In the Matter of:

DISTRIBUTIONAL EFFECTS:  
LOCAL IMPACTS ON UNDERSERVED COMMUNITIES

Pages: 1 through 97
Place: Washington, D.C.
Date: April 1, 2022
The roundtable commenced, pursuant to notice, at 1:10 p.m., before the United States International Trade Commission.

PARTICIPANTS:

USITC:

VICE CHAIR RANDOLPH J. STAYIN, Moderator
CHAIR JASON E. KEARNS
COMMISSIONER DAVID S. JOHANSON
COMMISSIONER RHONDA K. SCHMIDTLEIN
COMMISSIONER AMY A. KARPEL

WILLIAM R. BISHOP, Supervisory Hearings and Information Officer
TYRELL BURCH, Management Analyst

KATHRYN MONTOYA, ASL Interpreter
KIM DIEZ, ASL Interpreter
PARTICIPANTS:  (Cont'd)

External:

JALADAH ASLAM, AFSCME Ohio Council 8
JOHN BOZEK, Invest Puerto Rico
TERESA CASSADY, USW District 1
SERGIO CONTRERAS, Rio Grande Valley Partnership
RYAN CRUMPTON, Element TV Company
JAMES SMALL, Element TV Company
TY DAVENPORT, Fairfield County, South Carolina
BILL DRAVES, IUE-CWA Sustainable Energy Solutions
ALIKA KUMAR, Arizona Minority Business Development Agency
DERICK HOLT, Wiley Rein
MOUSA KASSIS, Youngstown State University
KEVIN KEY, USW District 9
DR. JUAN LARA, University of Puerto Rico
RUTH MAZARA, WinC
DR. DAVID MITCHELL, Missouri State University
ZACHARY JUSTIN MOTT, Atlas Tool Works
JOAN NOTAH, Arizona Minority Business Development Agency
DR. THOMAS O'BRIEN, Center for International Trade and Transportation
WILLIAM PADISAK, Mahoning/Trumbull AFL-CIO CLC
GREG PALLESEN, Association of Western Pulp & Paper Workers
RICK PIETRICK, USW Local 979
ADAM SCHELSKE, CWA Local 4603
BEATRIZ RICARTTI, Alliance for Better Communities
DR. ANDREW STETTNER, The Century Foundation
VICTOR STORINO, Republic Technology
   International/USW
VICE CHAIR STAYIN: Good afternoon, and welcome, everyone. We are pleased to welcome you to our final roundtable on the distributional effects of trade and trade policy on U.S. workers.

My name is Randy Stayin. I am Vice Chairman of the U.S. International Trade Commission and one of five Commissioners at the ITC. I've represented companies and workers who have been injured by unfairly traded imports. Much of my work included meeting with workers at their plant to learn about the impact of imports on their lives.

Today's roundtable will give us the opportunity to discuss how and why trade may affect workers in underserved and underrepresented communities differently than other workers. I will be the moderator of today's roundtable. The Agency's Chair, Jason Kearns, Commissioners David Johanson, Rhonda Schmidtlein, and Amy Karpel are actively listening and may also ask questions toward the end of our discussion.

Before we get started, I thought I would tell you a little bit about the Commission and the context of the roundtable. The U.S. International Trade Commission is an independent agency. We are not part of the President's Administration, nor Congress, but we do assist the Administration and the Congress with research and providing
information and analysis through various means such as this study.

In addition, our responsibilities also include deciding antidumping and countervailing duty injury, import injury, and unfair trade practices that have injured U.S. industries and workers. Our job is to be independent and objective.

Today's event is one of seven roundtables to collect input on potentially different effects of trade on U.S. workers as part of this study requested by the United States Trade Representative. Each roundtable has focused on a different category, including by skill and effect, underrepresented and underserved communities. As you know, the focus of today's event is local impacts on underserved communities.

At the conclusion of all of the roundtables, we will submit a written report to USTR summarizing the information that we gathered during the roundtables. This report will be delivered in October of this year, and it will be publicly available.

My role today is to ask questions and manage the flow of discussion so that everyone has a chance to speak. Your role as a participant is to share experiences, opinions, and information. We want this to be a wide-ranging conversation, so you may hear something that you don't agree
with. Just remember that there are no right or wrong answers and that we value all perspectives. What we want are your candid thoughts.

Before we get started, I have a few housekeeping items. Our discussion today is scheduled to last for two hours with a short break after the first hour. Having said that, we may continue our discussion past 3 p.m. if our conversation continues to be lively because we want to ensure that everyone has an opportunity to be heard. Of course, we realize that not everyone may be able to stay past 3, so please do not feel obligated to do so.

Please be conscious of the fact that this is a public meeting, which means that this meeting is open to the public and the press. If we do have media joining us today, please feel free to reach out to our Public Affairs Department if you have any questions. The contact information for Public Affairs is on the ITC website.

Also, the discussion today is being transcribed for the record, and a link to that transcript will be included in the final report to the USTR. Therefore, you should be careful not to share any information that you or any firm or organization which you are affiliated with may view as confidential.

If you would like to respond to a question, please use the Webex Raise Hand, a link to that Raise Hand feature,
and I will recognize you. If this doesn't work for some reason or if you've done that and I don't see it for some reason, just wave your real hand to get my attention.

If you are participating by phone, you may jump in when you sense there is a pause, or you can email us at de@usitc.gov, and the team will notify me that you would like to speak. Please remember that only registered participants will be invited to speak during today's discussion. If you're here today as a member of the public observing and you would like to provide some input, please email us at de@usitc.gov.

Whenever you make a comment, we ask that you state your name so it's clear to everyone who is speaking. If there is an organization with which you are affiliated that you'd like to identify, please also state the name of that organization when you comment.

We have a particularly large number of participants in this roundtable, around 30 people. To ensure that as many people as possible have an opportunity to speak, please try to limit your comments to two or three minutes per instance. If you have additional comments following today's roundtable, please contact us at de@usitc.gov. Staff will be happy to meet with or accept written submissions from any participants or observers, and your comments will be included in our report, along with the comments participants provide to us in
today's roundtable.

Once again, I would like to thank all of you for being here today. I'm looking forward to an enlightening discussion, so let's get started.

I have three groups of questions. First, I would like to ask about the impacts of imports, exports, and foreign investments in your communities. Secondly, I'd like to ask how government policies related to trade have harmed or benefitted your community. And, third, I'd like to ask about factors that have helped or hindered your community members' ability to find and hold good jobs and tools in the community available to help workers deal with job losses or take advantage of opportunities.

These three topics are related, so if your answers cover multiple topics, that is fine. My intention is not to be too rigid about the structure of our conversation.

My first question is, have exports impacted workers in your communities, have imports affected workers in your communities, have your communities experienced a business closing or moving abroad to produce an export back to the U.S.? If so, how has this impacted your community and the workers in your community?

Who would like to start? There we go. Mr. Mottl.

MR. MOTTL: Hello. Thank you. Thank you for convening this meeting today and for the opportunity to
speak. My name is Zach Mottl, and I represent three organizations, the first being my family's fourth-generation business, Atlas Tool Works. We were founded in Chicago in 1918, and we employ around 70 workers. We make precision parts and pieces that go into a variety of industries, the aerospace and defense industry, the medical industry, telecom and electronics, and general industrial products. We're what you'd call a machine shop. We're a contract manufacturer for OEMs and other companies. We don't design our own products. We make products for other people.

I'm also the former chairman of the Technology Manufacturing Association in Illinois. It's a regional trade association with around 1,000 member companies, 35,000 employees at those companies, and TMA has been providing boots-on-the-ground training programs in vocational training for workers since 1925. We've trained around thousands -- typically, about 1,000 people a year graduate through our programs, although that's slowed down in the past 10 years, and sometimes we only have a few hundred, but we are seeing renewed interest in our programs.

We do a lot in terms of trying to get people in at-risk communities in Chicago's South and West Sides. We work with West Side Forward. We also work with Safer Foundation trying to transition former convicts and inmates into gainful employment and give them skills, hands-on
skills, to work in manufacturing.

And I also am the Chairman of the Coalition for Prosperous America. It's a group that represents 4.1 million workers across America in manufacturing, in labor, in ranching and farming. And so these are America's producers, the women and men who make things in America, be it agricultural or manufactured products.

And so, from these roles, I've had a unique perspective. The past really 20 to 25 years I've seen the world change a lot. You know, my family for these four generations, the first three had no need to really advertise or look for new customers. There was so much industrial work in America, and we grew up making parts and pieces for the telecom industry.

But, in the year 2000, I watched something change dramatically. Some trade policies changed, and we gave particularly China most favored trading status with our nation, and I watched the telecom industry, an industry that my great grandfather had worked at Western Electric and then left to start this company to make parts and pieces for that industry, you know. So, for almost 75 years, we were about 80 percent in the telecom industry, but I saw my customers, Lucent Technologies, Nortel Networks, all of these wonderful manufacturers who were making high technology equipment here in America and exporting to the world, I watched all of them
move their supply chains into China. It started with parts and pieces, and then it went up into higher and higher assemblies, and now we really don't have an American telecom industry anymore.

And, unfortunately, around the year 2005, I had to lay off half of our workforce, and that was a really tough time for me. Our company was able to pivot and find the new markets I told you about, defense and aerospace and things like that, medical, but I watched so many companies from my TMA members close. There was one gentleman that employed 1,000 workers, and he made flowerpots, and you might think that's a low-tech or not an important industry, but he had 1,000 good jobs for people, and those were all eaten up by what I would say is unfair foreign competition.

We made these trade deals, and we would, you know, give away our -- we'd lower our tariffs, and we would give market access to other countries, and we always did it on the promise that we would be getting something in return, opportunities to export or an opportunity for more jobs, but the way I have seen it in these past 30 years, 25 years, has been that what happened was we lowered our tariffs, other countries didn't necessarily lower them to the same level, and they used a whole host of predatory practices to gain market access here.

The United States is the market that everyone
wants. There is no bigger market than ours right now. We're the cherry, we're the one that everyone wants to sell to. And so, you know, I think we have good intentions in making these trade deals and lowering our tariffs and things, but it just didn't work out the way we wanted. I watched these companies close. I watched my own company struggle to survive and reinvent itself over and over again, and it's getting harder and harder.

And what did it do to workers? You know, we employ -- 50 percent of my company is women and minorities, and, you know, so everyone in these types of communities suffered. Their wages stagnated. We had a hard time surviving, and that upward mobility ladder that a factory work or manufacturing job provides kind of disappeared.

And I believe that's the root of a lot of the crime that we have in Chicago right now. People have lost hope and they've lost opportunity. But, in manufacturing, we don't really care who you are, what your background is. It's a skills-related job, and we value skills and longevity and a career.

And so I think as we've traded away, we've made deals and we've traded away these types of industries and jobs. These are the roots of some of the ills in our society, the depths of despair, the crime, the drug problems that we see in cities; these factories disappeared.
And in rural towns, these farmers, they've struggled because there was always a factory and farms in town and it provided a good stable employment. As we've lost the factories, we've had to rely more and more on the farm and other forms of relatively low-wage employment. These service jobs, they just don't provide the same value to an entry-level worker that a manufacturing job does. You know, coffee baristas are great and servers at restaurants are great, those are fine jobs, but they don't value the longevity and skill and training, and give that upward mobility up the ladder as you build skills in manufacturing.

So I know I've said a good amount, and I'm happy to answer questions on it. I can, of course, keep talking, but I don't want to hog the microphone here. Mr. Chairman or Vice Chairman, if you have any questions, I'd be happy to elaborate or speak more about these later on.

VICE CHAIR STAYIN: Yes. Tell us a little more about your industry. How many companies are involved?

MR. MOTTL: So, at the industry association at the regional one in Illinois, which primarily handles the Chicago land area of northern Illinois and out to Rockford, there's 1,000 companies participating in that association. And I'll tell you that's today. But, if you go back 30 years, we were double the number of companies. We were almost 1900 companies. And so you've seen what 30 years of trade policy
has done, and these are small family businesses, sir. These
are, you know, manufacturers like me. The average employment
is between 10 and 50 workers at these companies.

So it is kind of the backbone of America, and,
largely, these companies like mine, they're supply chain
companies, right. They feed into other networks. I talked
about my relationship with the telecom industry, but a lot of
these companies, they feed into the automotive industry or
agricultural, you know, John Deere and Caterpillar-type
equipment. They make parts and pieces for other people.

VICE CHAIR STAYIN: How many companies have gone
out of business?

MR. MOTTL: Again, my observation was about 8- or
900 companies out of that group closed, and, yes, new ones
have come, but the pace of closures is two to one easily,
easily. And, again, we saw that in the graduation rates
through our vocational training programs, where we were
training through -- it's a three- to four-year program. This
is the equivalent of college, right? They work during the
day at a company, and they go to classes at night, on the
weekends, typically paid for by the company.

And, you know, when we were graduating 800 to 1,000
people a year, that was wonderful, we had a lot of workers to
choose from and a lot of companies for them to work at, but
just as these companies have closed, so has the training
dried up, and now we're down to a couple hundred students a year typically, if that.

VICE CHAIR STAYIN: Have you considered any relief under our trade remedy laws?

MR. MOTT: Yes. Well, we've been -- I'm familiar with some of the retraining monies and dollars that have been available for some of these workers, and I know some companies have taken advantage of that. We've also gotten help retraining through the state.

But, you know, I always make the point that I watched what happened to the telecom industry, and I was fortunate, my company was fortunate, to be able to pivot and retrain. We found aerospace, we found, you know, defense, we found medical.

But I worry each of these industries, you know, the Chinese are now flying their single-engine jet. They have their own aerospace industry they want to take over, and when price doesn't matter, like what I saw with telecom, when price doesn't matter to these subsidized countries competing with us, it's what's the next industry going to go.

So it's great to retrain people and find the new jobs and the new cutting-edge thing, but how will we keep that market, right? How will that not go away?

VICE CHAIR STAYIN: Let me just interject that we have antidumping and countervailing duty laws that provide
relief against unfairly traded imports. Our agency deals with the industry side, has a U.S. industry been injured. The Commerce Department decides what the level of the dumping or the countervail benefit was. So I just bring that to your attention and to all the others.

MR. MOTT: That's a very good program. I'm familiar with that as well, but small companies have a hard time mustering the resources. I would love to see Commerce self-initiate more. I'm familiar that they've started doing that, and I'm familiar with what they're doing with the dumping on solar panels right now with Auxin Solar's application. It's very hard for a small company like mine with revenues in, you know, 10 million, we're under 20 million in revenues, to fund that and to research that. And, again, when we are --

VICE CHAIR STAYIN: The benefit is to all of the companies in your industry, and normally, in these cases, companies pool their resources and then seek that benefit. Thank you very much.

MR. MOTT: Thank you.

VICE CHAIR STAYIN: Thank you very much for your comments.

MR. MOTT: Thank you.

VICE CHAIR STAYIN: Does anybody else want to comment on that? Mr. Pallesen?
MR. PALLESEN: Yes. Just with regard to the question have your communities experienced a business closing and moving abroad to produce exports back into the United States, and, if so, what's the impact, I'm the general President of the Association of Western Pulp & Paper Workers Union. We predominantly represent workers on the West Coast.

We track all of our job loss, and over the years, we've lost about two-thirds of our jobs due to unfair trade, one-third due to automation. Everybody's going to automate, and if you don't, you're probably not going to do business. So we lost two-thirds of our jobs, and every location that we represented over the years in the last 20 years that has had either partial closures or completely closed have all been approved for Trade Act relief.

I'm a journeyman electrician estimate tech. I've gone back to school for computer science, and I worked at Weyerhaeuser, and the mills that -- Weyerhaeuser closed the paper mill around 2003. In 2004, the mill factory who had had no use for those machines, they then reinvested in them, state-of-the-art mechanical machines. The equipment was completely dismantled in 255 containers, shipped overseas, brought online making the exact same product we did here.

And every time a mill closed, now these are million dollar locations, some of them could be a billion dollars depending on the location. Rarely do they come back online.
What happens is, when they close, for the most part, the equipment is either shipped overseas, or it's destroyed by the owners so that they don't have competitors.

So, you know, we just continue to have these unfair trade agreements that have been devastating to us. And when you talk about, you know, the benefits or the trade adjustment assistance or retraining with it, I mean, I would ask everybody here how many of us could get the equivalent of -- for two years and have schooling paid for. You have a house payment, kids in college, it's very difficult.

So I've got one of five site studies nationwide that go through what it's been like for the office on the impacts of the job loss and the trade benefits and certainly now benefits. You know, like the gentleman before me, I could share a lot of stories, but the bottom line is our trade policies continue to fail us.

One last example, I testified in front of the International Trade Commission just a few years ago on uncoated groundwood newprint coming in from Canada. Norpac, a company called Norpac in Longview, Washington, filed a complaint. That impacted other locations we represented. Unfortunately, the tariffs that were set were withdrawn and the antidumping was withdrawn.

Right afterwards, a company called Resolute out of Canada owned a mill, was part owners in a mill that we
represented in Usk, Washington. After they were able to send
the paper here at a much reduced cost, Resolute walked away
from that mill and took the major customers with them back to
Canada, and that mill is closed.

We could go on for a long time, but it's just
continued to fail policies, and things like the trade
adjustment assistance maybe feel good, you know, it's
supposed to help, but it doesn't. It's not nearly adequate.

VICE CHAIR STAYIN: Does anybody else want to make
a comment? Mr. Kennedy?

MR. LONG: Yes. Hi. My name is James Long. I'm
an Associate Quality Engineer at Element TV Company located
in Winnsboro, South Carolina. My employment began with
Element in March of 2014, and at the time, I was hired as a
repair technician with the littlest small amount of knowledge
of electronic assembly, but I was handy with a screwdriver.

I've come to know a great group of people within
the company, and each person has played a vital role in my
progression as an employee of Element. Since that time, I
worked in the Quality Department as a Quality Technician,
learned more about the processes that impact the products
that our customers receive. And I just want to mention that
this is my first full-time job as an employee, and I would
like to retain my employment with Element TV.

In response to your question, my job at Element has
allowed me to provide a good life for my family, as well as provide great support for our community. While I'm still with Element, I recently had to watch over 200 of my fellow team members and productive members of my community lose their jobs at Element. The only reason why is because our government has decided to put new taxes on our products. We need to produce the TVs in the U.S. but not tax the TVs that are brought in as imports from Mexico.

VICE CHAIR STAYIN: Thank you.

MR. CRUMPTON: Good afternoon. My name is Ryan Crumpton. I work here at Element TV in Winnsboro, South Carolina. I appreciate the opportunity to share with you how international trade has impacted my community here in Winnsboro and more specifically how it impacts my job at Element TV.

Element TV is the only television assembly company in the entire United States. Element has provided a strong and stable job for me, provides financial assistance for my family, it helps support my community.

I began work at Element TV before the facility opened in February 2014 with a group of subcontractor and contractors to implement the production lines. This group also had a custodial team in the plant, and I worked both until the lines completed operation.

I started with Element as a stacker on the
production line. I quickly was promoted to an inventory specialist, rework team leader. I have led teams over spare parts, downgrades, and aging. I'm a certified in-house auditor, and, currently, I work in Quality as an IPTC technician. Element has been a great place to work over the past eight years, and I look forward to a long and promising future here.

Element has provided me and over 200 people of Fairfield County with good-paying jobs that has given many of us a second chance, a chance that we would not have if Element could not manufacture in Fairfield.

Our ability to continue to manufacture in Fairfield is at risk because of tariffs imposed by the government, and I hope that you will share with other members of the government how important it is that these tariffs be removed by having Congress pass the miscellaneous tariff bill. We need these so that Element can continue to grow and support our community.

MR. DAVENPORT: Good afternoon. My name is Ty Davenport, and I'm the Economic Development Director for Fairfield County, South Carolina.

The last few years have encouraged growth and new economic opportunities for the citizens of Fairfield County. We are proud to have Element as a corporate citizen in our county and a contributor to the local economy. Element
supports local businesses and is an important part of the fabric of our community. Until recently, Element was one of the largest employers of the county and was the largest employer in the town of Winnsboro, our county seat.

Unfortunately, the onerous burden placed on Element by our federal government has led to significant painful reductions in employment. These reductions have hurt families and local businesses that provide goods and services. In order to prevent further layoffs and bring our people back to work, we are seeking the immediate restoration of the miscellaneous tariff bill.

VICE CHAIR STAYIN: Thank you. Mr. Pietrick.

MR. PIETRICK: Good evening, Mr. Chairman. It's a pleasure to speak with all of you today. Thank you for the opportunity. My name is Rick Pietrick from United Steelworkers Local 979. I'm an electrician at Cleveland Cliff Steel Mill, located in the historic industrial valley of Cleveland, Ohio. I hope to provide perspective of younger industrial workers with families today.

The nature of our industry in steel is cyclical, peaks and valleys. We understand that. We prepare for that. When we get illegal dumping or manipulated dumping or dumping of subsidized steel from China, it depresses our markets, and it makes American companies make difficult decisions, and that could look like laying off workers like me, workers with
40-plus years, people with families for months at a time, and at the worst, it can look like shutting down steel mills.

When these mills shut down, there is no promise that they're going to open back up, and that may be the plan that we're going to shut it down and open it up. A lot of times they close down for good, and there's a wave effect on the community that these mills operate in.

It's not just the corporation, it's not just the workers of the steel mill. There's vendors and contractors and supplemental businesses that surround it. It's the ecosystem and an economy to itself, not to mention all the family-owned businesses in the community that the workers participate in coming in and out of the plant every day.

We do not have real-time trade enforcement, and some of the other people on the panel have mentioned this. We have to prove the burden of loss, and for our industry, by the time that loss has occurred, it's too late, and these plants are closed for good. So it's on us to be proactive with our trade policies and recognize the importance of American manufacturing.

Now more than ever I think American people realize how important a valid supply chain in American manufacturing is, and it's our job to protect that. Thank you.

VICE CHAIR STAYIN: I really understand. The effect is not just on the workers themselves who are
suffering. When a plant closes, your comments are so true about it has impacts on all the other people that are workers in the community and businesses who were supported by all those workers who have now been laid off. So the effect of unfair trade does expand beyond even the company itself.

Thank you.

Mr. Padisak.

MR. PADISAK: Good. I can relate to Mr. Pietrick and what he's gone through. I was born in Cleveland but grew up in Youngstown. We were the poster child for the impact of unfair trade policies on local communities. In the '70s, I watched my friends' fathers lose their jobs as our steel mills shut down. My father-in-law was a crane operator, a USW member, and then it was Republic Steel. He had to retire years before he wanted to.

Then, in the '70s, our local Lordstown car plant was having some trouble. General Motors bought cheap steel from Japan, which caused a lot of problems because they used it in Chevy Vegas and Novas, which ended up with severe rust issues from using that cheap foreign steel. Currently, I'm president of the local labor council, so I see the impact of job losses around multiple of my members throughout multiple counties.

And our communities tried to pivot. We have a wonderful business incubator in Youngstown that's considered

Heritage Reporting Corporation
(202) 628-4888
world-class. We've moved to a lot of tech jobs in Youngstown, but still, you know, for a certain segment of the population, finding good manufacturing jobs that pay a living wage are very difficult in this area.

And then, of course, we had the Lordstown car plant shut down and now that's moving more to, you know, OTM and battery construction, so we'll see what happens with electric vehicles in the future, but we're putting a lot of our eggs in that one basket.

I went to the White House in June of 2019, met with the trade czar, Peter Navarro. I'd known him for about 20 years. He filmed his movie Death by China in Youngstown and did the world premiere there. And I went to talk about the Lordstown car plant and also agriculture. And his attitude was, oh, don't worry about China, they're going to cave, they need us more than we need them. And I don't think it quite turned out the way he was thinking.

But my wife and her brothers own a large agricultural operation. They own farms in Brazil, and the trade policies have hit them hard. A lot of their grains, soybeans, wheat used to ship to China, and with the trade imbalances, they lost $25 million in one year and had to cut a lot. You wonder, how does agriculture have to do with, you know, local communities. They had to cut a lot of their staff. You know, a lot of employees lost good-paying jobs.
Some jobs in farming aren't good-paying jobs, but my wife and her brothers paid good wages with healthcare. Their issues now are worrying about fertilizer cost, fertilizer availability, supply chain issues that have been mentioned, like shortages of containers and fuel costs.

And, like Mr. Pietrick said, when something happens to a local business, it has a huge ripple effect and just cascades across the community, hurting other small employers, like small family restaurants and other small family businesses.

So I really appreciate the Commission holding this hearing today -- I know you've had other hearings -- but to hear from a wide variety of people from around the country and, you know, just thank you for inviting me to participate today.

VICE CHAIR STAYIN: Thank you. Before I move on, I see your hands and I will get back to you.

Just a general question. You know, it sounds like imports have been negative. Has there ever been positive that has come about from imports? What about the impact on workers of exports? We'll touch upon that for just a few minutes and then we'll get back onto the specific issue we're talking about now. Anybody want to respond to that? Yes, Mr. Kassis? Mr. Mottl, please.

MR. MOTTI: Thank you. As far as the imports and
exports, you know, I think the primary benefit of imports has been low consumer prices, and I think, you know, we've all enjoyed relatively low-cost things. Maybe TVs are a good example, and maybe our friends at Element will share the perspective.

You know, I used to go and talk to Congress about good manufacturing jobs and the good wages we paid, and, you know, the average wage at my company is around $70,000, and it's pretty typical for manufacturing, plus benefits and everything else on top of that. And the Congressmen would say to me, well, my constituents want $300 TVs. I would say, well, Congressman, I think they could pay 600 for a TV if they had a good job. And I think that really, really boils it down there, that, you know, we can have low-cost cheap imports or we can have good jobs, and it's hard to have both.

And I think we need to start thinking about, you know, do we want to make things and have those jobs so people can afford products. You know, Henry Ford talked about that. He wanted to pay a wage so his employees could buy cars.

And so who's benefitted from the exports? I think some industries have benefitted, right? Aerospace industry has done pretty well, you know, large agri-business companies, these large OEMs have been able to do that. But, largely, what they're doing is still bringing parts and pieces from overseas and assembling it here and exporting it.

Heritage Reporting Corporation
(202) 628-4888
It's not necessarily the manufacturing. It's more of an assembly job.

And I heard the comments about tariffs and things, and I think that, you know, we have done tariffs maybe wrong. I think they're an underappreciated tool. You can't apply them haphazardly. The example from the TV manufacturer, we raised the price of their inputs, their components, but we didn't protect them from foreign predation at the highest level on their actual output.

And so you need to protect a whole supply chain, not just parts and pieces of it, and that's where, I think, again, these imports/exports -- I'd love to export again, but look at the marketplace in the world. We are the largest market. Everyone wants to import. If we just simply sold to ourselves more and stopped worrying about exporting so much and just consume what we produce and produce what we consume, we would have far more jobs and far more benefits.

VICE CHAIR STAYIN: Thank you, Mr. Mottl.

Mr. Kassis.

MR. KASSIS: Yeah, good afternoon, everybody, and thank you very much for this opportunity. I am based at Youngstown State University, and my job actually covering 13 counties in northeast Ohio, helping them with actually exporting. So I help about 200 companies on a daily basis that 95 percent of them are in manufacturing jobs and
producing things.

And the positive effect of exporting, I see it on a daily basis. And the more we are able to make our manufacturing more competitive with the right policies, with the right infrastructure, definitely they would be able to compete and, therefore, and increasing that.

I see about $400 million of exports from the companies that I only have, Ohio exports about $50 billion a year, and that's about 10 percent of the whole state GDP. That created about number eight, number nine fluctuating between these numbers in the country.

So the right policies and making the workers and the manufacturer be more competitive with the right infrastructure policy and also with other policies definitely will provide a good positive impact as a state or as a country to have this retained because we know for a fact that jobs and exporting manufacturing jobs are about 15 percent higher in wages more than regular jobs in the same industry.

So we do have -- and you'd be surprised that not necessarily just only big companies that export. We see companies on the level of 20 to 50 people, and they export about 30, 40, some of them 50 percent of their revenue comes from exporting, and these are advanced industries. They are in chemical, in autos, some of them in aerospace, plastics in our region as a state. So I think that exporting in general
definitely will help.

What really hurts our exporting, as, you know, Mr. Mottl alluded to, is that we also had unfortunately in the '80s, '90s, the policies, we exported our supply chain. So, therefore, that long supply chain affected us negative sometimes, even though if we can't stop the import completely, but if we import and we have the supply chain closer to us, definitely that will have our policy and increasing our competitiveness. And exporting, we have the balance going the other way around. We'd do more exporting than importing in this case, and that will have a positive effect on us.

VICE CHAIR STAYIN: Thank you very much.

Just a brief mention, we invite participants by phone to speak as well on any topic, so just keep that in mind, those who are on the phone.

Mr. Key, you wished to speak.

MR. KEY: Yes, thank you. I kind of share what Mr. Mottl said earlier. We were talking about exports. I think the greatest thing that we export right now is our jobs, the good-paying jobs that we have. I mean, we send all this work overseas. I mean, we have a Goodyear plant here in Gadsden, Alabama, that was here for decades that supplied good high-paying jobs, benefits, just like Mr. Mottl pointed out. You know, these were jobs -- these were careers. Not just
jobs, these were careers that families came and did for generations. You had fathers, sons, grandfathers that worked at these places.

And then you have Goodyear, who builds the exact same plant in Mexico and they just exported all the jobs from Mexico and then we're importing all the tires that were originally made here in Alabama now from Mexico and all these workers are out of a job. And the impact that that has on a community, I mean, I came out of the steel industry, like Brother Pietrick pointed out earlier, and the cyclical nature of the steel industry, most of the cyclical nature of the steel industry comes through the tariffs or lack thereof. So you see this cycle every five, six years, seven years, somewhere in that timeframe where, you know, steel will be down in the dumps and you can't do nothing because of all the illegal dumping. We'll pass some trade laws. We'll pass 232 tariffs, things like that. The steel industry will pick back up, and then we'll remove them and we'll be right back where we were and we just stay in that cycle.

I mean, I think that some of the things that we've done here recently where -- like the agreements we've made in Europe where we agreed to, hey, once you export a certain percent into our country and we import that certain percent, the tariff automatically kicks in, those are the types of things and laws that we need to have in place going forward.
so we don't have this cyclical nature anymore and it's more of a steady line and businesses can plan on the future and not plan for, well, in five or six years we're probably going to be laying folks off.

You know, I mean, you can get a better plan when you have laws and things and agreements like that in place with all these other countries to where, you know, we know what's coming. If you get above this number, the tariff is going to kick in. You know this when you're exporting. We know this when we're importing. You know, I think that would keep it at a more level situation for the industry.

As far as the type of things that I've seen personally in the community in person, I mean, in 2009, we had a lot of layoffs. The steel industry was down bad then. I was fortunate enough to be a steelworker and be at U.S. Steel at the time, where we have the Institute for Career Development. So, when I got laid off, I got to use money from that to go to college. I got my electrical degree. I became an electrician, so that's something I can go anywhere to do, but, you know, not every place has that. There's things that we could do.

You know, you see just U.S. Steel in general right now. I mean, Zug Island just lost, you know, a thousand to 1500 people up there. Lone Star just shut down. We lost the whole flat rolled side down here, and the impact it has on...
the community is immense.

Just like Brother Pietrick pointed out earlier, you have this conglomeration of, you know, the supply chain that goes to these places, whether it be contractors, whether it be parts, whether it be food, whether it be -- I mean, the tax dollars that come in from the communities in and around, once you take that out, the City of Fairfield went bankrupt where the steel mill is here. We went from having, you know, 4- to 5,000 people daily out here working between contractors, steel mill employees at U.S. Steel, things like that, to we had 3- or 400 people.

So they're not spending money in the restaurants. They're not spending money in the mom-and-pop shops. I mean, hell, Walmart pulled out. I mean, you know, when you have things like that, it greatly impacts the community and it's hard for them to come back from things like that. I mean, you see whole cities just start dying because of it.

VICE CHAIR STAYIN: Thank you very much.

Ms. Aslam --

MR. SCHELSKE: I'd like to tie into that if I may. I'm one of the call-ins. This is Adam Schelske here. I'd just like to just respond to that last comment there if I may.

VICE CHAIR STAYIN: Ms. Aslam

MR. SCHELSKE: I want to agree with the impact on
community. A lot --

MS. ASLAM: You have someone on the phone. Did you want me to go, or did you want to let the person on the phone talk?

VICE CHAIR STAYIN: Ms. Aslam, why don't you go ahead, please.

MS. ASLAM: Okay. Well, thank you. I'm Jaladah Aslam. I'm from Youngstown, Ohio. I'm retired staff rep with AFSCME Ohio Council 8 in the Youngstown region, which is down the western side of Ohio. We represent nine counties from Ashtabula down to Belmont County.

Prior to becoming a staff rep with AFSCME, I actually was a social worker at Child & Family Services and spent time there right after Black Monday in Youngstown. So, unfortunately, my life and my career working with the unemployed and the employed has been around the decline of manufacturing in the Mahoning Valley. Most people know that Youngstown really got hit very hard when Sheet and Tube shut down, I believe it was '77 was the first big cut.

What people don't understand is that that was just the beginning. We lost manufacturing plants from that time until now, so over 40 years later we're still reeling from the effects of manufacturing jobs leaving. You know, we lost another big manufacturer in 2019 when General Motors Lordstown closed for good. And so, during that time, the
effect was not just on the economy, of course, but the effect
was on the family, and I think people forget that, you know,
a lot of the folks who were able to get some sort of
retirement system from the steel mills, you know, their
generations that follow, their children and grandchildren,
they weren't able to find work here and so they had to leave.

What it also does is those people who own -- a lot
of those who owned their own homes, you know, from working
all those years and people that had property, you know,
instead of being able to pass it down when they passed away,
it was just vacant. And so a lot of the blight that we see
isn't just a matter of people not taking care of their
property. It is a real situation of, you know, people dying,
their children not taking care of it. They had to move
because they needed to find some income. If they went to
school, coming back here wasn't an option because there
wasn't a lot of opportunities for them. So the cycle of
decline and decay of the community and blight and poverty
just became unreal.

I mean, as a child, I remember my father saying,
you know, it was so good here in the '60s that a man could
quit one job, walk across the street and get another job.
Now the property rate in Youngstown is 36 percent, and, you
know, we have a third of the population that we had prior to
just really the destruction of manufacturing in this area.
And I think that people need to understand that the economic
effects and what it's done to the family and what it's done
to the neighborhoods and to the community that you see, when
you drive through these communities and you go, oh, it's
really bad, people didn't take care of it, there's a reason
why it looks so bad.

VICE CHAIR STAYIN: Thank you very much.
Teresa Cassady, would you like to respond?
(No response.)
VICE CHAIR STAYIN: Mr. Schelske, would you like to
respond?
MR. SCHELSKE: Yes, please. Adam Schelske here.
Basically, I wanted to just touch base on the impact of
community in general, but it's also affecting greater America
as a whole. I'm actually a call center representative doing
technical support for AT&T, and throughout the years we've
witnessed actually no rehires. We had a huge employee base
to begin with, and it just has dwindled throughout the years
from about 300 per call center down to now maybe 50 employees
per call center.

What's happening is that they're shipping these
call centers out to overseas and they're providing a little
bit less of what the American consumer needs, whatever it may
be, to support the product, et cetera. They're struggling to
get the point across most of these people from overseas don't
even get the chance to see or hold our actual equipment. So
they're going based on just scripting and whatever kind of
booklets or pamphlets or information that they have and not
understanding the full process and how the equipment actually
works.

What happens with that then is it comes back to
America, where we actually are losing the opportunity to
regain these jobs. There's just too much going on over there
with lack of productivity, and it's affecting the consumers
here where they don't want the product anymore. It adversely
affects the companies that have these call centers because
now, with less consumers purchasing the product, there's less
ability to rehire.

VICE CHAIR STAYIN: Well, are they coming back and
providing jobs?

MR. SCHELSKE: I'm sorry, are they coming back and
providing jobs here?

VICE CHAIR STAYIN: Yes.

MR. SCHELSKE: No. No, they are not. Matter of
fact, they actually just increased the amount of jobs
overseas not only in places like the Philippines or Egypt or
Colombia. It's all over the place, and they increase those
jobs knowing that they can actually pay up to 30
representatives overseas, such as in the Philippines, to do
what I do.
VICE CHAIR STAYIN: Okay. Thank you very much.

MR. SCHELSKE: I've seen per diem or what they would pay an employee here is equivalent to 30, if not more, in the Philippines.

VICE CHAIR STAYIN: All right. Thank you very much.

How about anybody else who would like to speak who hasn't spoken yet?

MR. SECRETARY: Teresa, can you hear me?

MS. CASSADY: I can hear you. Can you guys hear me now?

MR. SECRETARY: Yes, we sure can. If you would like to, please comment.

MS. CASSADY: Okay. Sure.

VICE CHAIR STAYIN: Thank you, Ms. Cassady.

MS. CASSADY: Sure, thank you.

So, before I got hired on permanent with the steelworkers, I worked at Cooper Tire in Finley, Ohio. And, you know, our local was also hit with trade with the dumping of the tires from China. In 2007 I believe it was, Cooper had bought a plant in China and the way that we worked our schedules, we worked two days, we were off two days and then either worked or off three days. And when this dumping was going on, you know, they were taking -- the company was taking days out of our workweek but doing it in a way that we
couldn't even file unemployment.

And when I worked in the plant, there were a lot of families, so a lot of husbands and wives. My father worked there, my uncle worked there, that we were all directly affected by this and not being able to, you know, get unemployment benefits but having days taken out of our production weakened and results of our paychecks not being normal.

And, you know, we did have to go before the ITC and testify how it did harm us. And thank goodness that President Obama had signed the tariffs because it did save the jobs over there. I, to this day, don't know what would have happened if that wouldn't have happened, if our local wouldn't have done the work behind it, if our international didn't get behind the work and support our local to do that stuff.

You know, and then three years later, when that tariff had expired, here we go again. We had to go back and do this again. And I guess, you know, I understand we have to be loud about those things to protect our jobs, but if we've already made a case one time about how harmful this stuff is, why do we have to keep going back and saying it's still harmful, it's still a potential issue? You know, that's affecting not only us as the workers, but, you know, these companies, the management people, the communities that
we've heard so many stories already about, you know -- and I thought about when Jaladah was saying, you know, about, you know, being able to quit one job and by noon have another job. I say that about my hometown of Fostoria, Ohio. That's how I grew up. I remember that. But, if you drive through Fostoria right now, it's sad. It's very sad because of the jobs and the manufacturing that left that community.

And I think about the kids in that community. They don't have the things that I had available to me growing up because of the manufacturing that left that community. And I guess I will frame it like this because I truly personally believe this, that, you know, it takes a village, but when that village is deteriorating, it makes it really hard for us to raise these kids. And then we all sit back and wonder why are these kids, you know, turning to the things that they are, because there's not the swimming pools open or skateboard parks or all the fun things that we had as children in these communities anymore.

VICE CHAIR STAYIN: Thank you very much.

Mr. Draves.

MR. DRAVES: Hi. My name is Phil Draves. I'm a member of the IUE-CWA staff, and before that I worked for General Electric in Warren, Ohio, and for many years, they used the threat of offshoring to a negative effect on us. They always threatened to -- oh, the threat of offshoring all
the time was used for wage and benefit concessions. And it's not just us, but it's regionally and more or less U.S.-wide. This threat has been used for a downward slide in wages and benefits throughout labor forces in the country. And if you look at our interest rates or the growth of the economy compared to the growth of wages, we've been stagnant since 1970, and it's very much centered around the threat of offshore jobs.

And, you know, we had one instance where they came to us and said that we produced a certain lamp type at the plant. We could not work free and make it for less than what they were landing in the U.S. But, on the other side, the company didn't file a dumping claim because they owned half the company on the back side that was dumping the product on the U.S. And we've run into this all over the country, and it's maddening.

VICE CHAIR STAYIN: Yeah. Thank you, Mr. Draves. Thank you.

I asked earlier about exports. Have exports and from your production manufacturers in your communities, have there been exports and have those contributed to more positive benefit to workers?

(No response.)

VICE CHAIR STAYIN: Okay. Have any foreign-owned companies invested in your communities? How has this
affected workers' employment opportunities, wages, working
conditions, and overall economic welfare? Mr. Mottl?

MR. MOTT: Yes. Thank you for recognizing me.

I've seen some foreign companies make investments in the
communities, but one example in Chicago has been the CRRC
Rail Company. This is a Chinese-owned rail plant and they
invested here. They won a contract from the Chicago CCA to
build railcars. I personally was against it.

But I watched the bidding process and I tried to
participate. There were a lot of people bidding on these
railcars for a couple of years. There was a company in Japan
called Nippon Sharyo, CRRC bid, and a company called
Bombardier. They're Canadian-owned, and they also --
Bombardier builds trains and train cars in California as
well.

And so I watched the bidding process carefully and
I tried to integrate my company into the supply chain, and I
noticed that both Bombardier and Nippon Sharyo were really
talking about not just building an assembly plant, about
fully building a factory to build trains and railcars in
America or they were going to use their California plant in
Bombardier's case. And they were seeking to bring in a full
supply chain, companies like mine, who make the parts and
pieces and sub-components for them.

But the winning bidder was the CRRC company, the
Chinese railcar company, and they won the bidding on price. And I think, you know, the government agency, the CTA, only looked at price and they were wooed by what CRRC promised was to make an investment in the community to create jobs.

What ended up happening is they built an assembly plant. It employs about 30 people maybe, not even, from what I've heard from people on the inside. And they bring in the brake assembles, they bring in the shell, they bring in everything else from China, from overseas. They didn't invest in the supply chain. And so I don't think that the community has really enjoyed the depth of benefits. We heard from all these other wonderful people talking about how it's an ecosystem in a community. And when we just have these investments in assembly houses only, you're really missing the full depth of employment, and that's what I've seen in these foreign companies.

There's another company, I might be butchering its name, Wangxiang (phonetic), that has invested here in Illinois and they're a manufacturer. They've taken a huge amount of market share in the automotive industry. They're a Chinese company -- well, they're actually an Illinois company now. They were strictly owned, but they don't manufacture anything here. They bring it all in from overseas and they infiltrated supply chains.

So I think they're coming here and they're just not
bringing the depth of benefits because we haven't protected all the pieces in the supply chain. And I'd like us to make things here and export it from America, but I don't see that as what's really happening in the world. I think other markets are protecting their own with their home-grown domestic competitors, and we're perhaps foolishly allowing our market to be just taken advantage of by anybody with the lowest price. And there is a greater value than price. I think we need to move beyond the low price and look at the whole holistic benefits and look at it completely and don't be deceived by a pop-up factory that's just a pop-up assembly plant that can close at any time and has no real investment in the community.

VICE CHAIR STAYIN: Thank you, Mr. Mottl.

Mr. Kassis?

MR. KASSIS: Yes. Even though I do agree on the import side with Mr. Mottl, but our experience here in northeast Ohio is a little bit different on the exporting side and how it is related to the FDI. It happens that in the 13 counties that I do cover, we have about 85 foreign companies from 22 countries, and they are in 122 locations because one company owns more than one location, and they employ 23,000 employees, U.S. worker employees, in our region.

That, because we are an open market economy, we
cannot shut our borders against FDI or imports or exports, so these are all trade that is in an open market economy that we are expected to have export, import, and FDI. And, therefore, having the right policies, we could encourage these companies to really be rooted, hiring U.S. workers, and also exporting manufacturing made in United States here, and we do.

The companies I do help on a daily basis, they don't import from China to assemble it here and sell it. Actually, they are not. Actually, they are making it here, right here, many of them using over 50 percent of their product from United States-made products, and then they are exporting overseas. And these are good-paying jobs, and they've been here 20, 30, 35 years in our region.

And, actually, you know, we are looking at policy. Since we are sitting on the shale industry in this region with the low energy prices -- not now with the spike that we're talking about with the war situation, but overall -- that could be attractive, taking the situation that what's going on in the world and the disruption in the supply chain, that we could really benefit from this trend in having more foreign companies in here and encouraging the manufacturing right here and build the supply chain around that, and that's what's going to make us more competitive. So these are the policies that I really would like to see ingrained in how we
plan it and infrastructure and how we plan it going forward, and that's what's going to make us more competitive.

VICE CHAIR STAYIN: Thank you.

Does anyone else have any comments or experiences where foreign investment has had a positive effect on the local community in terms of having workers and all the benefits that come from that with families and in the communities themselves? Nobody else? Well, Mr. Padisak, you had something? Oh, I'm sorry.

MR. PADISAK: That's okay. Mr. Kassis actually works for my alma mater, Youngstown State. It's a great institution. I just wanted to bring up a couple of examples. We've had some small specialty steel mills spring up in the Youngstown area. Valorec is among the most well-known. I was at the grand opening ribbon-cutting with President Obama, and their international president from France was there, and he said he came to this area because of our history of steelmaking and because their studies had shown there were a lot of qualified workers that didn't need a lot of retraining to jump right in and start producing the product that they wanted to make. And that's been pretty successful.

The other large investment was Foxconn bought Lordstown Motors for $230 million. They bought $50 million immediately of common stock and has been making payments of $100 million, $50 million, which pretty soon will be
complete. So that's a company from Taiwan, a well-known company, that has invested heavily in this area. And so, you know, that's brought in a lot of jobs.

VICE CHAIR STAYIN: What suggestions might you have where government might help in encouraging these kinds of investments in the U.S. market?

MR. PADISAK: Is that an open question for everybody or for me?

VICE CHAIR STAYIN: That's for everybody.

MR. PADISAK: Okay, thank you.

VICE CHAIR STAYIN: Basically, you know, how do you incentivize companies from overseas to come here, like yours and Mr. Kassis', to come here, open plants and produce products and employ our workers and support our families? I think that's a very important issue and something we're very concerned and very interested in. Mr. Contreras?

MR. CONTRERAS: Thank you, Mr. Chairman. I'll speak briefly on what's benefitting here in our State of Texas and how that impacts our region. Our region is on the border to Mexico. We stretch in a four-county region from Brownsville to Reuben (phonetic) City, it's about 100 miles, population about 1.4 million on the U.S. side and including our neighbors down to Laredo.

So, in Texas, we've been, you know, seeing that we have more than 1,600 foreign companies investing here in our
state and would be the number one destination in the U.S.
And so what does that mean in numbers? Well, we've seen more
than $66 billion in FDI investment, with more than 930 new
projects here in Texas.

Earlier we talked about tech, and so, on the eighth
consecutive year, we've been leading in high-tech exports,
totaling $44.8 billion. So there's activity and trade here
in our state.

What we've seen mostly here in our region has been
more in support of the agribusiness produce; we've seen
cold-storage facilities come in and play. One of our
communities, just one of them went from about nine
cold-storage facilities up to 32 during the last three years.
Prior to NAFTA, our communities were at 23 percent
unemployment rate. Fast-forward to 2019, pre-COVID,
our communities were between 4 and 6 percent. So we've seen the
investment primarily in that.

We have ports of entry in the State of Texas, 29
ports of entry. In our region, we have about 12. That
includes maritime, where we're seeing expansion when it comes
to wind, the renewable assembly in that area. So that is
where we see that additional help could be provided, is
possibly not necessarily related to what we're speaking here
but for you to be aware of is investment at our ports of
entry that have not received upgrades over decades to ensure
that we're able to cross legitimate trade.

So there's a need for that as well as
transportation. So thank you for your time. I wanted to
represent on our side and what we see in our communities here
in south Texas.

VICE CHAIR STAYIN: Thank you very much.

Mr. Key?

MR. KEY: I think the main thing we need to do
about trying to get people to come over here and start
businesses and not businesses like Mr. Mottl was talking
about that's just a front for dumping is continue with kind
of like what I referred to earlier, the agreements we have in
Europe, where you have a set and we've all agreed, you know,
a tariff kicks in, you can only export so much into our
country.

When you have these kind of limitations, these
businesses, they want to be a part of -- and I think Mr.
Mottl's pointed this out several, several times -- I mean,
what do we make up, a quarter to a third of the world market
that people want to be a part of, the cash-flow in the world?
So, if you're limited to X amount that you can bring in here
and you want a bigger part of the pie, the only way you can
do that is to build here and start manufacturing here, I
mean, because you want to make that money. And, if you can
only import a certain amount, you have no other option than
to do that.

So, if we put -- I don't want to say stiffer, but we put more permanent things in place, kind of like the agreements we've made in Europe recently, then I think that would definitely help into encouraging businesses into moving over here because then they could only import a certain amount, and they couldn't go above that without building here and manufacturing here.

VICE CHAIR STAYIN: Thank you very much. I think it's a good time right now that we take a break. Be back in five minutes, and we'll get right back to you. Thank you all for all of your comments. Appreciate it. Very well. Very well done.

(Whereupon, a brief recess was taken.)

VICE CHAIR STAYIN: Okay, I think we can begin.

MR. SECRETARY: Yes. Please do, Mr. Vice Chair.

VICE CHAIR STAYIN: Okay. We're moving on to questions regarding government policies. Have government policies related to imports, exports, foreign investment, or other U.S. trade policies affected workers in your community differently depending on skill, wage, salary level, gender, race, ethnicity, age, or income level? Are there ways to make such policies better or more equitable? Mr. Kennedy?

MR. DAVENPORT: Yes. This is Scott Davenport with Fairfield County, South Carolina, again. Policies have
affected us. Fairfield's population is overwhelmingly African American, and Element has provided good-paying jobs for the men and women of Fairfield County.

Many of these employees, this is the first job they've ever had, and Element has offered an opportunity for these workers to improve their skills and advance to higher-paying positions. The inaction on Congress's part to restore the lapsed miscellaneous tariff bill has caused over 200 layoffs. We need the miscellaneous tariff bill restored immediately.

VICE CHAIR STAYIN: Thank you.

Are there any people who have not spoken yet who would like to reply to this or other questions? Did somebody else want to reply? Okay, well, let's look on -- Mr. Bozek?

MR. BOZEK: Hello, yes, thank you. My name is John Bozek. I'm an economist, and I work for Invest Puerto Rico, which is the investment promotion agency for the island of Puerto Rico.

And for some who might not know, they might think of our island as a tourist place because of our location in the Caribbean, et cetera, but we're really a manufacturing powerhouse and have been since, you know, post-World War II when our island was, you know, rapidly industrialized utilizing federal incentive tax code policies.

In recent years, our economy has suffered a bit
because of changes to the federal tax code that happened in
the late '90s, early 2000s and, you know, some fiscal kind of
mismanagement of government funds here locally,
unfortunately. But we still have a very large manufacturing
economy on the island. It represents close to 50 percent of
our economy. You know, about 80,000 jobs, direct jobs, here
in Puerto Rico are in manufacturing. The vast majority are
in pharmaceutical and in medical device manufacturing, and,
you know, many people call us the medicine cabinet of the
United States.

You know, I think during COVID many people saw the
importance of having Made in USA medicines and medical
devices. You know, lots of people don't know, but the active
pharmaceutical ingredients and these other chemicals that go
into pharmaceutical pills, 70 to 80 percent of those are
produced in India or in China, and that's very scary, you
know, when we as a country are depending on those
jurisdictions for the ingredients that go into our
pharmaceuticals.

So, you know, we have seen in Invest Puerto Rico a
lot of interest, and we recently have a new company that came
from India and that opened up a factory in Caguas, Puerto
Rico, or is in the process of opening up a factory here
because I think they see the writing on the wall that, you
know, the U.S. is not going to allow and shouldn't allow so
much dependence on foreign entities for these active
pharmaceutical ingredients and for generic drugs, for
medicines, et cetera.

But there's more things, I think, that the federal
government can do to encourage, you know, pharmaceutical and
medical device production domestic. And, you know, Puerto
Rico, we're here and, you know, we have the expertise and the
know-how from so many years of doing this to be able to help
in this. But there's other places in the United States that,
you know, have very strong pharmaceutical economies as well,
New Jersey, North Carolina, Indiana. So it's not just us.

You know, some of the ways that I think that the
federal government can help us in this regard, I mean,
there's a lot of things that we need help with, especially
infrastructure-wise and things like thing, but I think on the
training side, you know, one of the biggest issues that we've
seen recently is workforce development, lack of skilled labor
force in different areas. You know, there's not necessarily
a match of the supply of the labor force with the demand that
we're seeing.

So a lot of companies that are interested in coming
here and doing business, we just don't have the workforce to
be able to supply them. So we are actively looking at
federal programs and other programs to kind of remedy that
situation, but I think it's something that, you know,
communities around the country are struggling with, especially as the economy kind of changes to more service and tech-based things.

You know, back in the glory days of the pharmaceutical economy in Puerto Rico, one of the factories might employ 1,000, 1,200 people in kind of assembly-type jobs. Now the same factory, because of automation, maybe has, like, 200 employees, but they're much more high-skilled. They're, like, engineers, technicians, and, you know, they're better paid, but there's just less of them, you know, less volume of workers.

But then, you know, what opportunities are we creating for, you know, the people who don't have the skills? So, you know, these are all questions. I know it's not unique to Puerto Rico, but it's something that's happening, you know, across the United States, and I just wanted to give my two cents. And I do think that there is an opportunity to safeguard our pharmaceutical and medical device supply chains and that Puerto Rico can be a very important part of that equation. So thank you.

VICE CHAIR STAYIN: Any suggestions on how we can get those production back from China and bring it backward to how it's been before? Yes?

MR. BOZEK: Were you recognizing me?

VICE CHAIR STAYIN: Dr. O'Brien?
DR. O'BRIEN: I actually had a different comment. So, if you were looking for a response, maybe Mr. Mottl could respond first. I'm happy to finish that conversation first.

VICE CHAIR STAYIN: I'm sorry. Mr. Mottl, would you like to go forward again?

MR. MOTTL: Just to respond to your question directly, yes, you know, some of our members I've coached for Prosperous America are the manufacturers of those active pharmaceutical ingredients, and that's an issue very close to our heart. Rosemary Gibson chairs our medical community, she wrote a book called China Rx, and this has been an issue that she's spoken about for quite a while and written about.

And so what we've seen in terms of ways to get those API manufacturers back, it's similar to these other industries. They left because their customers were not buying their product. They were shopping on price. When we see the American medical system shopping only on price and we see our government incentivizing only the lowest-cost producer, we need to get out of that cycle.

There's laws in place like the Defense Production Act. It was used during the pandemic to help stand up mask manufacturing and other people, but as the pandemic has started to ease, we're seeing hospitals and large purchasing groups, health insurance groups, going back to buying the Chinese masks, the cheapest possible product.
And, again, I think we need to utilize more of these tools. Some people have mentioned import quotas. I think that's wise. I think more tariffs in a smart way that don't just punish the inputs, you know, like the TV manufacturer we heard from, but protect the whole chain.

But the Defense Production Act is another thing we can use, and also, I think if we look at the value of our dollar. I think the Department of Commerce has really worked hard to try to put programs out and do things to help incentivize both foreign companies to come here as well as domestic ones to produce and export.

But I think that our friends at Treasury maybe could do a little bit better job looking at where the dollar is and how that is helping or hindering production in this country. There are a lot of studies out there that show that the dollar is kind of overvalued right now and we don't do enough to protect from this flow of constant dollars coming in here or speculative money into our market.

And I think, if we work a little closer between Treasury, Commerce, and other agencies to really think about where the dollar is, that's the silver bullet that's underlying everything that could help bring these pharmaceutical manufacturers and others here.

VICE CHAIR STAYIN: Good suggestions, thank you.

Dr. O'Brien?
DR. O'BRIEN: Hi. Thank you for this opportunity. I'm Tom O'Brien. I'm the Executive Director of the Center for International Trade and Transportation. We're based at Cal State Long Beach, adjacent to the ports, San Pedro Bay ports here, and we're in the business of education, workforce development, professional development, in the trade and transportation sector broadly defined.

I had just two observations just listening to the discussion, one that's related to this question of policy and one that touches upon workforce development.

With regard to policy, I guess my contribution would be that trade policy doesn't exist in a vacuum. It exists in the context of, you know, 50 different state approaches to trade and competitiveness. It exists in the context of investments in transportation, infrastructure, in other broader economic policies. So this discussion, particularly hearing the folks from the Midwest, is fascinating.

For us in California, I think the real focus has not been on competitiveness as a result of U.S. trade policy but our own policies in California, what, for example, environmental mandates are and the transition to a zero-emission trade sector, freight sector means for the health and well-being of the state's trade sector. So I guess my suggestion would be that, you know, that considering
how the impact of trade policy is either helped or hindered by investments that the Department of Transportation, Department of Labor, and others might make, how that impacts things on the ground for the people who both import and export.

The other thing with regard to on the workforce development side, clearly, my job is to help make opportunity available for people in our region, whatever those opportunities may be. And for us, the challenge is -- and I think this is something that Mr. Bozek just sort of referenced -- is that we're going to be playing catch-up to make sure that the people who are going to be available to take these jobs have the correct skill sets.

And that's once again where sort of broader societal, socioeconomic trends are challenging us. For example, everyone has sort of seen southern California, California, as the poster child for urban homelessness. That touches our university. 2019, the year before the pandemic, 11 percent of our students on our campus experienced homeless at least one time during the course of the year. A much larger portion experienced food insecurity. Our city college partner has opened up its parking lot for homeless students to be able to park and take showers at facilities overnight. If we can't solve that intractable problem, providing access to jobs is not where we need to start, I guess is what I'm
saying.

So I'll just close with the idea that, you know, we have to take a somewhat holistic approach to looking at the nature of the problem. On a positive note, we are working closely with industry, with the port, and with the school district on making sure that access to information and training in the trade and logistics center is available to high school students. We're part of an immersive academy that prepares an underserved population to take advantage of these opportunities. But I'll close there. Thank you.

VICE CHAIR STAYIN: Thank you very much. Thank you. You segued me into the next question. Are there government policies that are successful in reducing any negative impacts from imports, competition from foreign companies, businesses moving abroad, or other trade-related issues? Are there policies that help workers to take advantage of trade-related opportunities? Are there areas in which more or better resources are needed? Ms. Ricartti.

(No response.)

VICE CHAIR STAYIN: Mr. Holt?

MR. HOLT: Good afternoon, Vice Chairman Stayin. Thank you for having me again. My name is Derick Holt, and I'm a partner in the international trade group at Wiley. I was able to participate in the first roundtable on race and ethnicity, so thank you for having me again.
I wanted to point out just a few issues that, you know, were discussed earlier this afternoon with respect to policy. Earlier in the roundtable, you had mentioned using the antidumping and countervailing duty laws as a way to protect domestic industries that are being injured by unfairly traded imports, and I wholeheartedly agree.

Let's level the playing field by enforcing our existing AD and CVD laws. You have industries, you know, such as the chassis industry, who is on the verge of being wiped out. The relief that ITC and the Department of Commerce provided to the chassis industry last year was crucial. Stilton (phonetic) Trailers was completely shut down, and now they are on the verge of hiring a third shift to bring back production.

So we do know that the AD and the CVD laws help. Other trade policies, such as the 232, has helped local communities. The Economic Policy Institute found that 3200 new steelmaking jobs were created due to 232 steel tariff policies. If you look at the primary aluminum industry, the 232 tariffs have allowed the last primary aluminum smelter in the United States to hire back jobs that were lost in South Carolina due to subsidized aluminum exports from China. So the 232 policies have been a U.S. policy that's helped local communities.

VICE CHAIR STAYIN: Thank you, Mr. Holt. Your
suggestions are very helpful. Thank you.

Mr. Mitchell, please.

MR. MITCHELL: Mr. Chairman, thank you for your time. I really appreciate you seeking input. My name is David Mitchell. I'm a Professor of Economics here at Missouri State University. I also direct the Bureau of Economic Research.

As a general rule, I'm a very big, strong believer in free trade. I think that the benefits are larger than the costs even though the costs might be highly concentrated. One of the problems, Mr. Chairman, that I wish you guys would remember, though, is that in order for free trade to work, everyone has to be in doing it. It can't be that the U.S. is the one who reduces our tariffs and quotas and then China has tariffs and quotas, subsidizes firms and everything else like that that actually doesn't create a level playing field.

We do have a couple of problems here in the Midwest. Some of the research that I've been doing is that here, especially in Missouri, we've seen kind of a hollowing out where we're seeing population leave or we're not seeing a lot of population growth, so employment's relatively stagnant. We're seeing shifts in employment away from manufacturing and more towards services, and some people have noted there's nothing wrong with these service jobs, but the wages tend to be a little bit lower, they don't have nearly
the level of benefits that you would have possibly with some other jobs.

But one of the things that we're having a real problem with is the skill set. Especially here in southwest Missouri, if a foreign firm wanted to come in here and hire highly skilled workers, they wouldn't be able to do it. They couldn't find them.

And not only that, it's not even a matter of highly skilled workers. Some of our workers here have problems with life skills, so these would be things like making sure that they can show up to a job on time and sober. You know, here in southwest Missouri, we have lots of problems with methamphetamine use. Drug use is a fairly big issue. And I don't know how we're going to be able to overcome that unless we have some more types of training and skill set, and possibly, once again, maybe we need to go back and have some investment in basic life skills.

There is one other issue I'd kind of like to raise too, and that is that, you know, as economists, we typically think of people being fairly mobile, but, in reality, they're not, especially as they get older. You know, the 25-year-old, when the steel plant closes, can say to himself, okay, I'm only 25 years old, I can pick up and move. But, when he becomes 55 years old, it's a whole lot harder for him to pick up and move to another part of the country and get a
different job. It's also harder to retrain him. By the time we retrain the 55-year-old, spend three or four years training him, he's 59 or 60 now, and, you know, his chances, realistically speaking, of getting a job are going to be fairly slim.

So, like I said, these are these types of things that, once again, I'm really glad you guys are seeking input, and I just thank you for your time. So I'm just glad to throw something out there.

VICE CHAIR STAYIN: Thank you for being here.

Dr. Lara?

DR. LARA: Hi, my name is Juan Lara. I'm at the University of Puerto Rico. I'm a Professor of Economics also. I have been listening with great interest to what you have been saying, and from our perspective in Puerto Rico, we have a couple of experiences that we might share with you.

These are not recent. This happened maybe 15 years ago or maybe more when the United States signed a Free Trade Agreement with the Central American economies, Nicaragua, Costa Rica, Honduras, Guatemala, and Panama -- no, not Panama. Also, the Dominican Republic was included in that. It's called the CAFTA, the Central American Free Trade Agreement, and it also involves the Dominican Republic. That's why they added the "DR" after CAFTA.

And we saw in Puerto Rico a clear impact in the
imports of certain tropical foodstuffs that are consumed in
the Puerto Rican diet or, you know, very common products for
Puerto Rican families to consume on a regular basis, and
these are produced very cheaply in Central America. And it
was predicted before the deal was signed, before the
agreement was signed that we were going to see a large inflow
of these products into Puerto Rico and that they would
eventually replace local production to a large extent.

And that has, in fact, happened. So we have seen
an impact in agriculture in Puerto Rico and agricultural
incomes and jobs. Now it turns out that agriculture is a
small segment of Puerto Rico's economy, unfortunately; it
should be a lot larger than it is.

It isn't larger because of a lot of structural
issues that prevent it from growing, but if you ask any
active agricultural producer in Puerto Rico, they will
complain, in fact, that trade -- that imports play an
important role in limiting their production capacity and the
creation of more jobs on the island.

Also, we saw in the past a number of electronics
companies that were operating in Puerto Rico that left Puerto
Rico and eventually reopened in some of these Central
American countries because they took the opportunity under
the CAFTA agreement to gain freer access to the U.S. market
for these electronics products, and they were able to produce
them cheaply in places like Costa Rica. So we have seen some negative effects from that. But we are eligible, as everybody else in the United States, for assistance, existing assistance programs for people who are hurt by imports. But the more important thing for us was to be able to export to these economies, to gain the advantage that these agreements were supposed to create for us to gain access, freer access to these markets in North America, and that hasn't really happened. You know, we haven't really been able to gain an export presence in those markets.

VICE CHAIR STAYIN: Thank you, Dr. Lara.

Ms. Ricartti?

MS. RICARTTI: Can you hear me?

VICE CHAIR STAYIN: Yes, I can.

MS. RICARTTI: Yes. Thank you very much for the opportunity. I'm from Los Angeles, and I've been working with Mexican communities for a very, very long time. And so all of you know that more than one in two Latinos are immigrants, and we definitely need to provide classified employees training and have a living wage salary that is -- because you know that this high cost of living in L.A. is really affecting a lot of people, and like many people before me said, it's affecting a lot of people, making them homeless. So we need to ensure that we have a healthy environment, livable communities, and we need to invest in
building a pipeline for future generations in the healthcare and biotechnical industries.

We have the opportunity right now through innovative initiatives, and this trade policy is really affecting a lot of communities, especially of color. So I hope that this gives us an opportunity to get involved. And thank you for the opportunity. I think that these roundtables are very helpful to ensure that people get involved because all of us are affected somehow. Thanks again.

VICE CHAIR STAYIN: Thank you very much.

My next question is, what role does your organization play in the education and training of a diverse and inclusive workforce? How do you use education and training to respond to changes in the job market that create challenges or new opportunities for workers? And this is so important. Mr. Pallesen?

MR. PALLESEN: Yeah, actually, I wanted to make a couple comments on the previous question, so, if I could do that, fine, but if not, if you want to move on?

VICE CHAIR STAYIN: Okay. Do you want to comment on this question?

MR. PALLESEN: No, I wanted to on the previous one.

VICE CHAIR STAYIN: Okay, we're going to need to go on. Thank you.
Ms. Mottl? Mr. Mottl?

MR. MOTTL: No problem. I just wanted to make sure it was me. But, yes, you know, training is so important. I think I mentioned a little bit about the, you know, importance of manufacturing and vocational training programs, and I just want to -- you know, our company, the way we do it specifically is oftentimes we'll bring someone in in an entry-level position, completely unskilled, and, typically, in our area, that wage starts at around $16 to $17 an hour plus benefits.

And what we like to see from a person coming in with literally no skills is the soft skills, that they can show up on time, they can be reliable, they can listen and take instructions and work with others.

And, typically, after we see a couple of weeks or months with that person and we build trust and that reliability, we try to find other opportunities in our factory for them to gain more skills. Sometimes we might send them to classes provided by an outside provider. I mentioned the Technology Manufacturing Association. There's some other great training programs too around the country, vocational training. We've even paid for community college training and stuff like that, and then sometimes our machinery vendors and providers provide specialized training on the type of equipment or software that we use to
manufacture pieces. So that's kind of how it works. And we usually, as a company, pay for that training. So it's no cost to the employee, and we often ask them to commit to stay with us for a certain period of time because we're going to invest in them and we want them to be part of our community. They get a raise in wages, and we have at our company a whole skills matrix that identifies hundreds, if not thousands, of skills across each department, and as employees gain more skills and more training in each of those areas, they do correspond to an increase in wages, and that person becomes more valuable.

We want to keep them here, but they're also more valuable for other companies. And so, you know, that goes on all around the country, and that has for a long, long time, but I think that system has started to break down simply because companies have not been profitable or able to support that model as they've dealt with trade predation.

But I would encourage that, you know, this is a wonderful, wonderful way of training and that there's been programs -- you know, the Department of Education oftentimes puts real strong focus on college, and these high school programs, you know, they've lost a lot of the vocational training, at least where I'm at around the blue-collar communities of Chicago or the border of the Chicagoland suburbs.
You know, the focus has been sending everyone to college, and I really would encourage putting more money and more emphasis -- it's just as valuable as a college education, a vocational career. There's no difference to me. There's no one that's better or worse and that oftentimes with college, people come out with debt and they're really not making the wages that they want to make.

With these vocational programs, you can come right out of high school. Maybe you've had some shop classes, some math, some CAD/CAM programming classes. You can get into a vocational program. You can work and earn money while you're going to school.

So I just want to highlight these, and I hope my little example of how it works in my little world is illustrative and that we can encourage more of this type from the top down. It's got to start with the Department of Education as well.

VICE CHAIR STAYIN: That's an excellent comment and excellent suggestions. When I was in high school, you had a choice; you could take shop or you could take some other courses, and it provided a good source of skilled workers to our industries in Cincinnati.

Ms. Mazara, would you like to comment?

MS. MAZARA: Hi, thank you, yes. So my name is Ruth Mazara. I am a Program Director for a nonprofit, Moore
Community House, and we have a program called Women In Construction. And so what we do are providing women access to careers in high-wage, high-demand skilled craft trade and advanced manufacturing jobs.

And what we know is that in the State of Mississippi, women are usually segregated by gender into occupations that are traditionally lower-paid occupations. And so what we are trying to do is reach out to the community and provide free training and provide the industries with a qualified workforce.

And in Mississippi, women make up half of the workforce, yet they're two-thirds of the minimum wage earners. And so, as he was just saying, investing in that training and providing that pathway to these high-wage careers, providing the pathway to -- even providing the workforce to the industries is so important.

We have witnessed firsthand as far as at our local port where they used HUD dollars to expand the port with the promise of having all these high-wage jobs from their tenants. Instead, what they did was added a hotel onto their property and had two-thirds of their jobs in low-wage service jobs. Again, good careers for some people but was not the promise, so accountability is a huge thing as far as accessing underrepresented communities who don't have access in traditional ways. They don't have the social capital,
especially in -- I don't know if in other areas it's the
same, but in my state, it's who you know sometimes, and so a
lot of times they don't have the social capital or
generations before them accessing these high-wage jobs. So
it's really important to invest and look at what's really
happening in those communities. And so I just thank you.

VICE CHAIR STAYIN: Thank you very much.

Anyone else who has not spoken yet who would like
to? Mr. Pietrick?

MR. PIETRICK: Thank you. In steel working, we
have a large gap between our higher seniority members and our
younger members with 10 years or less. I know that that's
true for a lot of the other crafts and trades as well.

Having a strong culture like we do in the
steelworkers, our knowledge is our strength, it's our power,
and it's up to us internally to capture as much as we can
before those senior members retire. That's what's going to
keep our plants viable, that's what's going to keep the
culture moving forward and all the learned processes that we
have in the plant transitioning to the younger generation.

Having viable apprenticeship programs within the
plant, a lot of times that comes through joint memberships
between the union and the company. So workers who are in the
plant who might be production workers who know the plant well
can transition to millwrights or electricians or
instrumentation technicians. Those are very important.

But I do see an underutilized resource in the community. We're based in Cleveland, located almost downtown, surrounded by neighborhoods, and there aren't a lot of opportunities economically or good jobs in the area.

This is something that can be trained. This is something that can be pushed in these neighborhoods, that there is a career in the steel mill, there's good jobs, good union jobs with benefits that require minimal training to become an operator.

You know, high school is maybe 15 years ago for me, but they don't have shop anymore; it's more of a hobby. We need to push that there are good blue-collar jobs where you can work and make an honest day's pay with your hands that are dignified and they're great.

I have a college degree in journalism. I don't use it, and I love being an electrician, and that's an opportunity that was provided to me working in the steel mill and because I have a strong union that wants to train.

VICE CHAIR STAYIN: Thank you very much.

Mr. O'Brien?

MR. O'BRIEN: Thank you. A couple of things to add to that. I agree certainly with the value of vocational training and community college training, but I think there are things that we can do at four-year institutions to make
the situation better, and some of these are underway.

And I should say that a lot of this is driven by
the changing student and what they're demanding of us in
education. And to the extent that federal policy or state
policy can encourage these, and I agree that the Department
of Education is critical in this area, that should happen.

First is embedding certifications in traditional
degree programs, right, so that a student is able to get an
industry-recognized certification or certificate while
they're pursuing an Associate's or a Bachelor's degree.
There's currency in both of those and there's value to both
of those, and we're starting to see that happen more and
more.

The second is we are now underway in giving Credit
for Prior Learning, CPL, to students who come to us from the
workplace who maybe have accumulated community college
credits somewhere along the way. I mean, there are 36
million Americans who have some college but no degree. If we
can make it easier for them to complete those programs so
that they are building their skillset for the workforce and
make them more workforce-ready, that's a good thing that we
should be doing.

There's also a need for us to create more formal
pathways on the non-traditional, non-credit side of things.
We do a good job of providing a pathway for students coming
out of high school, getting an Associate's, going to a four-year degree. But, in our case, somebody who gets a certificate in dispatching or warehouse management or transportation management at the city college should be able to connect to our professional designation in logistics and marine terminal operations more easily. And so we're looking at building those pathways as well, and that's incumbent upon us.

The soft skills, we've partnered with groups like Toastmasters to make that a part of our training program so people build those communication skills.

And the last thing I'll say is that in general, those of us in education can help by doing better labor market analysis to anticipate the impact of these changes on the availability of programs and the design of programs.

Bureau of Labor Statistics, Department of Labor data is really helpful, but it's historical. It doesn't capture a dynamic work environment. So, you know, to the extent that those of us in the colleges can mine data from, you know, monster.com or Indeed to get a sense of real-time demand for skills, not just occupations, we can feed better information to those of you who are on the job and prepare the workforce better.

VICE CHAIR STAYIN: Thank you.

Dr. Mitchell?
DR. MITCHELL: Yeah, I've been in education for about 25, 26 years now. One of the things that I've noticed is a huge change in the way students think. Thirty years ago, they were much more interested in kind of this broad-based idea of education when they went to school, and now they're much more interested in what can I -- almost like college is becoming just a set of skills, like trade school.

One of the things I started encouraging my students to do several years ago too is to say that, you know, you don't necessarily have to go to college to have a decent job. You know, the world needs plumbers, and there's nothing wrong with being a plumber. It's a high-skilled job. There's no way to outsource it to China or India. There's nothing wrong with being a plumber.

So one of the things that we're seeing is we're seeing more and more students who come to college who literally don't know why they're here, and they think that getting a college degree is going to automatically guarantee them a higher income in the future when that's not necessarily true.

So I'm wondering if maybe -- and I don't know if this is more of a cultural thing or maybe more for the federal government -- more encouragement towards things like AA degrees, trade school, and things of this nature that, you know, like I said, these students have this mindset that...
somehow that work is beneath them, and there's nothing beneath students becoming a plumber or an electrician or something like that. That's not a bad job. It doesn't make you a bad person to not go to college, and that's what a lot of the students coming in think, that if I don't go to college, somehow that makes me a bad person, and that's an improper mindset.

I think a lot of that's coming from U.S. Department of Education, where they're pushing higher education so much, but maybe we need to have more of a balanced focus in terms of trade and just good old-fashioned, like I said, just basic good old-fashioned life skills, where students know and people know how to show up to work on time and show up sober. So thank you very much.

VICE CHAIR STAYIN: Thank you.

Mr. Key?

MR. KEY: Yeah, I wholeheartedly agree with the statement you just made about the vocational schools and things like that. I think people do need to learn or realize that, you know, you can go to these schools and there's a difference between living and having a career and a good career and just barely getting by on minimum wage.

We need to reinvest back into our technical and vocational schools and get people in there. We have a lot of programs through the steelworkers. You know, we have
leadership programs, scholarship programs that we go through where we come in and we do think tanks similar to what we're doing today, where everybody from all across the country comes in, we talk about various things.

I met Brother Pietrick at one of these leadership programs. We have Women of Steel, we have Veterans of Steel, we have Next Generation, we have all these different councils and committees. We have Political Action Committees, we have, you know, rapid response committees, we have education conferences every year at each district.

We have all these things. We have programs that you can go through to get your journeyman, master electrician, you know, pipefitter, welders, things like that, certificates through us. You know, and it's not just teaching, you know, like Brother Pietrick was talking about, the older generation teaching the new generation. When we started the programs like Next Gen, the next generation, the younger group coming up, I mean, they reinvigorate the older people that sit here, and they give us a lot of fresh, new ideas that we never thought of because they came up a different way than we did.

VICE CHAIR STAYIN: Thank you very much.

Mr. Kassis?

MR. SECRETARY: You're on mute, Mousa.

MR. KASSIS: I would like to talk about two
experiences in our region that we experience here in Youngstown, Ohio. About a year ago or so, there was an excellent training center opened up here with part of it federal funding, part of it was manufacturing and provided by different companies, where they opened about 54,000 square feet of manufacturing floor for training for those who are not college-bound, but rather they were vocational bound for going towards manufacturing jobs.

And this has been open and free for industries, for companies, and for students who would come and train on different manufacturing skills and different experiences, like powder printing, additive manufacturing, industrial maintenance, manual machining, CNC machining, and so on.

So that is one of the areas that we've been working on. It's about a 50-mile radius. Companies come to seek in that, and it's been a successful model. We'd like to see more of this around the country.

The other one is, actually, it's been in existence for about 10 years, this program called an Ohio Export Internship Program, where we have an industry actually demanded. Every time we're helping companies, they would say, do you have anybody that have skills that we could put them here and working for exporting process? How would we export? And, therefore, we created a specific curriculum here at Youngstown State University and four other
universities in Ohio where it is a combination where we train students for the whole full spring semester on the exporting process, then we match these students with companies all around the states.

It is actually the only program that I know of in the whole country where a combination of the Ohio State government, the academia, and the industry come in a unity all together as a team and they train these skilled students, find an internship for a full summer semester, and then, out of this, we have about a 20 to 25 percent rating where they're hired directly by the companies.

And then the state will reimburse company 50 percent of this funding. So the wages of the student would be $17 an hour, and the State of Ohio would reimburse company 50 percent at the end of the summer. That has been a tremendously successful program where we actually saw tens of millions of dollars per year that students helped companies in exporting these products overseas. And that is a big help for the state economy and for the country economy if we mimic this model in different areas and all the success that it has. And nothing will beat that combination of the government, industry, and academia getting together, working together.

VICE CHAIR STAYIN: Thank you very much and for the excellent work that you are doing. We need to know more
about that and have that done in more states throughout the
country. Thank you.

Mr. Padisak, you had raised your hand?

MR. PADISAK: Right, thank you. Thanks for the
update there, Mousa. That was pretty accurate. One of the
other things we found successful in this area is the west
reserve building trades had been having trouble getting
apprentices every year, and like we've talked about, those
are good-paying jobs. You don't have to go to college and
incur debt for it.

So what they started doing was having a huge
building trades day at the local county fairgrounds during
the summer and actually during the spring, and what they
found was effective was to contact all of the superintendents
from each school and all the guidance counselors, send them
information, and we started getting busloads of kids from all
the different schools where they could actually go and do
hands-on work, you know, apply cement and see what wiring
does and see heavy equipment. And we had a lot of people
there who could, you know, demonstrate the different
equipment and show them what's possible for them if they just
take these classes in school.

They can get out and apply for these apprenticeship
programs and make this kind of money, because they found some
kids were coming out of school not equipped just for basic
math, you know, needed to get through an apprenticeship training program. And it's only been a few years, but it's turned out to be very successful. So that's been helpful.

VICE CHAIR STAYIN: Thank you very much. Good to hear that.

Dr. O'Brien, we're running low on time. You're going to be our last question. Go ahead.

DR. O'BRIEN: Yeah, so this is just a comment on the return on investment of these programs where industry and academia and government work together. I mentioned this immersive four-year logistics academy that we work on with the Port of Long Beach and the school district.

This is a challenged school. Eighty-two percent are disadvantaged socioeconomically, 13 percent of the students have disabilities, 31 percent English language learners, it's a Title 1-9 school.

But, after the first four years of the program, the students who have gone through all four years of the program, we've seen a 10 percent increase in the number of eighth graders that choose logistics as a pathway, a decrease in the number of D's and F's, an increase in AP course enrollment up 10 percent between 2016 and 2020, and a decrease in chronic absences from 24 percent to 10 percent over the same period.

Some of these impacts are longer-term, but they're significant. I just wanted to make sure I got that across.
VICE CHAIR STAYIN: Thank you very much.

Would anyone like to make any final comments you did not get to make? Ms. Ricartti?

MS. RICARTTI: We haven't mentioned anything about investment. I think that it is very important that people are aware that we just have to stop demonizing money because we need money for everything that we do. We need to know and learn how money grows in investing, and that's what we're doing in Mexico. In some places, we're teaching people to invest in their lives so they don't have to come this way. And we have to acknowledge the greatness of this country. It has many opportunities, and we have to really tell people that we need to think about how all of us have to get involved, because we need to. It's urgent. Thank you for the opportunity.

VICE CHAIR STAYIN: Thank you.

MR. PALLESEN: Yes, thank you. On the question on the government policies, you know, the previous administration had given corporations tax breaks with nearly no strings attached. What we need is a policy where they raise taxes and then give tax credits or cuts to reinvesting back in the United States. And then, with it, they need to recall that language so if those businesses don't meet, you know, their plan, their business plan, then they have to give
that tax back.

In 2018, Kimberly-Clark announced they were closing 10 mills, and they closed the mill in Fullerton, California, and they openly said -- myself, representatives from the Steel Workers, two union reps from here and one union rep from South America met with Kimberly-Clark and they openly said, when we said why are you doing this, they said, we're flush with cash, we can now afford to move the equipment, we're going to move to the lowest-cost manufacturing center. That's really the elephant in the room, so to speak, because these multinational corporations are free to take, you know, tax money with no strings attached. There's no bank in the country that would loan them money that way. This just has to change.

And then, with it, you know, we're facing cap on trade, you know, CO2 policies, which we want. Our members want something done on carbon emissions. California in 2006, we passed Assembly Bill 32. There's virtually no more pulp mills in California or paper mills. So they're offshoring jobs. They're offshoring our environmental responsibilities, and it's all a financial incentive for these companies to do it. If we don't get this policy changed, we're just going to continue to see terrible job loss and negative impacts.

Appreciate your time. Thank you very much.

VICE CHAIR STAYIN: Thank you, and thank all of you
for your responses today. It has been very helpful. It's going
to be very important in our study.

I will now turn over to see if my fellow
Commissioners have any questions.

CHAIR KEARNS: Thank you, Vice Chair Stayin. I
have one if you like.

COMMISSIONER SCHMIDTLEIN: Go ahead.

CHAIR KEARNS: Okay. I want to ask Dr. Mitchell
how we know whether or not the negative effects of trade are
concentrated based on what we've heard today. Do you have
anything that you can kind of help us kind of pull this all
together to determine that? I mean, one thing that I pointed
out in the last roundtable is two-thirds of Americans are not
college-educated, and we've been discussing that quite a bit
in these roundtables and how they're impacted on trade, but
anything you want to say to kind of help us think through how
trade impacts are concentrated for underrepresented or
underserved communities.

DR. MITCHELL: Yeah. One of the things that --
thanks a lot, Jason. One of the things that I've really
noticed is, like I said, I mean, you know, when we go to
school and we talk about that stuff in theory, we always talk
about, oh, you know, you have this example. You know, we do
a lot of regional analysis here, and we have the example of,

Heritage Reporting Corporation
(202) 628-4888
move to the other location where the wages are higher, you know, and the reality is people -- it is very difficult for people to move, especially as they get older.

And, you know, this is something my dad experienced as well too. He was not in trade. He was actually in the ministry. But, as he got older, it became harder and harder and harder to find new work. So one of the things like, you know, like what we've been trying to do here at -- what I am trying to do with my students is I try to figure out what it is that they're actually wanting to do. If they're just interested in making money and that's all that they want to do, then, you know, college might not be for them. You know, there's a good percentage of the people who go to college who actually end up making less than somebody that has a high school diploma.

So I encourage people to find out what it is that they're actually wanting to do. If they're just interested in making money, then I tell them go become a plumber. You know, if they're interested in, you know, doing these particular things, then, you know, maybe college is for them. But I think we've seen this huge push where people are in this mindset that college is a one-way ticket and it is the only ticket to, you know, "success in life" or whatever that is it might look for different people.

Now one of the things, like I said, we've noticed
here in Missouri, we've been doing this research, our economy is really kind of in a state of decline, especially relative to the rest of the country. We've seen very little job growth. We've seen -- an interesting thing about Missouri, you know, we're a microcosm of the whole country. We have the same percentage of manufacturing here. We have relatively the same percentage of service industries as you do for the whole country. So it's really kind of a microcosm and, you know, there's just -- not everybody can be a doctor and a lawyer, and that doesn't make you a bad person to not be a doctor and a lawyer. And I think that mindset really kind of needs to change.

And, you know, like some of the other people have been noticing here, especially the ones that work in the plants, they have to spend all this time and money training people just to be able to get to the skill set that it takes to do some semi-skilled or highly skilled manufacturing and they can't even -- they have to -- that's time that, you know, Mr. Mottl is spending training his workers. Well, if the high schools and a trade school was doing that, that would be time saved that he wouldn't have to be doing that and that would be money that he could spend reinvesting and the plant expanding production.

So I think this whole mindset that college is the one-way ticket to success is -- and then, you know, this is
speaking as a college professor -- is something that might actually need to change and this mindset towards -- you know, there's a whole bunch of different ways to get to these different mindsets.

And, you know, and then, like I said, when we have this free trade, this -- you know, Mr. Mottl's skill set here, he can compete with the people in China because he says, okay, I'm not going to make telecom anymore, I'm going to do aerospace now. But, you know, China is not subsidizing all of their aerospace companies, and, yeah, he can't compete with that. This is one of the things that I see continually where it's the U.S. has been saying we want to be the leader in free trade, and, like I said, I'm a big believer in free trade, but it can't be that we are the ones that reduce all of our tariffs and quotas and everyone else keeps theirs and subsidizes their companies. That's not free trade.

CHAIR KEARNS: Yeah. Okay, thank you.

And the last question I have is for Mr. Storino. Mr. Storino, I meant to come back to you at the last roundtable. I had some follow-up questions for you, so I want to just hear from you one more time, anything that you may want to say that you haven't said already, but also, in particular, what I remember talking about with you at the last roundtable was how trade impacts older workers. But, if you'd just like to speak more generally, any final word you'd
like to say before we wrap up?

MR. STORINO: Yes. Can you hear me?

CHAIR KEARNS: Yes.

MR. STORINO: It was very good today to listen to all of us going on and then the worker adult at like 55 years old or 50, they don't want to go to a trade school or apprenticeship programs. They want to find some kind of compatible with the job they had, and that's a problem and the issue is how we fix that. So my theory in this is that if there were laws that when a company decide to go out to a different part of the world or whatever, a responsibility towards the employer to train them with availability in the field that they know all their lives, see, and sometimes they're successful that way.

I was involved with some of those issues when I was the president of a local union, and there was the apprenticeship program and also with manufacturing, that we had jobs, like, in the air condition field. So that's where I had some luck with some of the overtime, that they accepted to go -- you know, some corporations took them in as operators and before you know those people had become journeymen, see. Sometime they're skilled and they tell them that you have to be in an apprentice program because the education, they don't have it, see. But, if you can go and visualize this work and you already have probably seen...
something like that in a mill or whatever occupation they
might have, it will become a lot easier and then they're not
afraid to get involved in those type of work, see.

But today no one wants to accept a 55-year-old or
50 or 60 if they like to work some more in their lives
because they say, well, you don't have enough time, plus to
get their money back if they're training, see. That's the
problem. That's the problem, is money that they don't want
to spend. But, unfortunately those poor people that work and
does the job and then money for the worker was the owner of
the corporation, now they find themselves devastated. Some
of them -- I would say most of the people that I know, as I
spoke the other meeting, that where I live around the area,
all the industries have died with the exception of one. And
in the end, there are two more left, but there is still a lot
of unemployment of the people at age 55, 50, or 60 and then
they're going to find a job. Some of their kids take care of
them and some, whatever they can, you know, find, and that's
bad. It is bad.

So, between the government and the manufacturer
that says I'm going to leave this country, they should be
responsible for their employee because they make money from
them and the workers are paying taxes. So what are benefit
for those poor people today?

CHAIR KEARNS: Yeah. Okay. Thank you very much,
Ms. Storino.

I just want to thank all of the panelists for appearing today. This is very helpful.

And thank you, Vice Chair Stayin, for moderating.

VICE CHAIR STAYIN: Thank you, Chair Kearns.

Commissioner Karpel?

COMMISSIONER KARPEL: Thank you. I will just echo what Chairman Kearns just said and just thank you all for participating. I've been listening this whole time and very much appreciating all your contributions to this really important conversation. I don't have any further questions, but, again, a big thank you.

VICE CHAIR STAYIN: Commissioner Johanson?

COMMISSIONER JOHANSON: Yes. I have a question, and let me find where I wrote it down. It'll take me one minute here. Several of the speakers today -- or the participants today have spoken on the importance of soft skills. I was wondering how big of a problem is that with workers, the need to develop soft skills, and how successful are business programs in teaching these skills? Yes, Mr. Key?

MR. KEY: I think the skill set we're talking about, I don't even know if it's to the businesses right now. We've taken a lot of things out of the high schools that we used to have as far as like teaching people how to balance a
checkbook or how to change a tire and things like that. So, in doing so, we have shifted the skill set of what we call common sense into a realm of things we used to consider common sense are not so much anymore. So, when you get into a work environment, you take for granted that people know these things and they don't, and so it makes it 10 times harder to train someone when you assume they know how something mechanically works because it looks simple to you or something you learned when you were younger. And I think we need to get back to that train of thought in schools and things like that, not just technical and things, just life, you know, how to balance your checkbook, how to live every day.

I think we've gotten away from ideas like that in our school systems and I think it's hurting us, whether it be just in general in life, I mean, whether it be a business manufacturer and higher education. I think it just touches all facets of life when we've shifted our definition of common sense.

COMMISSIONER JOHANSON: Yes, thank you, Mr. Key.

Mr. O'Brien?

MR. O'BRIEN: Yeah. It's a great question, and I would just say that we're no longer calling them soft skills in our programs. We're calling them foundational skills because they are not optional anymore and they're becoming
increasingly -- what's foundational now goes beyond and, you know, includes what Mr. Key suggested, but also every employer who comes to us wants a student who's had exposure to Excel and maybe knows how to work a pivot table. And that's just for whatever job they're doing because numbers and the ability to understand what numbers mean is critical at every stage of the employment ladder.

COMMISSIONER JOHANSON: Thanks, Mr. O'Brien.

I was wondering, do any of the union representatives know of union programs that teach these skills?

MR. KEY: Yeah. We have -- I know we do scholarship programs and things like that. Like the AFL-CIO, you know, we have all kind of scholarship programs. And like I said, we have -- I know through the steelworkers, where you can get your journeyman and master, whether it be through pipefitting, welding, electrical, different things like that. And we partner a lot of times, like, with the Institute for Career Development and with other companies and we incorporate an education program and it's mainly with ICD, like, at U.S. Steel or Goodyear had it when they were there. The people inside the plants come up with a curriculum of things that they would like to learn, you know, whether it be electrical classes or I've even taken beekeeping. I used some of the tuition assistance when I
went and got my degree in electrical. So, I mean, we have various different types of programs like that to help encourage and to help financially get you through these programs.

COMMISSIONER JOHANSON: Thanks, Mr. Key.

Mr. Pallesen?

MR. PALLESEN: Yes, thank you. We're affiliated with -- Las Vegas, Nevada, and have a facility that's over 2 million square feet and they do focus on soft skills and along with everything else, right, and it's very useful. And then we partner with employers to identify, you know, ways to -- skills you need to build the soft and hard skills.

COMMISSIONER JOHANSON: Thank you for your response.

Would anyone else like to comment on this question? Yes, Mr. Mottl? Is that your name -- correctly, I said that's your name? Yes, thank you.

MR. MOTTL: Mottl. It sounds like bottle. Yes, thank you. You know, we've seen the same thing with the soft skills, and one way we've tried to address it at Atlas is mentoring when we hire a new worker that we notice needs a little extra help, things like planning their meals for the week, right? They've never been used to making a healthy meal that they can take to work and eat quickly and get back to work. These kind of things, we talk about that with the
mentoring. So we've tried to partner people. But, yeah, things like basic shop math, you know, this is simple addition and subtraction. We have courses that we do that's part of our on-boarding and part of our mentoring training. And we're just not seeing much of that in the workforce, and I don't know if it's a school issue or what, but we're having to do more and more of that in terms of bringing basic entry-level people on.

But, you know, we don't mind doing it. We're a family business. We're a family. We're happy to help, but it would be nice if people came a little bit more ready and understood the importance of simply showing up on time. That's 50 percent of what you need to keep your job, if not maybe 80 percent in some cases.

COMMISSIONER JOHANSON: I would think that for workers who have been in the military, that is not going to be a problem. I assume that veterans are good employees for that reason.

MR. MOTTL: We love our veterans, yes, yes.

COMMISSIONER JOHANSON: For example, for simply showing up on time, correct?

MR. MOTTL: Showing up on time, following instructions, listening, working with others. Our veterans have been a great, great source of employment opportunity, but it's not been enough to fill our needs. But, yes, it's
COMMISSIONER JOHANSON: I want to bring -- one reason I bring that up is because we do hear frequently how difficult it is for veterans to integrate into different work -- to find new employment once they leave the military, but I would think they would be highly sought after for these reasons.

MR. MOTTLE: It's been frustrating to me. I've tried to work with some of these programs, and what's been a little bit frustrating -- I know, you know, there's some great, great things out there, transition programs, but, you know, they can't provide me a list of what skills they have and who has them, right? I understand there's confidentiality, but I'd love to know who's got some welding training, who's got some machining training, who's got these and those skills. And even if they make it anonymous so I don't know a name, but I would love to be able to say those are the skills I'm interested in. But there's never been that kind of transparency with the military programs that I've worked with.

COMMISSIONER JOHANSON: We had a veteran representative speak at one of these roundtables and he did bring up some of the problems that they have finding work once they get out of the military. So it would be great if there's more interaction perhaps with businesses and with
veterans groups for this reason.

MR. MOTTLE: I agree.

COMMISSIONER JOHANSON: I'm going to add as well, when we used to have live hearings at the International Trade Commission, I remember speaking to one factory owner and he actually put his plant close to a military base and he said one reason he did that is he would assume the people who would come out of the military wouldn't have drug problems, so I just found that interesting. I guess that's my last comment here. My thanks to all of you for appearing here today.

VICE CHAIR STAYIN: Commissioner Schmidtlein?

COMMISSIONER SCHMIDTLEIN: Oh, thank you. You know, I don't have any questions for you all. I just wanted to thank you all for being here today. It's been a really very interesting, robust discussion, so very much appreciate it.

MR. SECRETARY: Mr. Vice Chair, Beatriz Ricartti would like to comment if you don't mind.

VICE CHAIR STAYIN: Yes, please.

MS. RICARTTI: Yes, just one little comment. In junior high, I used to go -- some of you work, but the very first thing on the first weeks, we used to have vocational training and wherever we had the highest score is where we would remain for the rest of the years in junior high, and
that was very, very helpful. I don't know why they stopped it, but it's something to think about because vocational training is very important, like you said and mentioned it before. College is not for everyone as far as being a doctor or an engineer, but we could easily be a construction worker, plumber, electrician, and that is something that is needed. Thank you.

VICE CHAIR STAYIN: Commissioner Schmidtlein, anything else?

COMMISSIONER SCHMIDTLEIN: Thank you. I don't have any further questions.

VICE CHAIR STAYIN: Okay. All right. Thank you all again for being here and for your excellent participation, and we've learned a lot, and what we've learned today will be helpful to us in our study. So thank you all very much and wish you all the best.

(Whereupon, at 3:40 p.m., the roundtable in the above-entitled matter adjourned.)
CERTIFICATION OF TRANSCRIPTION

TITLE: Distributional Effects: Local Impacts on Underserved Communities

INVESTIGATION NO.: --

HEARING DATE: April 1, 2022

LOCATION: Washington, D.C.

NATURE OF HEARING: Roundtable Discussion

I hereby certify that the foregoing/attached transcript is a true, correct and complete record of the above-referenced proceeding(s) of the U.S. International Trade Commission.

DATE: April 1, 2022

SIGNED:

Signature of the Contractor or the Authorized Contractor's Representative
1220 L Street, N.W. - Suite 206
Washington, D.C. 20005

I hereby certify that I am not the Court Reporter and that I have proofread the above-referenced transcript of the proceeding(s) of the U.S. International Trade Commission, against the aforementioned Court Reporter's notes and recordings, for accuracy in transcription in the spelling, hyphenation, punctuation and speaker-identification, and did not make any changes of a substantive nature. The foregoing/attached transcript is a true, correct and complete transcription of the proceeding(s).

SIGNED:

Signature of Proofreader

I hereby certify that I reported the above-referenced proceeding(s) of the U.S. International Trade Commission and caused to be prepared from my tapes and notes of the proceedings a true, correct and complete verbatim recording of the proceeding(s).

SIGNED:

Signature of Court Reporter