOVE THE POVERTY LINE, ^{\$165 new single} ~~AND WE CAN~~
^{\$250 for couple} ~~FEDERALIZE OUR OLD AGE ASSISTANCE PROGRAM. THIS WOULD COST~~
~~\$4 BILLION.~~ ^{Tax} ~~my~~ ^{amendment} ~~Humphrey~~ ^{poor} ~~people~~

THIRD, I WANT AN IMMEDIATE INCREASE IN THE FOOD
STAMP BUDGET, SO THAT WE COULD REALLY BEGIN TO WIPE OUT HUNGER
IN THE UNITED STATES. IN CALIFORNIA, THERE ARE AN ESTIMATED
300,000 HUNGRY CHILDREN AND 100,000 HUNGRY ADULTS. THE
COST OF INCREASING OUR FOOD STAMP PROGRAM WOULD BE \$600
MILLION.

FOUR, I PROPOSE IMPORTANT AND FAR REACHING CHANGES
IN THE PRESENT WELFARE SYSTEM.

--WE WILL SCRAP THE ENTIRE PRESENT SYSTEM.

--IT WILL BE REPLACED WITH A WELFARE PROGRAM PAID
FOR AND RUN ENTIRELY BY THE FEDERAL GOVERNMENT, *THEREBY
REMOVING THIS BURDEN FROM STATES, CITIES AND COUNTIES.*

--IT WILL ESTABLISH A BEGINNING BASIC *Cash Benefit*
LEVEL OF \$3,000 FOR A FAMILY OF FOUR. BUT THIS BENEFIT
WILL NOT GO TO EVERY FAMILY IN THIS NATION. IT WILL BE
RESTRICTED TO THOSE IN NEED. THERE WILL BE *FIRM* ~~TOUGH~~ BUT
FAIR SUITABLE WORK REQUIREMENTS.

--WE WILL GUARD AGAINST FRAUD AND DECEPTION THROUGH
CAREFUL SCRUTINY OF THOSE WHO APPLY, AND CONTINUOUS REVIEW OF
THOSE WHO RECEIVE A BENEFIT,

~~AND FINALLY~~ MY WELFARE PROPOSAL WILL INCLUDE DAY
CARE CENTERS AND EXPANDED JOB AND TRAINING PROGRAMS TO HELP
PEOPLE GET OFF WELFARE.

*FINALLY, BUT CRUCIALLY, MY LEGISLATIVE PROGRAM
PROVIDES JOBS BY STIMULATING THE PRIVATE SECTOR
AND PROVIDING PUBLIC SERVICE JOB OPPORTUNITIES.*

~~THE COST OF THIS FAMILY PROGRAM WOULD BE \$15
BILLION DOLLARS. AND THE COST OF THE ENTIRE PACKAGE FROM
AN INCREASE IN SOCIAL SECURITY TO OVERHAUL OF OUR WELFARE
SYSTEM, WOULD BE LESS THAN \$25 BILLION.~~

THIS PROGRAM I HAVE OUTLINED IS RESPONSIBLE -- IT
IS REALISTIC, AND CAN BE PASSED BY THE CONGRESS AND
ACCEPTED BY THE AMERICAN PEOPLE.

IT PROVIDES NEEDED FINANCIAL RELIEF FOR THE
HOMEOWNERS OF CALIFORNIA BY FEDERALIZING THE COSTS. IT
PROVIDES HOPE FOR THE 1.5 MILLION CALIFORNIANS ON WELFARE
AND IT DOES NOT CREATE A PERMANENT WELFARE POPULATION.



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