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HOUSE NEW DEMOCRAT LEADERSHIP ANNOUNCE OPPOSITION TO CAFTA

WASHINGTON - Citing concerns for protecting workers' rights abroad and eroding investment in American workers at home, leaders of the House New Democrat Coalition today announced their opposition to the Dominican Republic - Central American Free Trade Agreement in a letter sent to President George W. Bush.

The traditionally pro-trade group, which has supported other recent trade agreements before Congress, noted rollbacks in provisions for protecting Central American workers as well as budget priorities that undermine efforts to prepare U.S. workers for competition in an ever-growing global economy, as primary reasons for opposing the trade pact. Also at issue is the Administration's reluctance to develop a trade policy through bi-partisan consensus building.

"The NDC has a long, proud tradition of supporting free trade agreements that have benefited America's economy and that of our trading partners. However, the CAFTA agreement the President is expected to propose to Congress is seriously flawed and undermines workers' rights," said Rep. Ellen O. Tauscher, Chair of the New Democrat Coalition. "As ardent supporters of fair free trade, we cannot support the existing proposal and we call upon the President to go back to the drawing board and build a bipartisan agreement that ensures fundamental labor standards."

Of principal concern is the impact CAFTA will have on workers at home and abroad. Funding for programs targeted for life-long learning and job training have been cut in the Administration's current budget which was recently passed on a party line vote in both houses. At the same time, CAFTA will undermine provisions to protect workers' rights already included in existing regional trade pacts.

"The Bush Administration's fiscal irresponsibility and its misguided philosophy on spending and tax cuts has undermined our ability to invest in education and skills training that is desperately needed," said U.S. Representative Adam Smith, NDC Co-Chair. "We must take strong steps forward with investment research and development programs that allow government to partner with universities and businesses to spur innovation. I am

deeply dismayed that the current Administration has pursued policies that leave many workers who qualify for TAA benefits without access to the program simply because the Administration either can't or won't provide adequate funding."

While stating publicly that education is a real priority for our children and their parents in order to compete in an ever-growing global economy, the Bush Administration's actions fail to follow through on those commitments. Ultimately, this injures the nation's capacity to compete globally while failing to adequately deal with the abundance of cheap labor in other nations such as China.

"Our trade policies must be crafted in tandem with an aggressive investment in education and job training so that our workers have the skills they need to compete and succeed in the global marketplace," said NDC Co-Chair U.S. Representative Ron Kind. "In addition to promoting lifelong learning so workers can continually upgrade their skills, we must maintain our commitment to educating the next generation of scientists, engineers, teachers, and business leaders. Unfortunately this administration has shown a complete lack of vision and leadership in preparing our workforce to meet the demands of the 21st century economy."

Ultimately CAFTA will do little to maintain or uplift worker standards around the world, a point that NDC Co-Chair U.S. Representative Artur Davis believes should be a goal of each trade pact endorsed by the United States.

"Our trade policies should elevate standards of living around the world and affirm our commitment to core American values, such as the right to organize and the protection of women and children. CAFTA fails to meet this standard and will only ratify the low-wage, anti-union environment in Central America," Rep. Davis said. "CAFTA would only encourage American producers and manufacturers to engage in another race to the bottom at the expense of American and Central American workers."

The group noted that they wanted to notify the President that CAFTA was dead on arrival with the leadership of the House New Democrats before he formerly sent it to Congress. Only a full re-negotiation of the trade pact based on bipartisan input would earn their support.

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