

## AFL-CIO Chief: Raising Taxes Will Create Jobs

Posted Feb 24, 2011 07:30am EST by Peter Gorenstein

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What's the best way to get Americans back to work?

*Raise taxes*, according to AFL-CIO President Richard Trumka. Specifically, he wants to raise the federal gas tax as a means to fund infrastructure spending. "We need a dedicated source of revenue to create infrastructure in this country," he tells Aaron Task in the accompanying clip.

"We need to create jobs. The best way to do that is through infrastructure development." Simply maintaining the existing infrastructure in this country will cost \$2.2 trillion over five years, according to the American Society of Civil Engineers. That doesn't include Obama's objective of high-speed rails and green energy projects.

Trumka didn't say specifically how much he would raise the gas tax, but mentioned he's shown the President a \$256 billion plan to improve infrastructure. If every billion spent on infrastructure creates 35,000 jobs, as he claims, this package would create close to 9 million jobs over the next five years.

The idea would also improve America's fiscal and competitive future, says Trumka. "There's also a downstream effect, you put people back to work, they pay taxes, they don't use services, they're contributing, other jobs are created along the way as well," he explains.

The White House isn't on-board with the plan. Addressing the issue on "Face the Nation" in January, White House Chief of Staff Richard Daley said he isn't in favor of raising taxes right now.

Trumka does have an unlikely supporter for higher gas taxes in the right-leaning Chamber of Commerce. However, the Chamber of Commerce does not support Trumka's other tax initiative: creating a financial transaction tax.

An idea raised by Democrats during the Dodd-Frank bill debate, the transaction tax would charge financial institutions a minimal fee (less than a penny) for each trade they make. Trumka says that could raise another \$100 billion in revenue without taking money out of the pockets of the middle class.

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