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PRESS STATEMENT

U.S. Loses 524,000 Jobs in December

U.S. Manufacturing Employment Falls Under 13 Million for First Time Since January 1942

U.S. Must Spend Stimulus Money on U.S.-Produced Goods to Boost Jobs

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WASHINGTON, DC – The U.S. Bureau of Labor Statistics (BLS) reported today that the United States lost 524,000 jobs in December. From December 2007 to December 2008, U.S. nonfarm employment has fallen from 138,078,000 to 135,489,000, a loss of 2.589 million jobs.

U.S. manufacturing employment fell by 149,000 jobs in December. In the last eight years, from December 2000 to December 2008, U.S. manufacturing employment has fallen from 17.178 million to 12.981 million, a loss of 4.197 million good middle-class jobs. U.S. manufacturing employment now is at its lowest level since January 1942 – 67 years ago.

American Manufacturing Trade Action Coalition (AMTAC) Executive Director Auggie Tantillo said, "These job losses are devastating. America urgently needs a stimulus to jumpstart the U.S. economy and create jobs. The best way to do that is to ensure that U.S. tax dollars are spent on U.S.-produced goods and services instead of imports."

For example, U.S. law requires the use of U.S.-produced iron and steel in state highway and mass transit projects that receive federal funding. Congress should expand this mandate to cover all content contained in highway and mass transit spending such as textiles, machinery, concrete, etc. This could be done without violating existing U.S. international obligations because the U.S. government exempted those programs from the World Trade Organization (WTO) Agreement on Government Procurement (GPA) and our other international trade agreements.

"It is imperative for President-Elect Obama and the Congress to expand the domestic content requirements in any highway and mass transit stimulus spending. Such action would substantially increase the number jobs created by the infrastructure spending component of the expected stimulus package by providing badly orders for hard hit U.S. manufacturers," Tantillo added.

Looking beyond the stimulus package, however, the top priority for President-Elect Obama and Congress must be to fix America's broken international economic policy. Smart actions to boost U.S. output and dramatically reduce the trade deficit will create millions of new jobs, restore healthy growth, and strengthen national security.

This will require investing in America, creating incentives for corporations to keep jobs here and to bring others home, and reducing reliance on foreign sources for energy, critical inputs, and capital. To accomplish this, America must:

- Promote American interests by requiring full reciprocity, fairness, and transparency in all U.S. trade agreements, including in such areas as labor and environmental standards.
- Eliminate of tax disadvantages that undermine the competitiveness of U.S. producers at home and abroad, or that discourage investment in America. Specifically, America must negate the \$474 billion disadvantage to U.S. producers of goods and services caused by foreign border-adjusted taxes, such as value-added (VAT) taxes, in 2007.
- Quickly combat the illegal, mercantilist practice of prolonged currency misalignment by passing legislation to make it actionable under U.S. trade law.
- Aggressively enforce U.S. laws to halt foreign illegal trade activities such as dumping, subsidization, and intellectual property theft. In addition, U.S. policy must ensure that all goods sold here meet U.S. food and product safety standards.
- Expand requirements for U.S. government to buy U.S.-produced goods and services including by extending the Berry Amendment to the U.S. Department of Homeland Security.
- Implement a comprehensive strategy to reduce U.S. dependence on imported energy.

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