

REMARKS BY SENATOR HUBERT H. HUMPHREY
TESTIMONIAL TO ROBERT A. GEORGINE
BUILDING AND CONSTRUCTION TRADES DEPARTMENT
AFL-CIO

Washington, D.C.

January 18, 1975

It is a special privilege to join you tonight in honoring Bob Georgine. I am particularly pleased to see you paying tribute to a man of accomplishment who also is so young, energetic, and healthy.

Once you get to be 60, you become a little nervous when all of a sudden everyone wants to give you a testimonial. You start asking yourself, "Do they know something that I don't?" Now in Bob's case, with many years to go before thoughts of retirement begin, he can sit back and enjoy this without looking over his shoulder.

Bob and I first met in Chicago nearly 15 years ago. Although only a youngster, his abilities already were being recognized by those who know him.

A few years later, another lather who has provided the labor movement with outstanding leadership and the workers of Minnesota with a true champion of their causes -- my friend Dave Roe -- brought Bob and me together in a friendship that I always will cherish.

When I think about Bob Georgine's accomplishments, a variety of ideas come immediately to mind. Obviously, he has done an extraordinary job of protecting and representing the interests of the 3.5 million workers in the 17 unions that comprise the Building Trades Department.

But, there are three more specific ideas that also come to mind -- fair play, compassion, and leadership.

Bob has earned his reputation among those who know him as a man whom they can trust, a man who plays fair.

And Bob is compassionate, too. He has proved his deep concern for those in our society who have been the victims of senseless maltreatment and discrimination.

Today, 19 per cent of your apprentices and 15 per cent of your journeymen, nationwide, are from minority groups. You can all take pride in this progressive development. It is an indispensable element in a responsible labor movement.

Bob also is a true leader. He has proved over and over again his ability both to rally the troops and to design the battle plans of American labor. All of us who have fought for years to promote and protect the rights of American workers and the power of our unions, find great hope in seeing effective young leaders in the labor movement.

The labor movement definitely has a profoundly serious struggle before it today and in the months to come.

I do not want to be a "kill joy" at this happy event, but I feel an obligation to speak to you very briefly about our economy.

Today the United States is caught in the grips of the most severe recession since the Great Depression of the 1930's.

The real value of the goods and services produced in America declined by more than 2 per cent in 1974 -- the largest one-year drop in output since the 1940's.

Of course, this has meant an explosion in the number of people out of work. In the last two months alone, more than one million persons have become unemployed. And the experts predict that another million people will lose their jobs in the next two or three months.

At the same time, the combination of double-digit inflation, shorter work hours, and unemployment has resulted in a drop of nearly 5 per cent in the real "buying power" of the workers' paychecks in 1974. This was the sharpest deterioration in the welfare of American workers since the Great Depression.

While these national economy figures are grim, they are "weak tea" when compared with the "depression" in the building and construction sector of our economy.

Crippling, high interest rates, an insufficient bond market, soaring costs, falling real incomes, and a precipitous decline in state and local government revenues, have put the housing and construction industry in a shambles.

Unemployment in your industry is 15 per cent nationally, the highest among all major labor groups. In many parts of the country, the rate is 30 per cent or more.

I am not here to give you a lecture on economics. But I want to tell you that the federal government can take action in three areas that will begin to turn the tide against the nation's recession and the construction industry depression. These three areas are taxes; the rebuilding of our cities; and housing.

First, we must enact a program of tax relief which will put money in people's pockets so they can spend it and get the economy moving again.

I have proposed a \$21 billion tax cut -- not \$12 billion -- aimed primarily at helping low and middle income families. They are the ones that really need help -- not the well to do.

This measure would reduce taxes by 61 per cent for those earning under \$5,000, by 32 per cent for those making \$5,000 to \$10,000, and 20 per cent for all those making \$10,000 to \$15,000.

There are many proposals for tax reductions being discussed these days. All of them are complex, and while prompt action is needed, wisdom demands very careful examination and deliberation.

An effective tax relief bill must meet three tests.

-- First, it must assure more equitable tax treatment to those in the lower and middle tax brackets.

-- Second, it should maintain the tax system's revenue-generating ability.

-- And third, it must be designed to be quickly implemented to provide the stimulus needed for economic growth.

The time has come for the government to recognize that its cities are becoming the shame of a great nation. Many are becoming empty shells where the poor live and the rich and middle class work and then leave.

The vast treasure in American banks now flows to the suburbs, the multinational corporations and to finance the conglomerate mergers.

We need resources in our cities -- not only to build skyscrapers, but to construct low cost housing.

Not only to build giant convention halls, but to improve our schools, build day care centers and construct hospitals.

Not only to build expressways, but to pave and clean our streets and provide efficient transportation systems.

If the private banks won't help our cities, then the Congress must establish a National Domestic Development Bank that will.

Such a public bank would provide long-term, low-interest loans to reconstruct our crumbling cities, to stimulate economic development, and to make our great urban centers quality places to live and work.

Third, there will be no economic recovery in our nation until the housing depression is brought to an end.

We must take bold action now to put this vital industry back on its feet. In fact, conditions are serious enough in the housing field today that a real opportunity exists for new initiatives.

The Housing Act of 1949 clearly established the national goal and policy of "a decent home in a suitable living environment for every American family."

Our progress toward that goal has been woefully inadequate. You simply cannot build and sell homes to the majority of our people with the extraordinary high interest rates we have today as well as very limited mortgage money being available.

It is the duty of government to act to assure that credit is available at rates of interest that our people can afford to pay.

Today, less than 20 per cent of all American families can afford the monthly payments associated with the "average" new single-family home. This is socially and economically unacceptable.

The government must release the hundreds of millions of housing dollars it has impounded. It must exert pressure on the Federal Reserve in every way possible to expand credit and lower interest rates.

It must seriously consider immediate action to subsidize mortgage interest rates, guarantee and insure home loans.

And it should consider, with the savings and loans industry, direct home lending operations. We may well need to establish again the Home Owners Loan Corporation.

We must get America back to work, and we will not accomplish this goal as long as our housing and construction industry remains depressed.

These are troubled times for America, tough times for its workers and their families.

But we have been through the wringer before and have always come up a stronger nation for our troubles.

Extraordinary times have always brought forth the true strength of the American spirit.

I am confident that the "Great Recession of 1975" will not be an exception. We shall rise above today's problems to a better life for all Americans in the years to come.

#

(Rita (Dubuque Iowa)
(Shochoed him to Chicago)

Bob & Rita
4 children
1 Boy - 3 girls

Lifetime
membership
1967

Gold Card

Scrooge

REMARKS BY SENATOR HUBERT H. HUMPHREY

Violates
40 hr
week

TESTIMONIAL TO ROBERT A GEORGINE

BUILDING AND CONSTRUCTION TRADES DEPARTMENT
AFL-CIO

Avid
Sports fan

Friend
Maynard

WASHINGTON, D.C.

JANUARY 18, 1975

Baseball
almost went
Pro

- Chicago Bears Fan
- Redskins

IT IS A SPECIAL PRIVILEGE TO JOIN YOU TONIGHT IN HONORING

BOB GEORGINE I AM PARTICULARLY PLEASED TO SEE YOU PAYING

TRIBUTE TO A MAN OF ACCOMPLISHMENT WHO ALSO IS SO YOUNG,

ENERGETIC, AND HEALTHY.

young man!

ONCE YOU GET TO BE 60, YOU BECOME A LITTLE NERVOUS WHEN

ALL OF A SUDDEN EVERYONE WANTS TO GIVE YOU A TESTIMONIAL!

I know

YOU START ASKING YOURSELF, "DO THEY KNOW SOMETHING THAT I

DON'T?" NOW IN BOB'S CASE, WITH MANY YEARS TO GO BEFORE THOUGHTS

OF RETIREMENT BEGIN, HE CAN SIT BACK AND ENJOY THIS ^{*evening*} WITHOUT

LOOKING OVER HIS SHOULDER.!!

met in Chicago - 15 yrs ago

BOB AND I FIRST MET IN CHICAGO NEARLY 15 YEARS AGO, ALTHOUGH

ONLY A YOUNGSTER, HIS ABILITIES ALREADY WERE BEING RECOGNIZED BY

THOSE WHO ^{*KNEW*} HIM.

Dave Roe

Lather
~~Lather~~

A FEW YEARS LATER, ANOTHER LATHER WHO HAS PROVIDED THE LABOR

MOVEMENT WITH OUTSTANDING LEADERSHIP AND THE WORKERS OF MINNESOTA

WITH A TRUE CHAMPION OF THEIR CAUSES -- MY FRIEND DAVE ROE --

*Pres min
4-21-61*

(Neil Stenhouse - min)

BROUGHT BOB AND ME TOGETHER IN A FRIENDSHIP THAT I ALWAYS WILL

CHERISH.

*Bob - 3 1/2 million
workers
17 unions*

WHEN I THINK ABOUT BOB GEORGINE'S ACCOMPLISHMENTS, A VARIETY

OF IDEAS COME IMMEDIATELY TO MIND. / OBVIOUSLY, HE HAS DONE AN

EXTRAORDINARY JOB OF PROTECTING AND REPRESENTING THE INTERESTS

3 1/2 million workers - 17 unions
OF THE 3.5 MILLION WORKERS IN THE 17 UNIONS THAT COMPRISE THE

BUILDING TRADES DEPARTMENT.

/ BUT, THERE ARE THREE MORE SPECIFIC IDEAS THAT ALSO COME TO

MIND -- FAIR PLAY, COMPASSION, AND LEADERSHIP.

BOB HAS EARNED HIS REPUTATION AMONG THOSE WHO KNOW HIM AS
A MAN WHOM THEY CAN TRUST, A MAN WHO PLAYS FAIR. - Compassionate

AND BOB IS COMPASSIONATE, TOO. HE HAS PROVED HIS DEEP CONCERN
FOR THOSE IN OUR SOCIETY WHO HAVE BEEN THE VICTIMS OF SENSELESS
MALTREATMENT AND DISCRIMINATION. (minutes)

TODAY, 19 PER CENT OF YOUR APPRENTICES AND 15 PER CENT OF
YOUR JOURNEYMEN, NATIONWIDE, ARE FROM MINORITY GROUPS. YOU CAN
ALL TAKE PRIDE IN THIS PROGRESSIVE DEVELOPMENT. IT IS AN
INDISPENSABLE ELEMENT IN A RESPONSIBLE LABOR MOVEMENT.

BOB ALSO IS A TRUE LEADER. HE HAS PROVED OVER AND OVER AGAIN
HIS ABILITY BOTH TO RALLY THE TROOPS AND TO DESIGN THE BATTLE
PLANS OF AMERICAN LABOR.

L ALL OF US WHO HAVE FOUGHT FOR YEARS TO PROMOTE AND PROTECT THE
RIGHTS OF AMERICAN WORKERS AND THE ^{Strength} ~~POWER~~ OF OUR UNIONS, FIND
GREAT HOPE IN SEEING EFFECTIVE YOUNG LEADERS IN THE LABOR
MOVEMENT.

L THE LABOR MOVEMENT DEFINITELY HAS A PROFOUNDLY SERIOUS
STRUGGLE BEFORE IT TODAY AND IN THE MONTHS TO COME.

L I DO NOT WANT TO BE A "KILL JOY" AT THIS HAPPY EVENT, BUT
I FEEL AN OBLIGATION TO SPEAK TO YOU VERY BRIEFLY ABOUT OUR
Economy
ECONOMY.

L TODAY THE UNITED STATES IS CAUGHT IN THE GRIPS OF THE MOST
SEVERE RECESSION SINCE THE GREAT DEPRESSION OF THE 1930's.

THE REAL VALUE OF THE GOODS AND SERVICES PRODUCED IN AMERICA DECLINED BY MORE THAN 2 PER CENT IN 1974 -- THE LARGEST ONE-YEAR DROP IN OUTPUT SINCE THE 1940's.

~~OF COURSE, THIS HAS MEANT AN EXPLOSION IN THE NUMBER OF~~
~~PEOPLE OUT OF WORK.~~ IN THE LAST TWO MONTHS ALONE, MORE THAN ONE
MILLION PERSONS HAVE BECOME UNEMPLOYED. AND THE EXPERTS PREDICT
THAT ANOTHER MILLION PEOPLE WILL LOSE THEIR JOBS IN THE NEXT TWO
OR THREE MONTHS.

AT THE SAME TIME, THE COMBINATION OF DOUBLE-DIGIT INFLATION,
SHORTER WORK HOURS, AND UNEMPLOYMENT HAS RESULTED IN A DROP OF
NEARLY 5 PER CENT IN THE REAL "BUYING POWER" OF THE WORKERS'
PAYCHECKS IN 1974. THIS WAS THE SHARPEST DETERIORATION IN THE
WELFARE OF AMERICAN WORKERS SINCE THE GREAT DEPRESSION.

WHILE THESE NATIONAL ECONOMIC^{IC} FIGURES ARE GRIM, THEY ARE

"WEAK TEA" WHEN COMPARED WITH THE "DEPRESSION" IN THE BUILDING

AND CONSTRUCTION SECTOR OF OUR ECONOMY.

L Crippling high interest rates, an insufficient bond market,
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soaring costs, falling real incomes, and a precipitous decline in

state and local government revenues, have put the housing and

construction industry in a shambles.

L Unemployment in your industry is 15 per cent nationally, the
highest among all major labor groups. { In many parts of the
country, the rate is 30 per cent or more.

I AM NOT HERE TO GIVE YOU A LECTURE ON ECONOMICS, BUT I WANT
TO TELL YOU THAT THE FEDERAL GOVERNMENT CAN TAKE ACTION IN THREE
AREAS THAT WILL BEGIN TO TURN THE TIDE AGAINST THE NATION'S
RECESSION AND THE CONSTRUCTION INDUSTRY DEPRESSION. THESE THREE
AREAS ARE TAXES; THE REBUILDING OF OUR CITIES; AND HOUSING.

L FIRST, WE MUST ENACT A PROGRAM OF TAX RELIEF WHICH WILL PUT
MONEY IN PEOPLE'S POCKETS SO THEY CAN SPEND IT AND GET THE
ECONOMY MOVING AGAIN.

L I HAVE PROPOSED A \$21 BILLION TAX CUT -- NOT \$12 BILLION --
AIMED PRIMARILY AT HELPING LOW AND MIDDLE INCOME FAMILIES. THEY
ARE THE ONES THAT REALLY NEED HELP -- NOT THE WELL TO DO.

THIS MEASURE WOULD REDUCE TAXES BY 61 PER CENT FOR THOSE EARNING UNDER \$5,000, BY 32 PER CENT FOR THOSE MAKING \$5,000 TO \$10,000, AND 20 PER CENT FOR ALL THOSE MAKING \$10,000 TO \$15,000.

T THERE ARE MANY PROPOSALS FOR TAX REDUCTIONS BEING DISCUSSED THESE DAYS. ALL OF THEM ARE COMPLEX, AND WHILE PROMPT ACTION IS NEEDED, WISDOM DEMANDS VERY CAREFUL EXAMINATION AND DELIBERATION.

AN EFFECTIVE TAX RELIEF BILL MUST MEET THREE TESTS.

-- FIRST, IT MUST ASSURE MORE EQUITABLE TAX TREATMENT TO THOSE IN THE LOWER AND MIDDLE TAX BRACKETS.

-- SECOND, IT SHOULD MAINTAIN THE TAX SYSTEM'S REVENUE-GENERATING ABILITY.

-- AND THIRD, IT MUST BE DESIGNED TO BE QUICKLY IMPLEMENTED
TO PROVIDE THE STIMULUS NEEDED FOR ECONOMIC GROWTH.

th
THE TIME HAS COME FOR THE GOVERNMENT TO RECOGNIZE THAT ITS
CITIES ARE BECOMING THE SHAME OF A GREAT NATION. MANY ARE BECOMING
EMPTY SHELLS WHERE THE POOR LIVE AND THE RICH AND MIDDLE CLASS
WORK AND THEN LEAVE.

THE VAST TREASURE IN AMERICAN BANKS NOW FLOWS TO THE SUBURBS,
THE MULTINATIONAL CORPORATIONS, AND TO FINANCE THE CONGLOMERATE
MERGERS.

WE NEED RESOURCES IN OUR CITIES -- NOT ONLY TO BUILD
SKYSCRAPERS, BUT TO CONSTRUCT LOW COST HOUSING.

NOT ONLY TO BUILD GIANT CONVENTION HALLS, BUT TO IMPROVE
OUR SCHOOLS, BUILD DAY CARE CENTERS AND CONSTRUCT HOSPITALS.

NOT ONLY TO BUILD EXPRESSWAYS, BUT TO PAVE AND CLEAN OUR
STREETS AND PROVIDE EFFICIENT TRANSPORTATION SYSTEMS.

IF THE PRIVATE BANKS WON'T HELP OUR CITIES, THEN THE CONGRESS
MUST ESTABLISH A NATIONAL DOMESTIC DEVELOPMENT BANK THAT WILL.

SUCH A PUBLIC BANK WOULD PROVIDE LONG-TERM, LOW-INTEREST
LOANS TO RECONSTRUCT OUR CRUMBLING CITIES, TO STIMULATE ECONOMIC
DEVELOPMENT, AND TO MAKE OUR GREAT URBAN CENTERS QUALITY PLACES
TO LIVE AND WORK.

THIRD, THERE WILL BE NO ECONOMIC RECOVERY IN OUR NATION
UNTIL THE HOUSING DEPRESSION IS BROUGHT TO AN END.

WE MUST TAKE BOLD ACTION NOW TO PUT THIS VITAL INDUSTRY
BACK ON ITS FEET.

IN FACT, CONDITIONS ARE SERIOUS ENOUGH IN THE HOUSING FIELD
TODAY THAT A REAL OPPORTUNITY EXISTS FOR NEW INITIATIVES.

THE HOUSING ACT OF 1949 CLEARLY ESTABLISHED THE NATIONAL
GOAL AND POLICY OF "A DECENT HOME IN A SUITABLE LIVING ENVIRONMENT
FOR EVERY AMERICAN FAMILY."

OUR PROGRESS TOWARD THAT GOAL HAS BEEN WOEFULLY INADEQUATE.

YOU SIMPLY CANNOT BUILD AND SELL HOMES TO THE MAJORITY OF OUR
PEOPLE WITH THE EXTRAORDINARY HIGH INTEREST RATES WE HAVE TODAY
AS WELL AS VERY LIMITED MORTGAGE MONEY BEING AVAILABLE.

IT IS THE DUTY OF GOVERNMENT TO ACT TO ASSURE THAT CREDIT IS
AVAILABLE AT RATES OF INTEREST THAT OUR PEOPLE CAN AFFORD TO PAY.

TODAY, LESS THAN 20 PER CENT OF ALL AMERICAN FAMILIES CAN
AFFORD THE MONTHLY PAYMENTS ASSOCIATED WITH THE "AVERAGE" NEW
SINGLE-FAMILY HOME. THIS IS SOCIALLY AND ECONOMICALLY UNACCEPTABLE.

THE GOVERNMENT MUST RELEASE THE HUNDREDS OF MILLIONS OF
HOUSING DOLLARS IT HAS IMPOUNDED. IT MUST EXERT PRESSURE ON THE
FEDERAL RESERVE IN EVERY WAY POSSIBLE TO EXPAND CREDIT AND LOWER
INTEREST RATES.

IT MUST SERIOUSLY CONSIDER IMMEDIATE ACTION TO SUBSIDIZE
MORTGAGE INTEREST RATES, GUARANTEE AND INSURE HOME LOANS.

AND IT SHOULD CONSIDER, WITH THE SAVINGS AND LOANS INDUSTRY,
DIRECT HOME LENDING OPERATIONS. WE MAY WELL NEED TO ESTABLISH
AGAIN THE HOME OWNERS LOAN CORPORATION. HOLC

WE MUST GET AEMRICA BACK TO WORK, AND WE WILL NOT ACCOMPLISH
THIS GOAL AS LONG AS OUR HOUSING AND CONSTRUCTION INDUSTRY REMAINS
DEPRESSED.

THESE ARE TROUBLED TIMES FOR AMERICA, TOUGH TIMES FOR ITS
WORKERS AND THEIR FAMILIES.

BUT WE HAVE BEEN THROUGH THE WRINGER BEFORE AND HAVE ALWAYS
COME UP A STRONGER NATION FOR OUR TROUBLES.

EXTRAORDINARY TIMES HAVE ALWAYS BROUGHT FOURTH THE TRUE
STRENGTH OF THE AMERICAN SPIRIT.

I AM CONFIDENT THAT THE "GREAT RECESSION OF 1975"
WILL NOT BE AN EXCEPTION. WE SHALL RISE ABOVE TODAY'S
PROBLEMS TO A BETTER LIFE FOR ALL AMERICANS IN THE YEARS
TO COME.

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