

Dec 5 2005 - Rep. Slaughter Calls for Action from President Bush as Manufacturing Giants Falter

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President's Speech on Economy Clashes with Realities Faced by Ford, GM, Delphi, and Tens of Millions of Working Americans and Families

Washington, DC - Rep. Louise M. Slaughter (D-Fairport), Ranking Member of the House Rules Committee, today challenged President Bush's assessment of the American economy, which he claims is growing rapidly. She called on Mr. Bush to put forth a plan designed to assist ailing American manufacturing companies and the workforces they support, and to recognize that the benefits of existing economic growth has not been shared by the majority of Americans.

"American institutions like Ford, General Motors, and Delphi are closing plants and cutting tens of thousands of jobs, many of them from our region," Rep. Slaughter said. "And unemployment in our country is even worse than reported, since workers who have used up their unemployment benefits aren't even counted as unemployed."

"No matter what the President says about our economy, the reality on the ground is that working families in Western New York and throughout the Northeast are hurting," she said.

"President Bush needs to put forth a plan to help these vital elements of our regional and national workforce," Rep. Slaughter continued. "We don't need proclamations on the strength of our economy. What we need is meaningful action that will help return some of America's most established companies to the positions of global leadership they earned in the past."

Rep. Slaughter also challenged President Bush's assessment of America's economic growth.

"While the salaries of corporate executives have increased and tax cuts have made the rich even richer, working Americans haven't seen any evidence of the economic growth spoken of by President Bush," she said. "Instead, household incomes are falling, real wages are stagnant, and since 2001, millions of citizens have lost their health insurance."

"If Mr. Bush wants to say our economic future is bright, it will come as a surprise to the majority of Americans," Rep. Slaughter concluded.

BACKGROUND

Delphi has already filed for Chapter 11 bankruptcy protection. The company, which has facilities in Lockport and Rochester, had employed over 6,100 local workers and is the world's leading auto parts producer.

The Ford Motor Company today revealed that it will close at least eight North American assembly and parts plants, while General Motors has already announced plans to eliminate 30,000 jobs between now and 2008. It has also indicated that it could close 12 of its manufacturing facilities in the near future.

Distinguished observers of the American economy have noted that while corporate profits have increased rapidly since 2001, along with salaries for senior officials within them, real median household income has fallen for five straight years. In addition, the benefits derived from the economic advances which do exist have been uneven. A recent analysis found that while corporate profits have increased on average by 50 percent since 2001, real wage and salary income has gone up by less than 7 percent.

Economic insecurity for working Americans has been further increased by the growing number of individuals without health insurance. Over 46 million Americans are now uninsured, an increase of more than five million since 2001.

Despite these difficulties, President Bush maintains that the American economy is growing and that the nation as a whole is prospering. At a press conference this past Friday, for example, Mr. Bush declared that America's economic future is "as bright as it's been in a long time."

Unemployment figures not accurate - people used up unemployment benefits are no longer counted.