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Opening Statement of Senator Chuck Grassley
Hearing, “Trade and Globalization: Adjustment for a 21st Century Workforce”
June 6, 2007

I want to thank the Chairman for convening this important hearing. I also want to thank our witnesses for being here today, particularly Kim Didier, Executive Director of the Newton Development Corporation in Newton, Iowa. Welcome.

In 2002, I worked with Chairman Baucus to shepherd landmark reforms to our trade adjustment assistance programs through Congress. Since then, I’ve joined him in oversight of both the programs and those reforms. We worked together in anticipation of the need to reauthorize trade adjustment assistance programs this year. In particular, I joined the Chairman in requesting a series of reports from the Government Accountability Office examining various aspects of the operation of these programs. I want to thank the folks at GAO for their many efforts, especially Dianne Blank and Sigurd Nilsen.

Our trade adjustment assistance programs already operate differently than they did a few years ago. That’s due in part to our 2002 reforms. It’s also due to administrative changes implemented by the Department of Labor. Secretary Chao and the other administrators at the Department are to be commended. I think everyone shares the goal of ensuring effective administration of appropriate services to help trade-affected workers return to the workforce. The challenge before the Committee in reauthorizing these programs is to improve them in a fiscally responsible manner, so they best meet this goal.

Today’s hearing will help the Committee substantially in this effort. I’m interested in examining ways to simplify program deadlines. I’m also interested in considering ways to hold states accountable for the quality of the data they report to the Department of Labor. And, I’m interested in exploring ways to better disseminate information to trade-affected workers. Above all, I’m interested in improving the programs so that they empower individual workers affected by trade to respond to their dislocations as they deem appropriate.

One size does not fit all. Workers should have a sufficient amount of time to decide how best to respond to their dislocations. Workers should not have to wait until they actually lose their job to receive appropriate benefits when there’s a prospective announcement of job losses due to trade. Workers should have the option of returning to work on a part-time basis and still have access to appropriate benefits. We need to increase the flexibility of these programs so that workers can

optimize their individual responses. And, as I stated previously, we need to do so in a fiscally responsible manner.

My comments thus far have been directed at the trade adjustment assistance programs for workers. In 2002, we created a separate trade adjustment assistance program for farmers. We need to examine how well that program has worked as part of this review. And we need to review the trade adjustment assistance for firms program as well.

One last point—from my perspective, any effort to reauthorize our trade adjustment assistance programs must be linked to an extension of trade promotion authority. The Doha Round negotiations in the World Trade Organization are at a critical stage. We need to ensure that the negotiations have a realistic chance to conclude successfully. In order for that to happen, we need to guarantee an up-or-down vote in Congress by extending trade promotion authority.