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PRESS STATEMENT

U.S. Loses 651,000 Jobs in February, Including 168,000 in Manufacturing

U.S. Must Stimulate Manufacturing to Stop Economic Slide

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WASHINGTON, DC – The U.S. Bureau of Labor Statistics (BLS) reported today that the United States lost 651,000 jobs in February. From February 2008 to February 2009, U.S. nonfarm employment has fallen from 137,936,000 to 133,768,000, a loss of 4.168 million jobs.

U.S. manufacturing employment fell by 168,000 jobs in February, dropping to 12.477 million. January's U.S. manufacturing job losses were revised to 257,000, up from the initial estimate of 207,000 in last month's report. U.S. manufacturing employment now is at its lowest level since July 1941, five months prior to the U.S. entry into World War II. In the last decade, from February 1999 to February 2009, U.S. manufacturing employment has fallen more than 28 percent, a loss of 4.918 million good middle-class jobs.

American Manufacturing Trade Action Coalition (AMTAC) Executive Director Auggie Tantillo said, "These job losses are staggering but sadly predictable. They are the logical outcome of an economic policy that was doomed to fail."

"America is facing its greatest economic crisis since the Great Depression because it thought it could substitute debt to mask a shortfall in U.S. production. America will not be able to borrow its way out of this crisis; it will need to manufacture its way out to keep its standard of living," Tantillo continued.

"The quickest way to boost U.S. manufacturing is to start producing here at home more of the cars, trucks, computers, software, electronics, pharmaceuticals, furniture, and textiles that Americans consume. That's what will create the millions of middle-class jobs needed to get America out of this mess," Tantillo stressed.

"To boost production, America must reinvest in manufacturing and revive weakened supply chains. Far more research and development must be kept onshore and emerging high-tech and green-energy industries must be nurtured and encouraged to remain in the United States," Tantillo elaborated.

"The U.S. government will spend trillions of taxpayer dollars to bail out the very Wall Street interests responsible for driving U.S. manufacturing offshore. Meanwhile, key policymakers and opinion leaders remain oblivious to the fact that America has run a cumulative \$5 trillion trade deficit in the last eight years that has destroyed millions of middle-class jobs," Tantillo concluded.

To stop the job losses and the bailouts, fixing America's broken trade and manufacturing policies must be the top priority for President Obama and the Congress. Smart actions to boost production 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, capital, and even food. To accomplish this, America must:

- Eliminate 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.
- Quickly combat the illegal, mercantilist practice of prolonged currency misalignment, including 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.
- Implement a comprehensive strategy to reduce U.S. dependence on imported energy.
- Ensure that the “Buy American” provisions in the recently passed stimulus are vigorously enforced.
- 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.

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