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U.S. Senator for South Dakota

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Daschle Announces Bill to Protect Workers Whose Jobs Are Sent Abroad

Jobs for America Act will require companies to give workers, communities fair warning

WASHINGTON, D.C. - Senator Tom Daschle and Senate Democrats introduced legislation today requiring companies that export American jobs to first give their employees and affected communities fair warning. The "Jobs for America Act" would require companies that send U.S. jobs overseas to report how many jobs are being shipped overseas, where they are going, and why. The legislation was introduced in response to the President's new policy, which states that "the outsourcing of U.S. service jobs to workers overseas is good for the nation's economy."

At a Capitol Hill news conference this morning, Senator Tom Daschle said, "This week, Americans learned something important. Exporting jobs isn't an accident -- it's Administration policy."

"This is Alice in Wonderland economics," Daschle continued.

"America has lost 2.9 million private sector jobs since January 2001. Nearly every state in the nation has lost manufacturing jobs, and, contrary to the Administration's economic theories, there is nothing good about it. The Administration is putting corporate profits ahead of American jobs. And the exporting of jobs is hurting millions of Americans and countless communities across the country."

Daschle was joined at this morning's event by Chuck Hackett, a former network engineer and computer programmer from Cleveland, who has been directly affected by the Administration's new outsourcing policy. Hackett lost his job to outsourcing nearly two years ago. "Before I was laid off, I was asked to train a replacement worker who was hired for lower wages," Hackett said. "This is a disturbing trend not only in my community, but in many other communities, and middle-class workers are feeling the brunt of it."

Also speaking at this morning's press conference were some of the bill's cosponsors, including Senators Byron Dorgan (North Dakota), Tom Harkin (Iowa), Ted Kennedy (Massachusetts), Hillary Rodham Clinton (New York) and Debbie Stabenow (Michigan).

The "Jobs for America Act" would require companies that lay off 15 or more workers and send their jobs overseas to provide at least three months notice. The legislation would also require notification to the Department of Labor, state agencies responsible for helping laid-off employees, and local government officials. Such notification would inform policymakers about where job loss is most acute and help them further address the problem.

At this morning's announcement, Senator Daschle also spoke about a South Dakotan who recently contacted his office. Mary Ann Shaffer and her 300 co-workers were abruptly informed their jobs were being moved overseas. Immediately after being told they lost their jobs, they found that their computers had been shut down, the phones had been disconnected, and the locks on the doors had been changed.

"The Administration has chosen to stand against American jobs and American workers. We will continue to fight to keep American jobs right here at home," Daschle concluded.

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Attached, please find a description and summary of the legislation.

THE JOBS FOR AMERICA ACT Every day, more and more companies are sending American jobs overseas. These jobs are disappearing from our country's manufacturing sector, from our service sector, and from every part of our economy. Positions like call center technician, information technology specialist, and even health care worker are evaporating at an amazing clip. Reports estimate that:

- 40% of Fortune 1000 companies are currently using some form of overseas outsourcing;
- As many as 3.3 million jobs may be offshored in the next 15 years, causing American workers to lose \$136 billion in wages; and
- The information technology sector, once one of the fastest growing segments of our economy, will move 500,000 positions overseas in the coming years.

The tragedy of our disappearing jobs is about more than just numbers. This week, a Wisconsin auto parts manufacturer announced that it was moving 500 jobs overseas, putting an equivalent number of workers out on the street. IBM has announced plans to displace thousands of computer programmers by moving their work to other countries. These workers represent the human cost of offshore outsourcing. This cost -- all too real for most Americans -- is ignored by the Bush administration, whose chief economic advisor stated this week that outsourcing is "a plus for the economy in the long run." The Jobs for America Act amends the Worker

Adjustment and Retraining Notification (WARN) Act to require companies to disclose and report whenever they lay off workers to send jobs overseas. It would require that when a company plans to lay off 15 or more workers and send those jobs overseas, it must:

- Inform affected workers, the Department of Labor, state agencies responsible for helping laid off employees, and local government officials;
- Disclose how many jobs are affected, where the jobs are going, and why they are being offshored; and
- Provide employees at least 3 months advance notice.

· Requiring the Department of Labor to compile statistics of offshored jobs and report them on an annual basis to the Congress and the public; and

- Clarifying that WARN Act protections apply to all cases where 50 or more workers are laid off.