



NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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FOR IMMEDIATE RELEASE

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DOLE SPONSORS EMPLOYMENT INCENTIVE BILL

Kansas City -- Senator Bob Dole said today he will encourage the Senate to include, as part of any tax revision legislation, a bill he has introduced to encourage increased employment by private firms. Entitled the "Employee Assistance Act of 1976," the Dole proposal would provide a federal payment to employers who increase their levels of employment above levels already anticipated due to normal economic growth. The payment would take the form of a credit against the employer's tax liability.

Speaking in Kansas City, Dole called the measure "an alternative to massive, multi-billion dollar public service jobs programs which create temporary, often unnecessary, public jobs and risk renewed double-digit inflation. Under the 'Employee Assistance Act of 1976,' productive, rewarding, and potentially permanent jobs would be created in the private sector at a relatively modest cost to the federal government. In addition to reducing the cost of unemployment and other income assistance programs (like food stamps), increased employment would produce new tax revenues to federal, state, and local government. Together, these factors may reduce the net cost of providing a tax credit for over half a million new jobs to less than \$1 billion."

Dole said his bill would hasten the reemployment of those men and women thrown out of work during the recent recession. "It would return workers to jobs in the private sector of the economy more quickly than would otherwise occur in the course of economic recovery," Dole said.

Dole said the tax credit would be 30% of the new employee's salary, if implemented as of July 1. The size of the tax credit would decrease as the national unemployment rate decreases, and would phase out entirely when the unemployment rate falls below 6%.