

Schumer wants tax cuts to help create jobs

Jim Stinson – Staff writer

Business – February 2, 2010 - 5:00am

Sen. Charles Schumer, D-N.Y., says he got the message: Washington's focus has to be "jobs, jobs, jobs."

With Democrats scolded by recent election results in Massachusetts, Schumer spoke the jobs mantra at McAlpin Industries of Rochester on Monday as he toured the sheet-metal plant and promoted a proposed bipartisan payroll-tax cut.

The tax cut would exempt employers, but not employees, from the Social Security payroll tax of 7.65 percent. The exemption would apply to the hiring of people who have been unemployed for 60 days or longer.

Schumer said the benefits would begin immediately, with no waiting for a tax credit in 2011. As a result, he said, the proposal encourages employers to hire sooner rather than later, and the tax savings add up as the newly hired employees' wages go up.

"The higher the salary, the more the savings," said Schumer.

He conceded that Democrats had perhaps too much of a laser-like focus on health care reform in 2009 — as unemployment rocketed up to 9 percent in New York state and 10 percent nationally.

Schumer said the recent Massachusetts election, which saw Democrat Edward M. Kennedy's former U.S. Senate seat won by Republican Scott Brown, was a wake-up call to all officeholders. He said the message was clear: Focus on jobs, the economy and the middle class.

Schumer crafted the tax proposal with Sen. Orrin Hatch of Utah, a Republican. He said the \$7 billion bill could add 3 million workers.

On hand at McAlpin were Rochester-area business leaders who support the bill, including Sandy Parker, CEO of the Rochester Business Alliance, and Mark Peterson, CEO of Greater Rochester Enterprise. Peterson said the bill would lower the cost of employment.

Mike McAlpin, executive vice president and co-owner of the 150-employee plant, said he is already seeing some positive results as the national economy shows growth. McAlpin said his business activity is picking up.

Schumer noted the plant has been able to call back some workers.

Earlier in the day, Schumer met privately with some of the region's unemployed workers at McAlpin's headquarters to discuss the tax plan.

JFSTINSO@DemocratandChronicle.com