

July 23, 1958

INTERVIEW OF CONGRESSMAN JOHN FOGARTY OF RHODE ISLAND AND  
AL HAMILTON

Time: 5:40

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HAMILTON: I'm in the office of Congressman John Fogarty of Rhode Island, who is a member of the Appropriations Committee. Congressman, you have been having testimony before the House Appropriations Committee on the number of workers drawing unemployment compensation. Well, Congressman, how does the situation look to you now?

FOGARTY: Well, Al, it doesn't look very good and I might add that this is the most confusing year as far as this Administration is concerned that I have witnessed in the 18 years that I have been here. We've had more confusing testimony from the people in the Administration as to how many people were out of work, and how many people are going to be out of work next year, than in any other year that I have been listening to their appropriations requests, which is 12 years now.

We started hearings on the Appropriations Bill for providing administrative costs for unemployment compensation and grants to the states back last February when everyone in the country knew that we were in a recession or a depression, if you want to call it that. But we were unable at the time to get the Secretary of Labor to agree that we were going to have more unemployment. He was saying on the one hand that we expect things to turn up in March. And we thought we knew at the same time that things were going to get worse in March.

And as a result, before we were able to make a decision on how much we will allow the Administration to expend for the administration of unemployment compensation in the country, the committee directed a letter to the Secretary of Labor because of the numbers that were drawing unemployment compensation then, asking for a new appraisal of the situation because we felt sure that they would have to come back and ask for supplementary funds.

HAMILTON: What kind of ~~gix~~ figures did you get, Congressman?

FOGARTY: Well, we were told at that time that they expected an average of two million insured unemployed throughout the year of 1959. And at that time the figures were totally unrealistic and we knew they were not so, and to me it was just a cover-up to take care of <sup>a</sup> bad situation and not let <sup>we</sup> the people know that <sup>we</sup> were in such a depression as we were.

HAMILTON: Well now, may I ask this: I understand that Robert Goodwin, who is Director of the Department of Labor's Bureau of Employment Security, testified before your committee. What type of figures did you get from him?

FOGARTY: Well, after a second or third return to our committee for supplementary funds, the last appearance he made he said that we could expect that we might have - or we would have - at least 2,900,000 insured unemployed in 1959, which is about a 45 per cent increase in insured unemployed over the previous figures that he had given us just a few weeks or a couple of months before.

HAMILTON: How about January of next year?

FOGARTY: We expect that this figure will be higher in January because the peak for the unemployed in 1959 will be higher than the peak of unemployed in 1958, and that is not a good sign either.

HAMILTON: Well, how do the facts that your committee has been gathering jibe with the recent statements the President and Secretary of Commerce Weeks have made that things are picking up and the recession is over?

FOGARTY: Well, they don't jibe at all. On the one hand the press accounts that I have been reading in papers like the New York Times and other newspapers throughout the country quoting the President and the Secretary of Commerce that the recession is all over -- as they call it -- we call it a depression; but they insist that it's only a recession and that things are rosy and we've turned the corner and that by mid-~~summer~~ summer we're going to see a real upswing in employment. But on the other hand, these people who are responsible for administering the programs for unemployment compensation -- they get the facts from the states -- and the facts from the states do not jibe with the headlines that we read that the Administration leaders are being quoting that things are turning up and going to be better. The facts just don't jibe.

HAMILTON: Well now, what does this mean? Does this mean truly an increase in administrative costs in the unemployment compensation system across the country?

FOGARTY: Oh, certainly. We're going to -- we have already appropriated in this Congress about 33 or 40 -- 33 or 34 million dollars more than we appropriated last year to administer these programs in the states.

HAMILTON: And this is a cost to the employers? It doesn't come out of the Federal Treasury?

FOGARTY: Well, as you know, this is 3/10 of one per cent administrative procedures and carrying out of the Act and most of that is borne by the employer.

HAMILTON: Well, Congressman, before we finish, I ~~don't~~ didn't identify your political affiliation. You're a Democrat. How do things look to you at this time in this session of Congress?

FOGARTY: Oh, I think it looks good to me for a Democratic victory but I think if you asked any Republican on Capitol Hill, they would tell you that they're in the toughest fight they ever had, that they expect a tremendous Democratic victory in the coming Congressional elections. I don't think there is any ~~question~~ question about that.

HAMILTON: Thank you, Congressman John Fogarty of Rhode Island.

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