

PRESIDENT'S 1967 TAX PROPOSALS

WEDNESDAY, AUGUST 23, 1967

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, D.C.

The committee met at 10 a.m., pursuant to notice, in the committee room, Longworth House Office Building, Hon. Wilbur D. Mills (chairman of the committee) presiding.

The CHAIRMAN. The committee will please be in order.

We have as our first witness this morning Mr. George Meany, president of the American Federation of Labor & Congress of Industrial Organizations.

Mr. Meany, you have been with us on many occasions in the past when we have had knotty problems before us. We appreciate your coming back on this occasion to give us the benefit of your views and those of the organization you represent. You are recognized, sir.

STATEMENT OF GEORGE MEANY, PRESIDENT, AMERICAN FEDERATION OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS; ACCOMPANIED BY ANDREW J. BIEMILLER, DIRECTOR, DEPARTMENT OF LEGISLATION; AND NATHANIEL GOLDFINGER, DIRECTOR, DEPARTMENT OF RESEARCH

Mr. MEANY. Thank you, Mr. Chairman. My name is George Meany. I am president of the AFL-CIO and I am appearing here on behalf of that organization.

At the outset, I would like to summarize our views on these issues.

We are fully in accord with the President's concept that a temporary war tax is needed. It is our view that the American public generally—not just the Armed Forces—should share the sacrifice involved in the war in Vietnam. Moreover, we believe that increased tax revenue is needed—in view of the large prospective budget deficit and problems of financing that deficit—to lessen the danger of tight money and very high interest rates, which would depress the socially important home-building industry and related industries.

However, we are firmly opposed to the administration's major recommendations of how to increase taxes. It is our conviction that equality of sacrifice should be based on ability to sacrifice. The required temporary tax increase must be fair and equitable.

Certainly some sectors of our economy can afford far more in tax increases than others. But the administration's proposals recognize the principle of ability to pay only to a minor degree.