

Leahy Hits Administration's Credibility on Loss of U.S. Manufacturing Jobs

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WASHINGTON, March 2 /U.S. Newswire/ -- Sen. Patrick Leahy (D-Vt.) Tuesday told Commerce Secretary Donald L. Evans that the Administration suffers a credibility gap in its statements and policies about the hemorrhaging of outsourced U.S. manufacturing jobs. He also hit the "disconnect" between reality and the Administration's predictions and statements on the U.S. trade and budget deficits.

Evans testified Tuesday in his annual appearance before the Appropriations Committee's Subcommittee on Commerce-Justice-State, about the department's budget requests. Leahy is a senior member of the panel.

Leahy described the Administration's poor follow-through on its proposals announced last September to help the economy's ailing manufacturing sector. First, he said, the creation of a new assistant secretary for manufacturing now seems to amount to changing the name and expanding the reach of the existing assistant secretary for trade development, and no one has yet been named to fill the new position. Second, the Administration had announced support for the Manufacturing Extension Partnership Program (MEP), which offers technical assistance to manufacturing firms to improve their performance in production techniques, marketing and exports. The Administration's past budgets have consistently underfunded the program, and the President's new budget still falls far short of the bipartisan consensus in Congress for far more investment in MEP.

Leahy told Evans, "The Administration's credibility on jobs has become a real problem and a real issue with Congress and the American people." Leahy noted that the United States has lost nearly three million manufacturing jobs in the past three years and that more than 2,400 employers reported laying off 50 or more workers in January -- the third-highest number of mass layoffs since the government began tracking them a decade ago. Overall, he said, the number of manufacturing jobs in the United States is now at its lowest level since 1950.

Leahy also protested the "trifecta" of controversial sections of President Bush's recently released annual Economic Report of the President - the endorsement of "offshoring" of U.S. jobs to countries with rock-bottom wages; the predictions of job growth that already have been disputed by other forecasts, leading to backtracking by the White House; and the suggestion that fast-food restaurants like McDonalds and Taco Bell should be reclassified as manufacturers.

"Two decades ago, another administration wanted to start calling ketchup a vegetable for the purposes of the school lunch program," said Leahy. "Redefining ketchup as a vegetable did nothing for the nutrition of our kids, and redefining every Taco Bell as a manufacturing factory would do nothing for American workers and real American manufacturers. If that is this Administration's idea of thinking outside the bun, then this Administration has a lot more thinking to do."

Leahy said the Administration's credibility has also been undermined by wrong forecasts about the effects of its tax plans and the deficit. He also said U.S. costs in Iraq have risen so steeply "that the President did not even dare put the numbers in his budget."