



***For Immediate Release***

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## **SPECIAL REPORT: It's Not Just GM – It's Clear That The Trump Tax Law And Trump Economics Are Failing American Workers**

**Instead of the “middle-class miracle” promised by President Trump, Trump policies and the Republican tax law have overwhelmingly benefitted corporate executives and the wealthiest few.** Far too many corporations touted by President Trump and prominent Republicans as tax law success stories have laid off thousands of American workers while wealthy corporate executives cash in through hundreds of billions of dollars in corporate stock buybacks.

This week, General Motors announced that despite President Trump's promises, it will be laying off thousands of American workers. Unfortunately, GM is only one of many companies that have laid off American workers despite assurances from President Trump and leading Republicans.

*“The chaos and uncertainty created by Trump's reckless economic policies are only going to continue to cost more and more American jobs,” said **Finance Committee Ranking Member Sen. Ron Wyden (D-OR)**. “The president has proven time and again that his priority is to enrich the fortunate few while working Americans are left with nothing but Trump's broken promises.”*

*“Last year's Republican tax bill rewarded companies like GM that took their massive tax windfall, used it to buy back billions in stocks to line the pockets of executives, shipped production overseas, and then announced layoffs right before the holidays. Even worse, the GOP tax bill gave GM a 50% off coupon to do this and build the Chevy Blazer in Mexico instead of the US,” said **Senator Sherrod Brown (D-OH)**. “I've said this from the very beginning and I'll say it again: it's past time that Congress put our workers first and roll back these special tax breaks for companies that fail to invest in our country.”*

*"It is now obvious to everyone that the Administration's tax plan was nothing more than a scheme to give to the rich and steal from our nation's middle class," said **Sen. Bob Casey (D-PA)**. "As predicted, corporations have used their tax cuts for raises for their executives, big checks to their shareholders, and stock buybacks instead of investing in their workers – in fact, I even offered an amendment to prevent this from happening. Now, middle class Americans are forced to the unemployment line while the 1% line their wallets. We must hold the Administration accountable for their actions and to get this country moving back in the right direction -- starting with investing in infrastructure, getting real wages up, getting the middle class the tax cut they were promised and ending the massive giveaway to millionaires, which totals \$36 billion for this year, alone."*

*"It's just wrong for big corporations to pocket massive, permanent tax breaks and reward the wealth of top executives with more corporate stock buybacks, while workers are given pink slips and face layoffs," said **Sen. Tammy Baldwin (D-WI)**. "We need to rewrite the rules of our economy so we start rewarding workers instead of the wealth of executives and shareholders with more stock buybacks."*

## **PRESIDENT TRUMP'S BROKEN PROMISE: INSTEAD OF BRINGING JOBS BACK, AUTO WORKERS ARE BEING LAID OFF.**

**Then-Candidate Trump:** "If I'm elected, you won't lose one plant. You'll have plants coming into this country. You're going to have jobs again. You won't lose one plant. I promise you. I promise you that." [Warren, Michigan Rally Remarks, [10/31/16](#)]

**President Trump:** "You want a government that serves the people, not the donors and not the special interests. In short, you want a government that keeps its promises... Jobs are already starting to pour back in. They're coming back in like you haven't seen in a long time. Ford, General Motors, Fiat Chrysler are bringing in and bringing back thousands of jobs, investing billions of dollars because of the new business climate that we are creating in our country." [Melbourne, Florida Rally Remarks, [2/18/17](#)]

**President Trump:** "General Motors is investing \$1 billion in U.S. plants, adding or keeping 7,000 jobs. And it's going to be investing a lot more than that over the next fairly short period." [Listening Session with Manufacturing CEOs, [2/23/17](#)]

## **GM LAYOFFS SHOW YET AGAIN THAT PRESIDENT TRUMP AND HIS TAX LAW ARE A BROKEN PROMISES.**

**Washington Post: GM Layoffs And Plant Shutdowns Suggest U.S. Economy May Be Starting To Slow — And Dent Trump's Claim Of An Industrial Renaissance.** "General Motors said Monday it will close five factories and lay off nearly 15,000 workers in a move that shows the economy may be starting to slow and dents President Trump's claim to be leading a renaissance for industrial America." [WaPo, [11/26/18](#)]

**Detroit Free Press: Democrats Say GM Gets Tax Cuts While Workers Get Shafted.** "Congressional Democrats let loose on General Motors' decision to close plants in Michigan

and Ohio on Monday, saying that the company got millions in tax breaks heralded by President Donald Trump but that they haven't saved workers. U.S. Sen. Sherrod Brown, D-Ohio, sharply criticized GM's plan to lay off its final shift of workers and close its Lordstown plant in March of next year, noting that earlier this year the company — despite threats from Trump — had announced plans to build the new Chevy Blazer in Mexico on the same day it ended a second shift at the Ohio plant. 'GM received record tax breaks as a result of the GOP's tax bill last year, and has eliminated jobs instead of using that tax windfall to invest in American workers,' Brown said in a news release put out Monday by his office. **In its most recent earnings report for the period ending Sept. 30, GM reported that it had received a benefit of \$157 million so far this year thanks to the tax reform legislation passed late last year by Republicans in Congress and signed into law by Trump.** [Detroit Free Press, [11/26/18](#)]

**IT'S NOT JUST GM – OVER AND OVER AGAIN, CORPORATIONS TOUTED BY TRUMP AND REPUBLICANS AS TAX LAW SUCCESS STORIES HAVE LAID OFF AMERICAN WORKERS.**

Wells Fargo announced it will lay off [thousands of workers](#) despite a [\\$3.4 billion boost from the Republican tax law this year](#). Wells Fargo also [announced](#) it will reward corporate executives and wealthy shareholders with tens of billions of dollars through corporate stock buyback programs. [President Trump](#) and [Sen. McConnell](#) [touted](#) Wells Fargo as a tax bill success story.

[Walmart](#) and [Sam's Club](#) have [laid off thousands](#) of workers this year. Senate Republican Leader McConnell (R-KY) touted Walmart as a tax law success story. CEA Chairman Kevin Hassett [touted](#) Walmart as proof of the tax law's success.

AT&T [reportedly laid off thousands of people](#). President Trump [praised](#) AT&T for bonuses announced following passage of the tax law.

Fifth Third Bank is [reportedly closing 50 branches as a part of a merger](#). President Trump praised Fifth-Third bank as proof the tax law was [boon](#) to workers.

Harley-Davidson is closing a Kansas City motorcycle assembly plant, resulting in [800 workers losing jobs](#). Harley Davidson also [announced](#) it will reward corporate executives and wealthy shareholders with a \$696 million corporate stock buyback program. Speaker Ryan [touted](#) Harley-Davidson when selling the tax bill.

Kroger announced plans to [close 14 stores, impacting 1,500 workers](#). Kroger [also announced](#) it will reward corporate executives and wealthy shareholders with more than \$2 billion in corporate stock buyback programs. Republicans [touted](#) Kroger as a tax law success story.

**THE VAST MAJORITY OF BENEFITS FROM THE REPUBLICAN TAX LAW HAVE GONE TO CORPORATE EXECUTIVES AND WEALTHY SHAREHOLDERS VIA CORPORATE STOCK BUYBACKS – WHILE TOO MANY CORPORATIONS ARE LAYING OFF AMERICAN WORKERS.**

**New York Times: Trump's Tax Cut Was Supposed to Change Corporate Behavior. Here's What Happened:** "Data from large public companies, however, suggest that most workers received relatively small shares of their employers' corporate tax savings. The nonprofit research group Just Capital, which is tracking 1,000 large public companies' reports of how they are spending their tax cuts, calculates that the typical worker at one of those large companies has received about \$225 this year in increased salary, a one-time bonus, or both, attributable to the new law." [NY Times, [11/12/18](#)]

**Financial Times: US Capital Expenditure Boom Fails To Live Up To Promises.** "One of the key economic tales told by the Trump administration is that corporate tax cuts would spur huge investment and growth in the US economy, raising wages and ushering in a new era of bullishness. Not quite. Tax cuts pushed up the market, at least until the winds shifted last week. That is because nearly half of the corporate profits that were repatriated went straight into stock price-bolstering share buybacks." [FT, [11/25/18](#)]

- **ConocoPhillips announced it will [lay off](#) workers in Houston.** ConocoPhillips also announced it will [reward](#) corporate executives and wealthy shareholders with an additional \$9 billion corporate stock buyback program.
- **Qualcomm [announced](#) plans to lay off 1,500 workers.** Qualcomm also [announced](#) it will reward corporate executives and wealthy shareholders with a \$8.8 billion corporate stock buyback program. Then, Qualcomm announced they would reward shareholders with an additional \$20 billion corporate stock buyback program.
- **McKesson [announced](#) it will lay off [hundreds of workers](#).** McKesson also [announced](#) it will reward corporate executives and wealthy shareholders with a \$4 billion corporate stock buyback program.
- **Devon Energy [announced](#) plans to lay off nine percent of its workforce – about 300 workers.** Devon Energy also announced it will reward corporate executives and wealthy shareholders with billions of dollars through a corporate stock buyback program.
- **Kimberly-Clark [announced](#) plans to cut up to 5,500 jobs.** Kimberly-Clark also [announced](#) it will reward corporate executives and wealthy shareholders with \$700-\$900 million in corporate stock buybacks in 2018.
- **CSX [announced](#) plans to lay off [thousands of workers](#).** CSX also [announced](#) it will reward corporate executives and wealthy shareholders with a \$3.5 billion increase in their corporate stock buyback program.
- **Hess Corporation [announced](#) they will lay off hundreds of workers.** Hess Corporation also [announced](#) it will reward corporate executives and wealthy shareholders with a \$1 billion corporate stock buyback program.
- **Cardinal Health [announced](#) it will lay off 100 workers.** Cardinal Health also [announced](#) it will reward corporate executives and wealthy shareholders with a \$1 billion corporate stock buyback program.

Corporation	Share Buyback Amount Announced in 2018 (Billions)	Date
<a href="#">Apple</a>	\$100	1-May
<a href="#">Cisco</a>	\$25	14-Feb
<a href="#">Wells Fargo</a>	\$24.5	28-Jun
<a href="#">Wells Fargo*</a>	\$22.6	23-Jan
<a href="#">JPMorgan Chase</a>	\$20.7	28-Jun
<a href="#">Bank of America</a>	\$20.6	28-Jun
<a href="#">Qualcomm</a>	\$20	26-Jul
<a href="#">Wells Fargo*</a>	\$18.2	23-Oct
<a href="#">Citi</a>	\$17.6	28-Jun
<a href="#">UnitedHealth Group*</a>	\$17.6	6-Jun
<a href="#">Altaba*</a>	\$15.6	7-Jun
<a href="#">Intel</a>	\$15	15-Nov
<a href="#">Nike</a>	\$15	28-Jun
<a href="#">PepsiCo</a>	\$15	13-Feb
<a href="#">Texas Instruments</a>	\$12	20-Sept
<a href="#">Oracle</a>	\$12	17-Sept
<a href="#">Broadcom</a>	\$12	12-Apr
<a href="#">Oracle</a>	\$12	1-Feb
<a href="#">3M</a>	\$10	13-Nov
<a href="#">Merck</a>	\$10	25-Oct
<a href="#">Paypal</a>	\$10	25-Jul
<a href="#">Caterpillar</a>	\$10	30-Jul
<a href="#">Walgreens</a>	\$10	28-Jun
<a href="#">Micron</a>	\$10	21-May
<a href="#">AbbVie</a>	\$10	15-Feb
<a href="#">Amgen</a>	\$10	1-Feb
<a href="#">Conoco Phillips</a>	\$9	12-Jul
<a href="#">Facebook</a>	\$9	25-Apr
<a href="#">Qualcomm</a>	\$8.8	9-May
<a href="#">Alphabet (Google)</a>	\$8.6	1-Feb
<a href="#">Adobe</a>	\$8	21-May
<a href="#">Booking</a>	\$8	25-Apr
<a href="#">T-Mobile</a>	\$7.5	1-May
<a href="#">Visa</a>	\$7.5	1-Feb
<a href="#">NVIDIA</a>	\$7	15-Nov
<a href="#">Applied Materials</a>	\$6	14-Feb
<a href="#">Mondelēz International</a>	\$6	31-Jan
<a href="#">eBay</a>	\$6	1-Feb

<a href="#"><u>Starbucks*</u></a>	\$6	26-Apr
<a href="#"><u>Altaba</u></a>	\$5.75	17-Sept
<a href="#"><u>Estee Lauder*</u></a>	\$5.5	31-Oct
<b>Announced Buybacks \$5 Billion or Less</b>	<b>\$304.1</b>	
<b>TOTAL Corporate Buybacks Authorized in 2018</b>	<b>\$882 Billion</b>	

\*Based on closing price on the day share buyback was announced.

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