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External:

IN-PERSON PARTICIPANTS:

DORETHERA BROWN-MAXEY, National Association of
Broadcast Employees and Technicians
DR. NOEL NEVSHEHIR, Automation Alley
PIERCE O'CONNELL, Michigan Department of Labor and
Economic Opportunity, TAA/RR

VIRTUAL PARTICIPANTS:

MIKYIA S. AARON, Laborers' Local 1191
MARK DEPAOLI, United Auto Workers Local 600
BRETT GIERAK, Bricklayers and Allied Craftworkers
Union Local 2
TOM GODDEERIS, Detroit Future City's Center for
Equity, Engagement, and Research
ANDREA HUNTER, United Steelworkers (Local 1299)
JOHN JEFFERS, Alliance for American Manufacturing
CHAD JOHNSON, The Akana Group
DR. SHARON MILBERGER, Wayne State University's
Michigan Developmental Disabilities Institute
(MI-DDI)
RIC PREUSS, International Brotherhood of
Electrical Workers
MIKE RAFFERTY, New Detroit
ANTHONY ROBBINS, International Association of
Machinists and Aerospace Workers/Nicholson
Terminal and Dock
DR. IAN ROBINSON, Huron Valley Area Labor
Federation
MELISSA SHELDON, SPARK - Ann Arbor
VICTOR STORINO, Republic Technology
International/USW

P R O C E E D I N G S

(1:10 p.m.)

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3 CHAIR KEARNS: Good afternoon, everyone. I am
4 Jason Kearns, a Commissioner and the current Chair of the
5 U.S. International Trade Commission. On behalf of my
6 colleagues at the Commission, welcome to our sixth roundtable
7 to study the distributional effects of trade and trade policy
8 on U.S. workers.

9 I will be the moderator for today's event. One of
10 my fellow Commissioners, David Johanson, is here with me
11 today. The Agency's other Commissioners, Randy Stayin,
12 Rhonda Schmidtlein, and Amy Karpel, are also actively
13 listening and may ask some questions towards the end of our
14 discussion.

15 Commission staff members Jeff Horowitz and Simon
16 Adhanom organized this roundtable, and I want to thank them
17 for their efforts.

18 Before we get started, I'd like to tell you a
19 little about the Commission and the purpose of this
20 roundtable. The Commission is an independent agency. It is
21 not part of the President's Administration, and it's not part
22 of Congress. We are also nonpartisan in the sense that no
23 more than three of the six Commissioners can come from the
24 same political party, and we're well-insulated from the
25 political crosswinds given, for example, that each of us

1 serves a term of nine years and cannot seek reappointment.

2 Among our functions, the Commission provides the
3 President, the U.S. Trade Representative, and Congress with
4 independent analysis and information on matters relating to
5 international trade, and that's why we're here today.

6 The U.S. Trade Representative asked us to gather
7 input on how international trade affects U.S. workers
8 differently by skill, wage, and salary level, gender, race
9 and ethnicity, age, and income level, especially as it
10 affects underrepresented and underserved communities.

11 There will be seven roundtables in all, each
12 focusing on a different topic. The Commission will then
13 submit a written report to USTR summarizing the information
14 we gather. This report will be delivered in October and will
15 be publicly available.

16 While the Commission is based in Washington, D.C.,
17 we are holding today's roundtable in the Detroit area to hear
18 how this community is affected by trade. We chose Detroit
19 given the region's historical connection to U.S.
20 manufacturing and the racial and ethnic diversity that exists
21 here.

22 I personally got to know the region and many great
23 people from this area through my work for many years as a
24 member of the staff for a U.S. Congressman for the Detroit
25 area, and it is a pleasure to be here today.

1 My role today as moderator is to ask questions and
2 manage the flow of discussions so that everyone has a chance
3 to speak. Your role as a participant is to share
4 experiences, opinions, and information and to respond to one
5 another. Let's try to get a good back and forth going.

6 I'm very happy with the diversity and breadth of
7 experience you all can contribute to this roundtable. The
8 group assembled in person and online includes union leaders,
9 economic and workforce development experts, business leaders,
10 and, importantly, workers. Please don't be shy about sharing
11 your perspective. There are no right or wrong answers. We
12 want your candid thoughts.

13 So, before we get started, I have a few
14 housekeeping items. Our discussion today is scheduled to
15 last for about two hours, but we might go a bit longer if
16 things get going well. In our experience so far, sometimes
17 these things get off to a slow start, but then things start
18 to kind of snowball, and so hopefully that'll happen again
19 today, and we may go beyond the two-hour mark if you all are
20 able to do so, and we'll try to take a break sometime around
21 2:15.

22 Please remember that this roundtable is open to the
23 public and the press, and the discussion today is being
24 transcribed for the record, and a link to the transcript will
25 be included in the final report to USTR, so don't share any

1 information that you view as confidential.

2 If we do have media joining us today, please reach
3 out to our External Affairs Department if you have any
4 questions. The contact information for External Affairs is
5 on the ITC's website.

6 If participants in the room would like to make a
7 comment, please place your name card on its end like this,
8 and I'll call on you. Virtual participants can use the Webex
9 Raise Hand feature, and I will call on you, and if that
10 doesn't work for some reason, you can just raise your real
11 hand and I'll look out for that as well.

12 If you are participating by phone, you may jump in
13 when you sense there's a pause in the conversation. Please
14 remember that only registered participants will be invited to
15 speak during today's discussion. If you are not a registered
16 participant and you'd like to provide input at a future
17 roundtable or would like to submit written comments, please
18 send an email to D-E, as in Distributional Effects,
19 de@usitc.gov.

20 Whenever you make a comment, please state your name
21 so it's clear to everyone who is speaking, and if there's an
22 organization with which you're affiliated that you'd like to
23 identify, please also state the name of that organization or
24 firm when you comment.

25 Once again, I'd like to thank you all for being

1 here today. I'm looking forward to an enlightening
2 conversation, and so let's get started.

3 MR. SECRETARY: Mr. Chair, if I may, I see that we
4 have a few folks by telephone, and I want to make sure that
5 if you are participants, that I can change your name so that
6 we're able to speak with you. So if I could have my three
7 phone callers unmute yourselves and identify yourselves if
8 you are a participant.

9 (No response.)

10 MR. SECRETARY: Okay. I will take that as you are
11 just listening in today. Thank you so much.

12 Thank you, Mr. Chair.

13 CHAIR KEARNS: All right. Thank you, Bill.

14 All right. So we'll get started with the
15 questions. In essence, we're going to break down the
16 discussion into three sections. The first section we'll
17 spend roughly 30 minutes on, maybe a little bit longer, and I
18 just want to kind of get to know the context in which we're
19 having this discussion. I'd like to know more about Detroit
20 and the Detroit area, how your group fits within that area.
21 If you feel like it's a group that's been discriminated
22 against, tell us more about that and just the history of
23 Detroit and so forth. We just want to kind of introduce --
24 have you all introduce the area and its people to us.

25 Then we'll spend the longest amount of time, maybe

1 about an hour, talking about how trade has affected the
2 region and the communities in the region, or if you're from a
3 group outside the region, tell us about that as well. I
4 think there's a Native American representative here that's
5 not from the region, but we want to hear from her as well.

6 And, finally, we'll talk for about 30 minutes about
7 what policy tools may be needed or resources may be needed to
8 improve whatever issues you think we need to address with
9 respect to trade policy.

10 So, again, let's start with the first section,
11 context. I'd like to hear from you about how different
12 groups, the groups that you most identify with, are
13 historically situated in the Detroit region's labor market.

14 So, for example, with respect to the communities
15 that you are a part of or are the most familiar with, what
16 structural factors have affected the ability to find and hold
17 a job and earn a living wage in the Detroit region, what
18 changes have there been over the past 25 or 30 years.

19 So, for example, what does discrimination look like
20 in the Detroit area, including the legacy of discrimination
21 from decades past. Tell us about what a lack of community
22 support for women there may be in terms of childcare and how
23 that affects the job market, or simply the lack of jobs in
24 the region and how that looks from your perspective.

25 So I will start with that. Does anyone want to

1 jump in with an answer? Thank you. Ms. Brown-Maxey. Am I
2 pronouncing your name right?

3 MS. BROWN-MAXEY: Yes, Dorethea Brown-Maxey. My
4 name is Dorethea Brown-Maxey, and I am the President of
5 NABET-CWA, that's the National Association of Broadcast
6 Employees and Technicians. I represent those from Fox 2 and
7 also WDIV Local 4, which is an NBC affiliate. I am also the
8 Vice President of the CLC here, the Metro Detroit AFL-CIO.

9 And I work here and I've been in this community,
10 born and raised, and trade has affected my community a lot.
11 As you know, Michigan is known as the Motor City, and there
12 have been over 120,000 jobs lost due to trade.

13 Fortunate for me, I am in a union and I have a good
14 contract, so my job is somewhat secure in terms that I can
15 negotiate, but a lot of my colleagues and folks that I live
16 around in my community does not have that affordabilty to do
17 that, and they have lost jobs and they are suffering, and
18 trade is just part of it, and companies are using trade as a
19 windowsill, if you will, to threaten and to take jobs
20 overseas.

21 CHAIR KEARNS: Thank you very much, Dorethea.

22 Anyone else like to jump in? Mr. O'Connell?

23 MR. O'CONNELL: Pierce O'Connell with the Michigan
24 Department of Labor and Economic Opportunities, specifically
25 with the Trade Adjustment Assistance and Rapid Response Team.

1 In Michigan, specifically within in Detroit within
2 the past five years, we've identified at least 1400 jobs that
3 were impacted within the region that were certified through
4 the Trade Adjustment Assistance Program. In a single city in
5 Michigan, 1400 jobs were lost over a period of time within
6 the seal industry.

7 Over 12,000 jobs and 126 organizations have been
8 impacted by trade through the Trade Adjustment Assistance
9 Program. These are individuals who work within the United
10 States as a result of our global economy and a capitalistic
11 society.

12 When we're specifically taking a look at the Trade
13 Adjustment Assistance Program, this helps individuals to not
14 only get re-employed at a quicker and comparable competitive
15 wage, it offers them their own choice within this program.
16 One of the biggest barriers that is placed within the program
17 is the knowledge of the program not only for employees that
18 are impacted but also employers as well.

19 CHAIR KEARNS: Thank you very much, Pierce.

20 Next up, we have Ms. Hunter, I think virtually
21 appearing.

22 MS. HUNTER: Greetings, everyone. My name is
23 Andrea Hunter, and I'm the President of United Steelworkers
24 Local 1299 here, of course, representing the employees from
25 Great Lakes Works Division, which is a part of United States

1 Steel Corporation.

2 Trade has totally devastated our community, of
3 course, the trade agreements have seriously impacted. I have
4 a lot of my members who qualify for TAA training assistance
5 and the TRA because I lost 1200 workers here just due to
6 layoffs and due to different trades, the manipulations that
7 are allowed with China and other countries, you know, going
8 around the red tape, that's seriously impacted our community,
9 my retirees, my active employees, it has really devastated
10 the steel industry.

11 And as we sit up there, we get tariffs on steel,
12 but then, after those tariffs on steel, we come to essential
13 workers, they're all different things, but then the loopholes
14 allow also the steel to come into play. What really bothers
15 us more as steelworkers here is that there are certain
16 regulations that we have to do to sell steel to our
17 competitors that foreign countries do not have to, and that's
18 a big problem because it affects our communities.

19 Now, when I lost those of my employees here in --
20 our infamous -- down here at U.S. Steel, what's really bad
21 about it, it affects the communities. Now those gas stations
22 are shut down because the workers are not coming to work as
23 much. The restaurants are shut down. All the business in
24 the communities are shut down. So it has an effect on not
25 just the union represented members but the non-union

1 represented and the small business owners, and it impacts the
2 whole state.

3 But these trade deals, as long as they're allowed
4 to be manipulated, they're not as good as the words they're
5 written on because, if the point is to, you know, minimize --
6 about our products here, but it still happens through other
7 loopholes, this is devastating our workforce, devastating --
8 it just devastates what I believe is the future of America
9 because, without working -- and I don't like to say middle
10 class because -- working class, I like to say working class,
11 the people that came out here that worked in our steel mills,
12 the infamous steel mill, because we brought you number one,
13 we get awards for our safety record, we get awards for
14 quality, and how are we repaid?

15 The vendors that come out there, the different
16 corporations, the unions that come out and service our plant
17 lost their jobs. So it's a domino effect that affects the
18 incomes, which affect the tax base of America, and it needs
19 to be addressed. Thank you.

20 CHAIR KEARNS: Great, thank you, Andrea.

21 Mr. Robbins?

22 MR. ROBBINS: Good evening, everyone. My name is
23 Anthony Robbins. I'm the Assistant Directing Business
24 Representative for the Machinists Union District 60 located
25 out of the Metro Detroit area.

1 I wanted to add kind of a little impact. As Andrea
2 was speaking for U.S. Steel, we represent Nicholson Terminal
3 & Dock that is directly next door from the U.S. Steel there
4 in Ecorse, along with another facility in Detroit. One of
5 our biggest jobs there is to offload imported steel.

6 With that being said, over the course of the last
7 three years, our members there had went three years without
8 wage increases. The company Nicholson was at the brink of
9 bankruptcy. And, again, as Ms. Hunter said, you know, it not
10 only affected our workers there as 95 percent of them were
11 laid off over the last course of the last three years, but
12 the enormous effect that it had on the community and the
13 area, especially in Ecorse. The community there is mostly
14 shipping and importing.

15 With that being said, it wasn't just the labor
16 unions or the companies there that were impacted but the
17 community in general.

18 CHAIR KEARNS: Okay. Thank you, Anthony.

19 Next up, Mr. DePaoli.

20 MR. DEPAOLI: Good afternoon. My name is Mark
21 DePaoli. I'm with UAW Local 600, and I believe the question
22 is how this relates -- how the trade relates to
23 underprivileged people.

24 So we represent a diverse group, including the Ford
25 Rouge Complex, which is a gigantic complex, right, with five

1 manufacturing plants in auto. Also a steel mill. So we're
2 very diverse, so if we lose work, it affects all groups,
3 right.

4 But the domino effect that ends up taking place
5 goes into our independent parts suppliers where most of those
6 are located in Detroit, the majority of the workers are
7 minorities, and they end up being the ones hit the hardest
8 because like, say, at Ford, you know, we have some
9 protections put in place through some good bargaining
10 agreements that we've gotten over the years, and in that
11 parts supplier sector, we don't have that. So those people
12 end up being affected even worse than all the rest, so, to
13 me, that's how it hits the underprivileged people more when
14 we suffer from poor trade laws.

15 CHAIR KEARNS: And can you say more about how
16 underserved groups are hurt worse by the impacts of trade?

17 MR. DEPAOLI: Yes. So, again, you know, when we
18 look at our large group at the Rouge Complex that we
19 represent, we have some protections in place through
20 bargaining agreements and that. There's other facilities
21 because Ford being such a large company, there's other
22 facilities, not that anybody wants to have to relocate
23 because that's bad too, but there's other facilities that
24 they can go to. There's just a lot more protections there.

25 But, as that domino effect takes place, right, when

1 we lose work at one of our Ford plants, it then affects our
2 independent parts suppliers that are more smaller companies,
3 and they typically -- they just shed workers or go out of
4 business, and those people then suffer the worst, and that's
5 where the majority of our minority workers or underprivileged
6 workers are at.

7 CHAIR KEARNS: Thank you very much.

8 Mr. Storino, I think we might have you by
9 telephone.

10 MR. SECRETARY: You're on mute, Victor.

11 MR. STORINO: I'm sorry. As I said, my name is
12 Victor Storino, and I am from Chicago, what they call
13 southeast side Chicago, and we have several steel mills. We
14 have Wisconsin Steel, U.S. Steel, Rolling Mill, Indalake, and
15 Republic Steel. I was a worker at Republic Steel. I came
16 from Italy. I got a job as a laborer, and I move up through
17 the line of -- you know, the big line that you bid for
18 different jobs. At the end, I was a mechanic.

19 And I see how the poorer people like you guys have
20 been talking about throughout, you know, Detroit and all the
21 area, how they're affected worse than any other person in
22 here, I say especially because of the education factor.

23 I was lucky that I graduated from high school and
24 nighttime school, and I attend junior college, and I get
25 involved in the union quickly, and I see what's going on, how

1 people are discriminated by race, religion, where you come
2 from and all that, and when the jobs were going down, at
3 first, they were together, but then there was a buyer or
4 because you were not needed.

5 Then, when you talk about imports, imports are the
6 key that ruined our steel industry. They claim that they
7 would not modernize. Republic Steel modernized their
8 perennial tester and their Cuba furnace, but steel went down,
9 see. And the thing is that the law that applies to the
10 industry in the United States, they're not fair. What the
11 industry over here that sets the pollution and all that, see,
12 it doesn't apply to the foreign countries.

13 And it's also the way the imports of steel, there
14 were claims because we cannot do the steel over here because
15 of lead. And so they were importing the steel from Germany,
16 China, and a lot of the people that were working that type of
17 steel, when we were melting steel like that, they were laid
18 off. And the processing of the lead steel is a lot
19 complicated than the regular steel, see.

20 And the laws have to change, have to change if
21 you're going to save plain steel but also how the steel is
22 made. If it's made in the United States and you have to
23 observe all the regulations, then make China have to do the
24 same thing, and the work should be treated the same.

25 The way I feel personally, I'm not talking about

1 anybody else, but personally the corporations got tired of
2 dealing with the union, and they went overseas to do away
3 with the union, and you see what happened.

4 So they claim that it was too expensive over here
5 to make Republic steel, but, in reality, how can they be
6 profitable unless they get a deal with the government to deal
7 with it. They don't deal with people. They deal strictly
8 with the government, and the government will give some kind
9 of deal to them. They can do that, see. And then they ship
10 all the production over here, and what happened to our steel?
11 It costs more money.

12 So the law must change, and the workers should have
13 a personality where this negotiation is going on in a
14 foreign -- you know, I'm sorry, but my English, I'm getting
15 too excited because, I tell you what, where I worked shut
16 down, went bankrupt, I lost my pension, and I got a little
17 pension from PBGC, and so that pension is very little. And
18 I'm lucky I still have Social Security, and I make it, but
19 the future of the people that lost their job that were
20 younger, and they were not able to get an education, they're
21 very, very bad.

22 And what the government should take into
23 consideration is you have immigration, and when the people
24 come over here to get a job, the employer, before they teach
25 them the job, there were jobs like a manual job. It's not

1 like today. Today, it's technology and you must have
2 education, and most of the people 45, 50 years old, they do
3 not have an education. They didn't go to school -- barely
4 went to school like I did.

5 And the place where I worked, believe it or not,
6 there were two people that hanged themselves, and I was the
7 union representative at the time, and that was the worst part
8 of my life when you see a friend of yours and you find out
9 that due to the shutdown of the mill he hung himself or
10 herself.

11 A lot of people, they went berserk. You know, they
12 go how are we going to live, because that's all they had.
13 You had the five steel industries around the area, and all
14 related jobs that were servicing the mills, they were shut
15 down, machine shops, motor repair shops, machinists, all the
16 shops that were a supplier, they were shut down.

17 And, actually, now some jobs are coming in, but
18 before it was like a lost town, it was south Chicago. If you
19 went to south Chicago, Commercial Avenue, it was beautiful to
20 see all the stores thriving. It was like downtown Chicago.
21 But you go there now, it's like a ghost town. A lot of the
22 houses are dilapidated, and that's all you see. All the
23 steel mills are being razed to the ground. There's nothing
24 there.

25 So, unless they change the law, imports law, or

1 they enforce Section 32, because if they comply with the
2 regulations that we had, it will change, but they don't. And
3 then you take them to court. By the time they go to court,
4 the process, another steel mill is shut down. Not actually
5 shut down, another machine is shut down.

6 What happens to those people? They're on the
7 unemployment line if you're young, you know. If you're an
8 old man like me, you take whatever money you can get from
9 Social Security. If PBGC, you know, you qualify for a little
10 bit. Some they don't qualify for PBGC because they didn't
11 have enough time in the mill. Some less than six months or a
12 month, a week, and they were not qualified to get PBGC. And
13 how do you live like that?

14 Some, you know, they're 35 years old, nine years in
15 the mill, they were not able to get anything. And there was
16 tremendous strain on my life when they were coming in and
17 asking me, you know, upset, what are we going to do now?
18 They say, are they going to shut us down? I say yeah.

19 I say, what are you going to do? What can I do?
20 We can't strike, can't do nothing like that. So you try to
21 appeal to management to do something, but they always said we
22 cannot compete anymore and we're shutting down. They said
23 you get whatever you've got coming, two, three weeks
24 severance pay or it once was five weeks, and you're on your
25 on.

1 So the law must change. You know, for the workers,
2 it don't matter if you're an immigrant or you were born in
3 this country, and they know what kind of people they are who
4 have been displaced, you know. It's not like it's unknown,
5 especially the corporations.

6 If the government asks the corporations what kind
7 of employees do you have, what kind of education do they
8 have, what kind of training do they have because they know
9 what the manufacturing, they can give it to them, by doing
10 something, they have to do something for the employee before
11 they get displaced so they can go to another job. If they
12 don't have some program like that implemented, if they don't
13 implement those programs, you're going to see a lot more
14 worse place than what I went through and experienced.

15 So I'm sorry if you cannot understand me, but it's
16 the best I could do, and everybody have a nice day, and thank
17 you.

18 CHAIR KEARNS: Thank you, Mr. Storino. We
19 understand you very well. I have a lot of follow-up
20 questions for you, but I want to turn to some other folks
21 first before coming back to you if I can.

22 MR. STORINO: I will after your questions. I do
23 better answering your questions than just speaking.

24 CHAIR KEARNS: Okay. Thank you.

25 Mr. Jeffers?

1 MR. JEFFERS: Yes. My name is John Jeffers. I'm
2 with the Alliance for American Manufacturing, but, before
3 this, I was a three-term president with USW Local 8183 in
4 Beaver County, Pennsylvania. I worked at a place called
5 Horsehead Corporation, who decided to shut down because of
6 trade. Again, we was already hit hard by the layoffs of the
7 steel mills in the area, by the pipe mills in the area, then
8 our company shuts down, 800 people lost their jobs.

9 The communities around there, also the mom-and-pop
10 stores, the, you know, grocery stores and all that, were
11 shutting down. A lot of people don't take in to the aspects
12 of the general life of a person.

13 In my Local, I've had a couple people that had to
14 seek mental health treatment because of the shutdown because
15 they lost their jobs. A couple people committed suicide.
16 We've had a lot of divorces because of this.

17 This is the stuff that trade impacts, what trade
18 has impacted on local people, and I think it's something --
19 you have a lot of these ghost towns, what I call ghost towns,
20 because the mills got up and left, and all it is basically is
21 your under-deserving community, it's your-low income people
22 that were good -- that were making a lot of good money, but
23 all of a sudden they lost their job.

24 And I myself was lucky that we got TAA. I went to
25 college, got a degree, and ended up where I'm at. But there

1 was a lot of them that are over 50. Who wants to hire a
2 person over 50, you know? They got all kind of -- maybe they
3 might be on medications, maybe they use a lot of their
4 hospitalization. Companies are not looking for that, you
5 know.

6 So, again, we need to look at the human impact of
7 trade, not just the impact of, well, you know, we're going to
8 make more money here, so we're going to move there. Let's
9 look at the human impact, the suicides and everything else.

10 You know, there's a place called Aliquippa,
11 Pennsylvania, the steel mill left in the '80s. It's
12 basically a ghost town, high crime because people cannot get
13 jobs, and that's one of the things that we got to look at.
14 Thank you for letting me speak.

15 CHAIR KEARNS: Thank you, Mr. Jeffers. Appreciate
16 it. Just a follow-up on that, you know, some people think,
17 well, you know, trade is going to result in some job losses,
18 but it results in some job gains. I mean, in the communities
19 that you all work in, what's your experience with that? I
20 mean, can people just leave and move to another area where a
21 job is going to be created to trade, or what's your
22 experience, both you, Mr. Jeffers, and anyone else who would
23 like to address that, and I've got a long list of folks who
24 want to speak, but that's one thing I'd like to hear about.

25 MR. JEFFERS: Yes, I moved from my job, okay? My

1 family still lives in Pennsylvania. I moved down south for
2 my job, okay. I'm lucky I wasn't married, but my kids still
3 live up in Pennsylvania, but when you have a family, it's
4 hard to move for a job. Even though the money might be good,
5 your main base is in Pennsylvania or Detroit or wherever it
6 may be, okay, and your whole family is there, it's tough
7 moving to a new place. Maybe when you're younger, maybe in
8 your 20s, that's good, but when you're in your 50s and 60s
9 and later on in life, it's tough, it's a tough job.

10 Like I said, not only moving for jobs, who wants to
11 hire a 50-plus-year-old for a job? So you're not going to
12 really move too much.

13 CHAIR KEARNS: Thank you. And Mr. Storino touched
14 on age issues as well, and I hope we can talk a little bit
15 more about that later as well, but I want to make sure
16 everyone has a chance to speak here.

17 Mr. O'Connell?

18 MR. O'CONNELL: I think that the trade impact on
19 communities, whether underserved or not underserved, has
20 twofold nuance here. When we look at trade impact for
21 companies that are leaving the United States, that are
22 withdrawing from communities, this creates vulnerable impacts
23 on these communities. These jobs are going out of the
24 community. That's displacing workers, that's affecting
25 education within the region because it affects the funding

1 that that county is receiving, that impacts the
2 infrastructure that that region is receiving, and
3 infrastructure is absolutely vital even when it comes to
4 trade to giving access to new routes within the United
5 States.

6 On the flip side of that, investments within
7 Michigan, specifically Michigan, but the nation as a whole,
8 absolutely help communities. We've had investments of 44.1
9 million in Auburn Hills, 14 million in Dundee, as well as 57
10 million in Ann Arbor. This is creating jobs for individuals
11 in the manufacturing sector that are going to make growth,
12 help the communities grow. More funds for the county as a
13 whole, for the city as a whole, and create more downline
14 mom-and-pop shops, diners. These individuals are going to
15 have a disposable income that they can go out and reinvest
16 into their community, not only into their community but in
17 their children as well.

18 CHAIR KEARNS: And, Mr. O'Connell, the investments
19 you're talking about, does trade contribute to those
20 investments?

21 MR. O'CONNELL: Yes, these are direct foreign
22 investments from TUVSUD for 44.1 million in Auburn Hills for
23 the state-of-the-art EV battery testing facility,
24 Taiwan-based EOI investing 14 million in Dundee with the
25 creation of 195 new jobs, and for the Ann Arbor facility

1 that's creating 160 high wage jobs as well.

2 CHAIR KEARNS: Okay, great, thank you. And do you
3 know anything about exports from -- you're talking about
4 investments from foreign companies, and that's an important
5 part of this. Do you know anything about exports with that
6 side of things?

7 MR. O'CONNELL: Unfortunately, I don't have the
8 specifics on exports, but Michigan is the automotive central
9 of the United States, guaranteed that we have a lot of
10 exports going to different regions around the U.S., which all
11 -- not only the U.S. but the world as a whole, which is
12 creating jobs everywhere.

13 CHAIR KEARNS: And I should remember this from my
14 former career I had, but I believe the U.S. auto industry is
15 a major exporter, and I guess that's Michigan we're talking
16 about.

17 MR. O'CONNELL: Yes.

18 CHAIR KEARNS: Okay, thank you.

19 Next up is Ms. Brown Maxey, please.

20 MS. BROWN-MAXEY: Yes, I'm going to piggyback on
21 what he's saying. These communities that he is speaking
22 about are communities that are beginning to thrive and are
23 taking advantage and have skilled trades and have people who
24 are educated and have technology and have the education.

25 We're talking about underserved communities, and

1 from conception to high school, these underserved communities
2 get a raw deal from the very beginning, start 50 miles behind
3 from the very beginning, from prenatal care to
4 hospitalization, to the medicines that they need, to the
5 programs that they need to nurture their infants, their
6 children.

7 Preschool, and you mentioned babysitting and things
8 like this. For underserved communities, this is a reality
9 that these communities start behind from the very beginning.
10 And these small communities that happen to be working, a lot
11 of them are working by independent workers. They have their
12 self-made people, the mom-and-pop shops, and these
13 mom-and-pop shops are being affected by the bigger companies
14 and corporations. And as they fall because of trade, so does
15 the small mom-and-pops.

16 So the underserved communities have a bigger
17 problem that happens even before we start talking about
18 trade. So understand trade is just another layer to it. But
19 the underserved communities, what you need to do is you need
20 to deal with the underserved communities and giving them an
21 equal playing field, because Ann Arbor and Dundee is not the
22 neighborhood I grew up in, and we start from the very
23 beginning behind the ball.

24 So there are a lot of good programs that's out here
25 and that are coming, but the reality is it's not coming fast

1 enough because the education in Detroit is not the same type
2 of education that you get in West Bloomfield. And the truth
3 of the matter is, if you want to even the playing field, if
4 you're in the fifth grade in Detroit, you should be getting
5 the same education as fifth grade in West Bloomfield, as well
6 as learning technology and getting skills as well.

7 Then we can talk about trade, because that's just
8 adding another layer on top of the layers that the people of
9 underserved communities are already dealing with.

10 CHAIR KEARNS: Thank you very much.

11 Next up is Mr. Johnson.

12 MR. JOHNSON: Hello. I'm hoping it was this
13 Johnson, that there's not another. There may be another
14 Johnson on there.

15 CHAIR KEARNS: It is, yes.

16 MR. JOHNSON: Okay, perfect. Good. So my name's
17 Chad Johnson, and I am the President of a company called The
18 Akana Group, and I want to -- I'm going to change up kind of
19 the narrative here a little bit that everybody's talking
20 about because you're talking about steel and UAW and
21 manufacturing.

22 We are the largest indigenous-owned equipment
23 provider in North America. We also run a series of
24 distribution centers for ag, indigenous ag products that are
25 a result of those machines that are used for ag production.

1 Specifically, the trade -- and I'm going to talk on
2 two different countries, Canada and Australia, USMCA Article
3 3, specifically as it relates to Canada, the Jane Treaty as
4 it relates to Canada, and how the first nations are allowed
5 to move traditional foods back into the United States at a
6 different manner than we can north. So things like
7 antidumping/countervailing duties on softwood lumber, not
8 applicable to first nations moving products back and forth,
9 right?

10 So there's ways -- I think it was mentioned earlier
11 some things that are, I don't want to say loopholes, but
12 where I am looking at specifically is the indigenous food
13 trade, indigenous product trades that are moving back and
14 forth, that a job loss that was mentioned about inside of a
15 community -- well, if you've been out to a reservation, a job
16 loss requires you to leave another country, right?

17 Things that you talked about, education,
18 healthcare, if a job leaves that reservation, where do they
19 go? They actually have to leave that entire community and go
20 somewhere else. I was speaking -- I was actually at Gulfood
21 in Dubai a month ago, and I was talking to a mill that is in
22 southeast Michigan -- how about just north of Toledo I'll say
23 on the Michigan side, and we were looking to mill some
24 products there specifically, and we were competing with
25 products coming in from Canada, and they were

1 indigenously-to-indigenous. One of the problems is those
2 products, even though they were trading since the beginning
3 of time, rice, for example, wild rice there in Michigan,
4 they're not included there.

5 They're also not included in the U.S.-Australia
6 Free Trade Agreement either, right? A lot of those HTS codes
7 that we want to move back and forth, even though they existed
8 before the U.S. existed, don't exist. So I just wanted to
9 throw that out there just because everybody was talking about
10 whatever, and I just want to have a different discussion.

11 We have 12 tribes in that state specifically,
12 right, and they do a variety of different things. Some
13 assemble, some manufacture. A lot has to do with
14 agriculture. And so, if you look at some of the trade
15 agreements where, if they are going to continue that
16 traditional ways of food, food sovereignty, things like that,
17 of feeding their people, and also trading across borders,
18 there's some dynamics that are a little bit different even in
19 first nations, in Canada, or the aboriginals in Australia or
20 in New Zealand that we don't see here in the U.S.

21 So I just wanted to bring that out as just a little
22 different element than what everybody else was talking about,
23 the UAW and the steelworkers and the unions in that regard.
24 And I think you mentioned Latashia that was going to be on
25 here. I think she was supposed to be on here too from the

1 Intertribal Ag Council, but we do work with them quite
2 exclusively as -- anyway, I will default from that and yield
3 my time. How's that?

4 CHAIR KEARNS: Okay, thank you, Mr. Johnson. Very
5 interesting. I've been doing trade for a really long time,
6 and I have a lot to learn about those sorts of issues with
7 Native Americans. I wasn't aware of those sorts of
8 relationships with other countries.

9 Next up, we have Ms. Hunter.

10 MS. HUNTER: Thank you. I just want to piggyback
11 on what you asked the young gentleman about relocation.
12 What's going on here with us, we only have one U.S. steel
13 plant here, which is my plant, but there's other U.S. steel
14 places, Pennsylvania, Indiana, and different areas.

15 The problem a lot of times with relocation is their
16 spouse's job is here. So, if I'm a steelworker or a UAW
17 worker somewhere else, but I'm a teacher and I have only six
18 more years to go to retire, or I'm a nurse and I have only
19 five more years to retire, that spouse, male or female, it's
20 hard for that family to pick up and leave, okay?

21 We here in Michigan have what they call cities of
22 school choice. So, if you live in that city for so many
23 years, those kids go to school free. They go to college or
24 secondary free. So I'm starting. I'm a sophomore. In that
25 sense, I've only got two more years to go, like in Canton,

1 then I can go to the college free, but I have to pick up and
2 move. That'll cost that family tuition college money while I
3 moved to this community because this community had this
4 promise, okay? So it's very hard for families as a family to
5 pick up and leave economically and also messing with
6 someone's pension and retirement as a spouse.

7 The other thing I want to talk about, when you talk
8 about the jobs and our bills and stuff, please understand,
9 and I know everybody knows Michigan, I believe, is -- quote
10 me if I'm wrong -- is the second highest state in the union
11 when it comes to car insurance.

12 So a lot of young people and families don't have
13 transportation. So, if you live in the bigger cities, you
14 have bus transportation to get back and forth to work. If
15 you're here, to even start a job, to buy a car, you can't
16 even get out to Arbor Hills and different things because our
17 transportation system here for suburban places for young
18 people or, you know, people of color or poorer people to
19 elevate themselves into a higher-paying job.

20 Another thing is a lot of these manufacturing jobs
21 is being created. For example, my people had a certain
22 amount of money. I'll be honest, here, my -- which is a
23 labor grade work pay, makes \$25 an hour, okay? So their
24 house note is based on \$25 an hour. Their car note is based
25 on \$25. Then they go to the auto industry that are starting

1 people off at 16, 17, so now they're making a \$9 pay cut,
2 which makes them end up losing their homes and losing their
3 cars and things.

4 So manufacturing jobs that's not equitable in what
5 you were making or doing something you were making, creating
6 manufacturing jobs at not a sort of scale of pay, and we all
7 understand now what's happening with inflation, now the
8 highest rate of inflation we have seen in my 54 years of
9 existence, that makes a difference. So creation of jobs is
10 not economically feasible to maintain someone's lifestyle as
11 it's directly affected by the trade also. Thank you.

12 CHAIR KEARNS: Thank you, Ms. Hunter. So I heard
13 two things that I want to follow up a little bit on there.
14 One is what I heard you say and also Ms. Brown Maxey say is
15 it sounds like, first of all, jobs are being lost due to
16 trade in one community. They may be being created in another
17 community, but you may not be able to access those jobs. The
18 jobs that are lost might be in an underserved community, a
19 black community. The jobs that are being created are not,
20 they're in a different community, and there aren't the
21 resources and the education to take advantage of that job.
22 That's what we heard from Ms. Brown Maxey.

23 And then what you're saying too is -- and you may
24 not just be able to -- you may not even have a car to get to
25 the job in the new community. So I'd love to hear a little

1 bit more about if you have any other further thoughts on
2 that.

3 And then also, you pointed out that a lot of times
4 you've got maybe a married couple, and one side of that
5 equation might get a new job someplace else, but what about
6 the spouse who is the teacher or so forth, how does that
7 spouse move. You sort of said, you know, male, female, it
8 affects everybody the same, but I'm wondering if we have any
9 further thoughts on that? I mean, we've had in a different
10 roundtable discussion somebody point out that a lot of times
11 it's harder for women to relocate because of their children
12 and so forth.

13 MS. HUNTER: Yes. Yes. So a person like me, I
14 have a special needs child. So you have an autistic child, a
15 child with cerebral palsy, you have a child with things.
16 You've had the resources here, the family here to help you
17 get that kid back and forth. You relocate to total
18 strangers. You don't know that community.

19 So how do you get back with your children, the
20 daycare with your children, and it's very hard now because,
21 if you're in some jobs that have -- and this is what people
22 really don't understand -- back years ago, there were 24-hour
23 daycares. They no longer exist. So, if you're working
24 midnights, you're working afternoons, the off-shifts that a
25 lot of jobs do, how do you have daycare? You do not.

1 So you rely on your family and the people you know.
2 So, now when you relocate, that goes away. And still you
3 might -- most people that's new to a job work off-shifts.
4 You're going to get the afternoons. You're going to get the
5 midnights. So that resource is gone.

6 Now that's why younger people don't even have cars,
7 because they cannot economically afford it. They do the Uber
8 and they do the car share because they cannot afford -- for
9 example, my daughter is at Michigan State University. She is
10 23 years old. To put her on my insurance is an extra \$476 a
11 month. How can some people afford that when they can't even
12 afford the transportation to go to the job?

13 One thing my brother, I love that he pointed out,
14 is that the different things that's happening to a family
15 mentally. Domestic violence is on the rise because of loss
16 of jobs. I have people come in my office that I knew for
17 years. I have 28 years, going on 28 years here. I didn't
18 know what they was going through at home.

19 And please do not -- it was a shame and shock to me
20 -- please don't think that women are the only ones that goes
21 through domestic violence victims. Some men are domestic
22 violence victims also, okay? So it's a lot of things that's
23 internal. Mental health of the children, when the parents
24 are not getting along, parents now fight, we have an increase
25 in suicides, like he said, children, because they're affected

1 by what's happening in the nuclear family. They're being
2 affected.

3 So, yes, transportation to those places, education,
4 because I'll say, for example, here, I was raising my cousin,
5 a 10th grader in high school, and at that time, my oldest was
6 a 6th grader. They had the exact same book. How could that
7 be? Four grades different in the same American history book.
8 So the resources are not just black. Brown, Detroit has a
9 lot of Hispanics. We have one of the biggest Arabic
10 communities here, so that's a language barrier.

11 So, when you have people who do not have the access
12 to the education because the school system has poor people,
13 which makes poor resources for those children, how do they --
14 as an electrician by trade, I really hammer, hammer, hammer
15 trades.

16 But yet we don't even have resources good here in
17 Michigan to send people who, you know, do not have money to
18 trade school, because where are our bricklayers? We have --
19 I always argue this. We have an infrastructure bill, thank
20 you, thank you, but where are your masons coming from? Where
21 are your bricklayers coming from, your electricians? Where
22 are these people coming from if they can't afford trade
23 schools?

24 So the trade industry should also affect education
25 to get trade people into these positions. So, yes, it's

1 all-encompassing. And, yes, trade is the bigger effect
2 because, if I lost my job making this rate, now all my
3 resources are gone. The house -- now here's my credit gone
4 because I've lost my house. Here's my car go.

5 So then, when I do get a manufacturing job
6 somewhere else that I'm making eight or nine, \$10 less, how
7 do I build my credit up when it's already bad because I've
8 lost this to obtain another house, to obtain another car?
9 It's a domino effect.

10 CHAIR KEARNS: Thank you very much, Ms. Hunter,
11 that's very helpful. That's one of the things that
12 economists are just starting to kind of understand, is we
13 talk about frictions, you know, how hard is it to move from
14 this job to the other, because I think our economic models
15 start off with the assumption, well, you know, you lose this
16 job here and you create that job there and, you know,
17 lickety-split we're back in business. And you provided some
18 real good examples of how, you know, very specifics facts of
19 why that doesn't always work, so I appreciate that.

20 Mr. Preuss? Is that right? Preuss?

21 MR. PREUSS: Yeah.

22 CHAIR KEARNS: Please go ahead.

23 MR. PREUSS: Like Dr. Seuss. Thank you, and thank
24 you for hosting this and including us in this discussion.
25 I'd definitely like to agree with a lot of the comments that

1 my sisters and brothers had made previously. I just want to
2 add a few things that hasn't been kind of touched on yet.

3 You know, I'm a business agent for the
4 International Brotherhood of Electrical Workers, the IBEW,
5 Local 58 here in Detroit, and the manufacturing side
6 absolutely has been decimated in the City of Detroit, and
7 IBEW manufacturing has been adversely affected more than
8 maybe some of the other industries that we have locally.

9 I think, if you look at the way that tax abatements
10 are used and misused to both attract -- I hear, you know,
11 we've been attracting business, but, at the same rate, if not
12 even more, we've lost a lot of businesses to other places.

13 And what happens is -- and I heard Sister Dorethea
14 say this earlier, is that, you know, they use this; they
15 weaponize tax abatements. So companies can threaten to move
16 to different locations because Kentucky will give Ford a tax
17 abatement, you know? Ford will get a great tax abatement if
18 they move down to, you know, this nice little, you know,
19 area, or they'll move it to Mexico, you know? They'll
20 threaten, hey, we'll move down to Mexico.

21 I know the University of Michigan, Dr. Zullo had made
22 and put together a report on how many of those manufacturing
23 jobs, how many other people downstream are affected. I think
24 there's for every one job lost in auto manufacturing, 30
25 other people are affected by that loss in job. That goes to

1 our steel mills, you know, with Sister Hunter that's talking
2 about how many job losses that happened in Del Ray and all
3 the associated businesses that, you know, were there to
4 support those people that used to go there.

5 And I think, you know, we're seeing how the
6 weaponization has happened with these tax abatements that
7 have, I think, given companies and unfair advantage to leave
8 or to go to other places, threaten to lower wages to stay
9 competitive. That's the whole thing. We've got to stay
10 competitive. We've got to stay competitive. That means that
11 they're not making enough money. They need to make more
12 money.

13 You know, it used to be that a CEO was within, I
14 don't know, five times or 10 times their highest-paid
15 employee. Now it's, you know, 300 times or 400 times. And,
16 you know, it's just how much money can we extract on the
17 backs of working people. There's just really no end to the
18 way this economy is going and the way that corporations have
19 been left unchecked.

20 And I know we're talking about trade, but I think
21 it all works together. When they put, you know, these
22 incentives together and they incentivize companies to become
23 more profitable at the expense of people, it diminishes urban
24 communities more adversely than anywhere else.

25 And Detroit is no exception. Detroit is the

1 poorest major city in the country, 40 percent poverty in the
2 City of Detroit specifically, and the City of Detroit, every
3 single development that you see is being subsidized by poor
4 people for wealthy millionaires and billionaires to make more
5 money on the land that's in the City of Detroit, the land
6 that's owned by the citizens, not the City of Detroit, that's
7 being given incentivized to major corporations coming in
8 under the guise of "We'll create jobs."

9 So, you know, there really has to be, you know, the
10 investment into our schools that we used to have. You know,
11 Detroit used to have one of the wealthiest and best school
12 systems in the country. Education leads to opportunities.
13 The minute that you saw the disinvestment in schools,
14 companies didn't have to pay taxes -- there's many companies
15 that don't pay any taxes at all. There's no investment into
16 the school systems, which leads to people that don't have the
17 education necessary.

18 It's easier to educate when they're in grade school
19 and high school. To try to do it post-secondary, to try to
20 teach somebody how to read after they've already graduated --
21 and, yeah, in the State of Michigan, they allow people to
22 graduate from high school that cannot read. It's a fact in
23 the City of Detroit. The ACLU had filed suit against the
24 State of Michigan because kids do not know how to read.

25 And, you know, what it does is now you're building

1 a pipeline from -- the prison pipeline, right? They know how
2 many prison cells that they need -- they know how many beds
3 they need based on the literacy rate of a third grader. That
4 was, you know, a report, you know, most of my union brothers
5 and sisters here have gone to the You Can class that we've
6 learned this.

7 We know. We understand the metrics by which they
8 measure how many prisons that we need based on literacy rate.
9 Well, it sounds like we know the answer, how to fix the
10 problem. There's so many things that get lost because we
11 just talk about the profits for the millionaires. And, you
12 know, it just gets lost because we think that that's some
13 type of, you know, pride that we get to have that we get to
14 say, okay, yeah, we have all these companies making all this
15 money, you know, we're the wealthiest country in the world.

16 But it's how you treat the poor people and how you
17 treat the underutilized and underrepresented people. That's
18 how you're going to be measured by. Not the wealth of the
19 rich but the poverty of the poor is how this country's going
20 to be measured by.

21 And that's not to say that we have -- we have a
22 fixable system. We have something that can be fixed. We
23 have something that we need to address. I'm glad you're
24 having this forum. I have a lot more information to give
25 you, but I don't want to take up too much more time. Thank

1 you.

2 CHAIR KEARNS: Thank you, Mr. Preuss, that's very
3 helpful.

4 Mr. Milberger -- sorry, Dr. Milberger.

5 DR. MILBERGER: Thank you. My name is Sharon
6 Milberger. I'm the Director of the Michigan Developmental
7 Disabilities Institute at Wayne State University, and we are
8 the University Center of Excellence on Developmental
9 Disabilities for the State of Michigan.

10 I just want to thank you for including me in this
11 event, and, you know, I think all the comments have been made
12 and some of the concerns that have been raised, the human
13 impact on trade and employment is that much greater for
14 people with disabilities. They really experience significant
15 barriers, and I just want to plant a seed as we're having
16 this conversation that to think of people with disabilities
17 as part of that conversation around diversity, equity, and
18 inclusion, because a lot of times that doesn't come up when
19 that conversation happens. So I'd just ask us to be thinking
20 about people with disabilities in that way.

21 And for people with disabilities, in Michigan --
22 this -- I don't know, this may not be the most recent
23 statistic, but in 2017, only 9 percent of people with
24 intellectual and developmental disabilities were in
25 competitive, integrated employment. And we know that there

1 are a lot of people with disabilities that would like to be
2 employed that are not employed. And then, of course, with
3 COVID, that impacts everything as well.

4 And also for people with disabilities, they are
5 subject to sub-minimum-wage environments and sheltered
6 workshops, so there are some really fundamental things that
7 we need to address. And, you know, I heard a lot of talk
8 about education. So you can imagine, you know, kids with
9 disabilities don't always get the same opportunities, whether
10 internships or just classes that they're in that set them up
11 well for employment when they finish school.

12 And then I also wanted to just mention, it was
13 mentioned before, this issue of childcare, but I also want to
14 point out that there is a direct support professional
15 shortage, a crisis, in this country, so people who help
16 support people with disabilities, older adults as well, and
17 direct support professionals can be very helpful for someone
18 with a disability, that they may need some support in order
19 to be able to work.

20 And also, for caregivers -- and this came up with a
21 parent who mentioned this before, the difficulties in moving
22 -- that if you don't have the supports that you need, it can
23 impact if you're able to be in the workforce. So I wanted to
24 highlight some of those points that have been made with a
25 lens of disability. So thank you for including me.

1 CHAIR KEARNS: Thank you, Dr. Milberger, and we had
2 another roundtable where we focused much more on disability
3 issues as well, and so that's definitely something we're
4 going to be looking into much more going forward.

5 Mr. Aaron? I'm sorry, Ms. Aaron.

6 MS. AARON: Ms. Aaron, yes. Hi, everyone. My name
7 is Mikyia Aaron. I serve as General Counsel as well as the
8 External Business Affairs Director for the Laborers' Local
9 1191 here in Detroit. And I've listened to a lot of the
10 comments that have made, and I echo a lot of those same
11 sentiments, right?

12 If you're in the building trades, which are your
13 pipefitters, your laborers, your electrical workers, your
14 steelworkers, your bricklayers, those people, our trade is
15 being bombarded with job opportunities that we can't fill
16 because of the lack of training and ready and skilled people
17 prepared to go into the field.

18 We can look at the multitude of ways that the
19 education structure has impacted trade, how care for children
20 will impact trade, how local businesses impact trade, but I
21 think the bigger thing is is that one sector of labor or the
22 trades has an influx of work, and that right now is the
23 building trades. We have an influx of work, not enough
24 workers prepared to go to work because they're not skilled,
25 trained, and ready to go.

1 And then you have the manufacturing industry, which
2 some people will claim that it's a dying industry because
3 things will be automated and before you know it robots will
4 be making vehicles and people won't.

5 And so I think, as you juggle everything, the one
6 thing that is a constant is education. I think we can all
7 agree that education is important, and I think education
8 opens your mind to what's out there. The reality is the
9 school systems push children to colleges, which education, as
10 you know, a lot of people in the education field feel like
11 it's a dying industry, education.

12 The bigger thing is kids have to know the
13 opportunities available to them well before they get to
14 choose where they want to go in life. And so just as much as
15 college education should be something that children are
16 taught exists, there are trade unions that are also available
17 that have opportunities for viable employment.

18 And the reality is people look at the trades as a
19 second guess or a second step, meaning if you don't go to
20 college, you can join a trade, where you can have just as
21 viable a career in the trades that you could have with a
22 college education.

23 And I know a lot of tradesmen who make well over
24 \$100,000 a year with no student debt, and I know a lot of
25 people with student debt who don't make that kind of money.

1 So I think educating our children on the opportunities
2 available will create jobs in the future.

3 The reality is I get a pension when I decide to
4 stop working, but my pension is only as viable as the number
5 of young people working to keep my pension going when it's
6 time for me to retire, and that's the reality. The reality
7 is we have to keep this cycle going.

8 How we do that is we engage our youth to explain to
9 them the opportunities available to them so that they have a
10 working knowledge of every field available to them upon
11 graduation to decide where they want to go and not look at
12 the trades or the manufacturing industry as an afterthought,
13 where you bring your kid down to the local union by his ears
14 to tell him to get a job because he can't sit on your couch
15 and he's not interested in going to college.

16 We have to change that mindset if we want to keep
17 all our industries booming. Our industries will only boom
18 with young people coming in, apprentices coming in getting
19 that necessary training. And a lot of people say, hey, well,
20 how do I pay for trade school? Well, you join a local union,
21 you get a job, and your employer will pay for you to get that
22 training. But you don't know that unless you have that
23 information and knowledge.

24 So I think the bigger thing is how do we spread
25 that information so that people know what's out there and

1 available for them, and I think that that's something that we
2 should find a way to shift the conversation to the next
3 generation because those people will need to come into our
4 fields to work for us to have viable pension opportunities.
5 Thank you.

6 CHAIR KEARNS: Thank you. And something you said
7 that we've heard before, I mean, we hear a lot about
8 community colleges and apprenticeship programs, but I think
9 what Ms. Brown Maxey and others have been saying is, really,
10 you need to have a basic education first, it sounds like,
11 before we can get to that, and we have real issues with
12 elementary school education and so forth, and so you can't
13 just kind of fix it at that last step.

14 And I think what I'm also hearing from you, Ms.
15 Aaron, is that people need to know their opportunities early
16 on in their lives in order to kind of choose different paths
17 down the road, I guess. So thank you.

18 Next up is Dr. Robinson.

19 DR. ROBINSON: Yes, hello, and thank you for doing
20 this. I think this has been a great discussion so far. I am
21 the President of Huron Valley Area Labor Federation, AFL-CIO.
22 So we're a central labor council or an ALF depending on the
23 terminology that represents four counties, including
24 Washtenaw County, where Ann Arbor and University of Michigan
25 are located or at least that branch -- there's an Ann Arbor

1 campus, of course, in Dearborne and in Flint as well.

2 I also helped organize the union of
3 non-tenure-track faculty at the University of Michigan Leo,
4 which is part of AFT Michigan. So I think we've heard a lot
5 of really compelling, you know, facts about what trade policy
6 as pursued in the last few decades has meant for the
7 manufacturing sector and some also about the building trades.

8 There's a huge sector of our economy, of course,
9 that is represented by services, including educational
10 services of the kind that members of my union provide in
11 higher ed and in K-12, and I think it might be helpful to try
12 to connect how does that relate to trade policy or does it,
13 because a lot of trade policy discussion gets conducted as
14 though, essentially, the core of what it's about is the
15 manufacturing sector, and everything else, everybody who's in
16 any other sector is basically immune from the impacts that
17 trade has on our manufacturing sector as an employee and is a
18 beneficiary as a consumer of the lower prices that freer
19 trade is supposed to bring about.

20 I think that's a very mistaken view, though. I
21 mean, part of it's already been made clear because, when a
22 factory closes or dramatically loses a large chunk of its
23 workforce -- or here's another alternative that hasn't been
24 emphasized as much, when the wages go down either because
25 wages are bargained down by international competition and the

1 employer says, okay, we're going to leave unless we have
2 concessions in these areas, unless you introduce two tiers or
3 three tiers so that your next generation of workers is paid a
4 whole lot less than the current generation of workers, the
5 thing that was at the heart of the Kellogg strike not too
6 long ago.

7 You know, that kind of bargaining is happening all
8 the time. If the UAW in its collective negotiations wasn't
9 having to worry about another plant going and relocating to
10 Mexico, it would be able to bargain higher wages for its
11 members. It would be able to get rid of the two-tier system.

12 But, when your top priority in the UAW has to be we
13 need to keep the plants here, if we don't have the plants
14 here for our members, it doesn't matter what wage they're
15 getting paid because it's zero, you know?

16 And what the kind of trade agreements we've been
17 signing in recent years have done that makes them different
18 from the sort of trade agreements that we had up to the 1980s
19 is they've greatly increased international capital mobility.
20 They've made it much easier for the auto companies and the
21 steel companies, the entire electronics sector of this
22 country, the entire power sector, to go to another country,
23 set up shop free from worries about tax, you know,
24 expropriation or the other things that used to scare firms
25 about locating in other countries and export back here

1 without any impediments in terms of tariffs or quotas or
2 other such things.

3 So what we've done is we've unilaterally
4 dramatically increased the mobility of capital, investors,
5 companies, whatever you want to call them, corporations,
6 while the mobility of labor workers and their unions and
7 government has remained unchanged. And what that has done is
8 radically changed the balance of power between corporate
9 America on the one hand and both workers and their
10 governments, democratic governments, on the other hand in the
11 bargaining relationships that we have.

12 And so that's why, to go back to what Brother
13 Preuss was saying, we have this race to the bottom bargaining
14 of tax abatements and tax concessions. Now you can have that
15 even if we were a closed economy. You could have states in
16 bidding wars against each other to supply subsidies and tax
17 breaks to companies to attract them. That's about capital
18 mobility too, but that's within the nation.

19 If you exacerbate that by dramatically increasing
20 international capital mobility, then that race to the bottom
21 gets worse. That pressure to bid down our taxes -- and not
22 just taxes, but to change our laws to make them more
23 attractive to corporate investors, whether they're U.S. or
24 foreign, then you're in a situation where the government's
25 capacity to act on behalf of the majority of the people who

1 are, after all, wage and salary workers is reduced because,
2 more and more, they're dancing to the tune of whatever it is
3 that they think is required in order to attract and retain
4 corporate investment.

5 A lot of the bifurcation of productivity growth --
6 if you look at a graph that shows the trends in productivity
7 growth from 1945 to the present and the trends in the growth
8 of the real median wage, you can see this from the Economic
9 Policy Institute or any number of other people that have made
10 this graph widely available, you see the two tracking each
11 other extremely closely from '45 up to about the middle of
12 '70s, and then they diverge and they just keep diverging.

13 Somehow we changed our economy in fundamental ways
14 in the 1970s and then just kept building on that in the '80s
15 and the '90s such that we no longer see the majority of
16 people benefit from the productivity growth that our economy
17 enjoys. And so, basically, trade is often argued that it
18 will improve productivity, it'll improve efficiency,
19 specialization. What is the point of that if all of the
20 gains from productivity improvements and efficiency
21 improvements go to a very small group of people at the top of
22 the economy?

23 We need to really rethink how our trade policy
24 works. That's a question you're going to deal with later,
25 and I'll have more to say about that when we get to that

1 point, but I just want to say now this fundamental change in
2 the relative power of capital vis-a-vis governments and
3 workers is at the heart of what trade policy does that has
4 set us on the disastrous course we've been on for the last 40
5 years of ever-growing economic polarization and weakening
6 unions.

7 And on the weakening unions point, this is how we
8 get from a sector like manufacturing to the entire economy,
9 because as the unions have weakened -- and Michigan is a
10 wonderful example of this -- because we were a manufacturing
11 state, we were one of the leading manufacturing states, and
12 because our manufacturing sector was highly organized -- UAW
13 alone represented half of all organized workers in this
14 state, but it wasn't alone. We had a very high level of
15 union organization in Michigan into the 1960s. We probably
16 had close to 50 percent union density in the state.

17 We're at 15 percent union density in the state now,
18 and that's taking the public sector into account. If we are
19 only in the private sector, it's lower than that. What does
20 that mean? From a political economy point of view, it means
21 that organized labor backs political parties that support a
22 strong government that pursues policies that benefit working
23 people. A high level of investment in public education,
24 K-12, and higher education. Why are we now -- why are my
25 students all graduating with \$30,000 of debt at least?

1 Because we're not funding public higher education the way we
2 used to.

3 Why aren't we doing that? Because the priorities
4 in Lansing have changed. Why have the priorities changed?
5 Because the capacity of the labor movement to support
6 politicians not only in the Democratic party but in the
7 Republican party who support a strong public sector that
8 pursues policies that benefit all of us, all of us working
9 people, has been greatly reduced.

10 Now we have a government that, instead of passing
11 policies that helps working people, the state government
12 under the previous administration passed laws that prevent
13 local governments like the ones that I work with in Ann Arbor
14 and Washtenaw County from passing a higher minimum wage than
15 the state minimum. They pass preemptive laws to prevent
16 that.

17 They pass laws to prevent teachers from bargaining
18 class sizes as part of their collective bargaining so that
19 teachers can no longer defend the quality of education in
20 their classes. Of course, they pass budgets that don't have
21 enough resources for students, and that's particularly bad
22 for students in the urban and rural areas, where the tax base
23 is weak compared with the suburbs.

24 So I could go on and on, but I think the key point
25 here is trade policy doesn't just hit manufacturing. It hits

1 the entire economy. It hits the entire economy because of
2 the way it changes the balance of power among these key
3 actors in a capitalist economy, and particularly in
4 undermining the labor movement, it changes the balance of
5 power between forces within our political society that want a
6 minimalist state, that want to cut back on regulations that
7 protect workers, that want to cut back on redistribution,
8 that want to cut back on public programs, and instead puts in
9 power people who want to do just the opposite of all those
10 things. And, cumulatively, those have done enormous damage
11 to working people in this state and in this country.

12 CHAIR KEARNS: Thank you very much, Dr. Robinson.
13 One thing that you touched on, you were talking about -- you
14 and Mr. Preuss, I think, were talking about tax incentives
15 moved elsewhere and Kentucky versus Mexico, and I think you
16 kind of touched on this, but one thing I heard from that is,
17 I mean, one difference between Kentucky versus Mexico is, to
18 some extent at least, Kentucky is under the same regulations
19 as Michigan but Mexico maybe less so when it comes to labor
20 standards or environmental standards and so forth, and so
21 it's a different set of competition standards there as well.

22 There were a couple things that you touched on that
23 maybe after we take a break I would like to talk more about
24 with you all, and one is you all are talking a lot about
25 manufacturing. You know, even you, Dr. Robinson, who's not

1 in manufacturing, recognizes that, you know, your job still
2 depends on it.

3 I'd like to talk after the break about why
4 manufacturing is so important. I mean, my sense of it is
5 that a key reason at least is, when it comes to
6 manufacturing, manufacturing tends to have a lot of jobs in
7 one location, whereas maybe services are more spread out.

8 But anyway, I'd like to hear from all of the folks
9 on the panel more about why manufacturing is so important.
10 I'd also like to hear more about why -- or what the
11 relationship is between unions and minorities, racial
12 minorities. I think there's a lot of crosswinds there, I
13 guess, about understanding -- you know, I was speaking to
14 somebody this morning about the role the United Auto Workers
15 played in the civil rights movement in the Michigan area and
16 the Detroit area, so I'd like to hear more about that.

17 There's also, I think, others who sort of point out
18 that unions haven't always been the most accepting of
19 minorities, and so, if we could have a little bit more of a
20 conversation on that, I think that'd be helpful. But, before
21 we go to the break, and Ms. Brown Maxey will be the first one
22 to speak after our break, but I wanted to hear from Mr.
23 DePaoli -- I'm sorry if I'm not saying your name very well --
24 but I know you're the last in line before we take a short
25 break.

1 MR. DEPAOLI: Thank you. Yes, it's Mark DePaoli,
2 again, UAW Local 600. Tough act to follow there from Dr.
3 Robinson, very great points, but I wanted to piggyback on I
4 know Sister Hunter and Ms. Aaron and my brother from the IBEW
5 were speaking on skilled trades, so I just wanted to chime
6 in. I'm a tool and dye maker by trade myself, and I work at
7 the Ford Dearborne tool and dye plant, which is the only Ford
8 tool and dye plant in North America. And for those that
9 don't know what a tool and dye plant does, I'll just give a
10 very brief description.

11 We build the tooling that would then go into a
12 press, and you put a flat sheet of metal in, and you stamp
13 it, and then out comes your car parts, such as your hoods,
14 your fenders, along with your structural parts, your pillars
15 and things like that.

16 So, based on that, being the only tool and dye shop
17 in North America for Ford, we could not build all of the dyes
18 for a single vehicle because they're all due at the same
19 time. So, along with us, there was also several non-Ford
20 tool and dye shops throughout Michigan, everywhere throughout
21 Michigan, along with Ohio, Indiana, and as you get into the
22 late '90s and early 2000s, as they started sourcing dye work
23 to China, we saw a lot of the surrounding dye shops close
24 that were around here, along with our tool and dye shop
25 shrinking dramatically.

1 When I started there in '96, we were slightly over
2 500 tool and dye makers in that plant, and now they are just
3 over 200. Now technology plays a little bit of a role in
4 that too, but the big portion is we lost all of the
5 structural metal and things like that, so the parts that you
6 won't see on a car, we lost all that work to China.

7 And now our plant has basically become like a niche
8 plant where we do all your Class A services, all your hoods,
9 all the parts that you're going to see coming down the road,
10 your hoods, your fenders, your doors. And, to me, that's a
11 direct impact on our trade laws. So I just wanted to
12 piggyback on the skilled trade portion of that since I've
13 dealt with it firsthand. Thank you.

14 CHAIR KEARNS: Okay, great. Thank you.

15 So we'll take maybe a 10-minute break, reconvene at
16 2:40. We'll start with Ms. Brown Maxey, and in addition too,
17 I want to hear more about the role of manufacturing in the
18 Michigan economy, more about unions and racial minorities and
19 kind of what that relationship is like, and manufacturing and
20 minorities and kind of tell us more about that, again, some
21 of this kind of context to help us understand what kind of
22 impact trade has on the economy.

23 I'd also like to hear about, you mentioned, Mr.
24 DePaoli, technology, and I'd like to talk about people's
25 thoughts on to what extent it is technology versus trade and

1 to what extent those things are actually more linked than
2 people may realize. So we'll start there, and I note Mr.
3 Nevshehir also has his placard up, so we'll go with him after
4 Brown Maxey, and we'll start again at 2:40. Thanks,
5 everybody.

6 (Whereupon, a brief recess was taken.)

7 CHAIR KEARNS: All right. Let's start up the
8 conversation again. We're going to begin with Ms. Brown-
9 Maxey.

10 MS. BROWN-MAXEY: Thank you. I just wanted to
11 piggyback on what was said earlier about the chart, the
12 economic chart that the gentleman was talking about, who
13 represents AFT in Ann Arbor.

14 Another dynamic about that chart as you look at it
15 from the '60s and when it starts going down, something that
16 jumps out at you immediately is the decline of unions. As
17 union density dissipated, so did income, and that is not by
18 no design. That is a direct result of what is going on.

19 When we talk about trade and all these trade deals
20 and everything like that, one of the reasons why corporations
21 do get involved with the global economy is because of that
22 very fact. The worst thing perhaps that has happened that
23 have definitely changed our dynamics is the policies of
24 NAFTA, China into the World Trade Organization, CAFTA, and
25 the career relationship.

1 If you look at all of that, companies have taken
2 advantage of that situation, and one of the things that you
3 will see is that a lot of these countries do not have unions.
4 A lot of these workers do not have rights, they don't have a
5 say, they don't have safety and protection, and the truth be
6 told, a lot of them get paid pennies compared to what the
7 United States workers are paid.

8 I work for Communication -- I am a member of the
9 Communication Workers of America, and a lot of our call
10 center workers here have lost jobs by the thousands. Do you
11 know why? Because the company has gotten together with a
12 third party and have taken the call center jobs to the
13 Philippines, and this is why, when you call and you ask for
14 service, after you get through with the automation, you have
15 a foreigner on the other line, and that foreigner is probably
16 being paid 100 -- I mean \$1.25 or \$2 an hour for their
17 services.

18 And these are the type of things that American
19 corporations are doing to hurt the American economy and to
20 hurt working people because, by becoming global, they realize
21 that they can get other countries to do our jobs for a lot
22 less, and they're taking advantage of that.

23 And so I just wanted to clarify that because, as
24 she said, we're going to talk about that a little later,
25 we're going to get deeper into that. But just understand

1 that a lot of what's happening in terms of international and
2 national trade has a lot to do with the depletion of unions
3 because the unions -- the reason why they was formed is the
4 very problem that is happening now.

5 And, fortunately, unions are beginning to get a
6 little bit stronger because people are realizing that they
7 are people, and who in the world decided that corporations
8 were people. Come on folks.

9 And I'm going to end it right there because we can
10 continue this when you come up with the other conversations.

11 CHAIR KEARNS: Okay. Thank you. And we've had a
12 number of other people who want to speak, but maybe on that
13 subject, if anyone has any direct experience of situations in
14 which maybe you were in a collective bargaining agreement
15 negotiation, and the threat of, you know, jobs were going
16 overseas impacted those negotiations, or, like Ms. Brown-
17 Maxey was focusing on, if it had any impact on any decisions
18 that you know of, you, your family members, about whether or
19 not to unionize. I'd be curious whether or not anyone has
20 actually seen that happen. We hear about that happening,
21 but, you know, in my job, I don't hear about that directly
22 very often.

23 So, Mr. DePaoli, your hand's up.

24 MR. DEPAOLI: Yes, as it relates to that question,
25 and Dr. Robinson hit the nail on the head too. In the UAW,

1 you know, for years now, we've had to do this balancing act
2 of, you know, trying to get wage gains and things like that
3 to keep up with the cost of living for our members while
4 trying to keep the company from, you know, moving plants to
5 Mexico and things like that.

6 You know, over the years, it's forced us into a
7 two- and even a three-tier wage system where we have people
8 doing the same jobs making \$16 an hour as people who are
9 doing the same jobs making \$30 an hour and people not getting
10 the same benefits as the person they're working next to when
11 it comes to healthcare and things like that, and that's been
12 the case, you know, over the last, you know, 20, 30 years at
13 the negotiating table, you know, every single session.

14 So, yeah, to answer that, yes, definitely in the
15 UAW we have felt that very much.

16 CHAIR KEARNS: Okay. Thank you.

17 We'll turn next to Mr. Preuss.

18 MR. PREUSS: I didn't have a comment directly
19 with -- mine was going to be more general.

20 CHAIR KEARNS: That's fine. I'm sorry, we are
21 moving on. I know you had your hand up for a while now.

22 MR. PREUSS: Okay, yes, thank you. Thank you for
23 recognizing me. I just wanted to kind of address some of the
24 questions that you kind of gave us a little bit of food for
25 thought before our break and talking about minorities in the

1 trades, and here's a few statistics that I think you would
2 find useful and edifying, is that 93 percent of minorities in
3 construction trades, but specifically I'm going to use the
4 IBEW because that's who I represent, so 93 percent of women
5 and minorities that you'll see on construction sites are
6 union.

7 So, you know, you said, you know, the trades, you
8 know, how well did we do with, you know, being inclusive. I
9 think that it's a much longer discussion that we have to
10 have, but to kind of, like, really simplify where we're at
11 right now, you know, instead of trying to, you know, kind of
12 understand -- we could go to -- if you give me enough time, I
13 could give you a little bit better background.

14 The IBEW was founded, you know, basically because
15 of trying to safeguard our members from being killed. You
16 know, half of all of our members would die within the first
17 two years. The electrical industry was very hazardous. It
18 was the number one hazardous occupation in the country at
19 that time, and not to, you know, compete with other hazardous
20 occupations, I don't want to get into that debate, but, you
21 know, we're going 130 years later and we're still the number
22 six most dangerous occupation.

23 You know, the safety that we have instilled was
24 based on blood, sweat, and tears, and, you know, people had
25 to die before we were able to get, you know, regulation in

1 place to safeguard our members and people in the industry.

2 And what happens is you build a culture, right,
3 that, you know -- and this even goes back even further before
4 the IBEW was founded. I mean, you were whatever your father
5 was. You know, if your father was a carpenter, you became a
6 carpenter, and that was just kind of the hereditary, you
7 know, you're going to, you know, pass along all of those
8 skills.

9 Well, still that culture exists, existed well up
10 until, you know, there was lawsuits had to be filed and
11 people had to comply with being more inclusive. And now, you
12 know, we're using an old paradigm to measure the successes
13 that the unions have had within the last 30 years. The
14 unions have made great strides to be in a very inclusive
15 operation and not to mention the benefits that we brought to,
16 you know, minorities and people of color to say hello to the
17 middle class and build in the middle class the contributions
18 that we have.

19 But I just want -- I don't want it to be lost on
20 this conversation at all that, you know, we're looking at --
21 you go to a jobsite, and if you see minorities on a jobsite,
22 they aren't going to be union by far and large. Like I said,
23 93 percent in IBEW. I don't know what the statistic is for
24 other unions, but I'm sure it's going to be very similar and
25 inclusive in diversity and outreach.

1 So I don't want us to be stuck on an old paradigm
2 that does not exist anymore. As you had heard earlier there
3 with Ms. Aaron from Laborers, you know, we're all looking for
4 people right now, and it doesn't matter. We're just looking
5 for good people.

6 What, you know, Dorethea was talking about before
7 about with the school system, the decimation of these schools
8 not being able to even have the resources to give children
9 the baseline education that's necessary to go into the
10 trades.

11 You couple that with only the children that are,
12 you know, academically a lot more -- have a lot more gifts
13 and talents, those people are going to be -- they're going to
14 be a very big push to go to college, right, go to college, go
15 to college. That's the only path because we're going to
16 measure the schools by how many people go to college.

17 If your school is a very successful school like
18 Cass Tech, you know, a hundred percent of the students go to
19 college, and we really have changed the culture of what's
20 your best skill and ability to, you know, how do we best
21 market our school as a product. And I think that that was a
22 mistake, I think, for many reasons, that we have an
23 opportunity to really nurture, you know, young minds and to
24 try to find out what they are going to be best suited for.

25 I want to give you another statistic too. In '79,

1 1979, the average age of an apprentice was 22. In 2018, it's
2 35. Why is that? Why is that? And I offer you one possible
3 answer. One is when you push all of your -- if you have this
4 push where everybody has to go to college, it wasn't until
5 after they graduated from college that they said, man, I
6 can't get a really good job, maybe I can apply to the IBEW
7 because they make a really -- you know, they make really good
8 middle class income. Let me, you know, apply there.

9 And we see a lot of our applicants that have
10 graduated, got a degree in something. They did the
11 exploration of career exploration in college. Instead of
12 doing their career exploration in other venues and other
13 places, they did it in college, where they're accumulating
14 student debt. So they graduated out of necessity with a
15 degree that maybe was or was not useful to only have to go
16 into a career that, you know, was going to be economically
17 sustainable, like the trades.

18 And the good thing, and Ms. Aaron had talked about,
19 you know, in the building trades we pay for our members'
20 education. Our model is a little bit different than others,
21 and I'll say, for us, you know, our members actually
22 collectively, you know, put our money together to pay for new
23 members to get educated through our training. So it's
24 something that we don't use taxpayer dollars. We're self-
25 contained, we're self-sustainable. We don't require any

1 outside subsidies.

2 So, when we're talking about, you know, there's not
3 enough -- you know, when you hear, well, there's not enough
4 electricians, there's not enough plumbers, call an
5 electrician right now, or call a plumber to your house to try
6 to get somebody to come to your house and fix something that
7 needs to be fixed around your house, guess what, you're going
8 to be finding out when they do come there's going to be
9 somebody that shows up, 150 bucks an hour or more, 200 bucks
10 an hour because all you need is that fan to work, you need
11 that switch to work, the garbage disposal ain't working,
12 replace the switch.

13 There is in this country the race to, you know,
14 lower the wages, you know, the race to the bottom. It was a
15 sickness that created now desperation now that we don't have
16 enough tradespeople. And how does this all fit together? I
17 mean, there's many tentacles. I think that this all ties
18 together that, you know, we have -- you know, the companies
19 have really been able to lead the conversation on what's the
20 best -- you know, greed out of control without any types of
21 controls being put on it have left us in kind of this
22 rebuilding of America that we're in right now.

23 And we have an opportunity to do it. We have an
24 opportunity to rebuild this country in a way that's
25 thoughtful, that is going to be beneficial to all of the

1 people, even the people that are at the lower end of the
2 spectrum, we have an opportunity to rebuild this in what's in
3 the best interest of all the people, not just some at the
4 top. Thank you.

5 CHAIR KEARNS: Great. Thank you.

6 Dr. Nevshehir?

7 DR. NEVSHEHIR: So, once again, my name is Noel
8 Nevshehir. I'm Director of International Business Services
9 and Global Strategic Partnerships with Automation Alley.

10 Briefly stated, Automation Alley is an organization
11 that was created in 1999 to help start-up companies reach the
12 commercialization prototype stage for their product, service,
13 or technology. We since have kind of evolved, and our focus
14 today is on industry 4.0. Industry 4.0, briefly stated, at
15 least in the abstract, it's about bridging the divide between
16 the physical and the digital worlds, and so it's really -- so
17 that's what it is, and I'll explain it just some more in a
18 moment. But what it does, though, is it helps companies
19 increase their efficiency and productivity. In addition, it
20 lowers their costs and also enhances their global
21 competitiveness, especially in the area of innovation.

22 So our goal is to help particularly small to mid-
23 size enterprises be globally competitive by adapting and
24 implementing industry 4.0 practices and technologies not just
25 within their enterprise but also within their supply chains.

1 So the underlying technologies that support
2 industry 4.0, also known as Smart Factory and Fourth
3 Industrial Revolution, include the usual suspects you hear
4 of, AI and big data, automation and robotics, 3-D printing,
5 cybersecurity, et cetera.

6 So, just getting back to my roles, as Director of
7 International Business Services, I help companies do business
8 overseas. I do not send business overseas. You know, we
9 export products, we do not export jobs. So, as a result,
10 what we do is that we do three, four trade missions a year to
11 countries around the world that have a particularly high
12 demand for Michigan-made products, services, and
13 technologies, introduce them with potential business
14 partners, buyers, end users, joint venture partners, people
15 that might be interested in licensing their technologies.
16 And so we are actually a job creator.

17 And just to maybe circle back, Mr. Chairman, to a
18 point that was made earlier, exports according to the
19 International Trade Administration or the U.S. Department of
20 Commerce are, in fact, job creators. They created an
21 algorithm a couple years ago, they haven't updated it since
22 because of COVID, but for every \$215,000 in export sales, one
23 job is created here in the States.

24 In addition, as far as foreign investment is
25 concerned, and I could only speak for Michigan, but that

1 is -- and, again, I am talking foreign direct investment,
2 inward investment, not outward investment. That's not our
3 job, that's not what I do. But foreign direct investment has
4 created, we have 1100 more companies in Michigan, and as of
5 last year, they supported 313,000 jobs, and 210 of those,
6 210,000 of those were in manufacturing.

7 So one of the common denominators that we're
8 talking about seems to be education, and I think that there's
9 a couple of -- you know, just maybe broaden the focus of this
10 discussion, there's a couple economic and national security
11 imperatives that we need to focus on, education being one,
12 immigration being the other.

13 So, as far as education is concerned, I feel that
14 maybe school choice has got to get a closer look. I'm a
15 little concerned about the NEA's monopoly on public education
16 and the poor outcomes of students today. We've talked about
17 how students aren't being prepared for college. They're not
18 being prepared for alternate careers in apprentice programs.
19 And, incidentally, the U.S., we used to be the envy of the
20 world when it came to apprentice programs in the '40s and
21 '50s. Somehow, though, we lost that, and it was all about
22 people getting a college education.

23 I would like to adopt the model that Germany and
24 Singapore has in terms of fast-tracking their students on
25 these skilled trades that are so lacking in this country.

1 Another thing too, I believe that we have to
2 stimulate children's intellectual curiosity about jobs,
3 vocations, in manufacturing at a very young age. The way you
4 do that is with STEM disciplines and second language because
5 I think, if you wait until after high school, you know,
6 you've lost them. You've got to get them early, you know, in
7 the 1st through 8th grade and then onward into secondary
8 school as well.

9 And another thing I wanted to mention is that what
10 made this country great is immigration. I remember reading
11 this article around 30 years ago, and I still have it. I
12 tore it out of a *Newsweek* magazine. Back then, Thomas
13 Friedman, who wrote the world is flat, wrote this article, it
14 was entitled "The Einstein Immigration Policy."

15 What he suggested we do is that every time a
16 foreign student graduates from a U.S. university in a
17 technical discipline, in other words, those related to the
18 STEM disciplines, we ought to attach a green card to their
19 diploma and keep them here instead of sending them back to
20 their home countries.

21 And, you know, again, speaking of the envy of the
22 world, it's not just our apprentice programs that used to be,
23 but our colleges, you know, it is a jewel. This is what
24 attracts people. It is one of our powers that we need to do
25 a better job of exercising.

1 And it's unfortunate that -- believe me, I'm not a
2 Republican, I'm not a Democrat, I'm just a free thinker
3 expressing to you what I believe to be true, and that is that
4 immigration reform really needs to be addressed because,
5 again, you know, we have a concern about the lack of
6 workforce and talent in this country. You know, the best way
7 to address that is with immigration. And then, in the
8 meantime, you know, address it internally too, and, again, I
9 get back to the school choice. So, Mr. Chairman, thank you.

10 CHAIR KEARNS: Thank you, Dr. Nevshehir. Can you
11 tell us a little bit more? You mentioned that, you know,
12 your job is actually to sort of promote exports, I think, I
13 guess mostly from Michigan. Do you have particular examples
14 of things that you're most proud of where that has worked out
15 and maybe particularly with respect to companies that maybe
16 have a lot of minority workers or women workers, things like
17 that? Can you just help us kind of get a better flavor for
18 what that looks like?

19 DR. NEVSHEHIR: Yes. One of the greatest things
20 about my job is just seeing other companies succeed, and, you
21 know, sometimes when you go to talk to companies that don't
22 have any export or international trade experience, they're a
23 little reluctant to go overseas. But, you know, when you
24 talk to them about the benefits of doing business around the
25 world, you know, they realize that just like your 401K, you

1 have an opportunity to diversify your portfolio. So, when
2 the domestic market here in the States slows down, you can go
3 to other markets around the world whose economy might be
4 doing better that particular year.

5 And, yeah, as far as, you know, helping minority
6 companies, we always have, you know, veterans, people of
7 color, and disabled people that participate in our trade
8 missions, and it's really been an eye opener. And, you know,
9 I'm proud to say that our mission now has been awarded the
10 President's E Award from the White House three times.

11 The President's E Award was created by JFK back in
12 1961 because he believed that international trade would
13 promote peace among nations. And so thousands of people
14 have -- thousands of companies have won that award.
15 Generally, it's awarded to, like, 20 companies, 25, 30
16 companies a year, but we're the only organization, with the
17 exception of Georgia Economic Development, that has been
18 awarded it three times. It's a real proud accomplishment
19 because our export sales have generated close to \$1.8 billion
20 in sales for these companies that participated in our trade
21 missions, and that translates into more than 8500 jobs for
22 our region.

23 CHAIR KEARNS: Great. Thank you very much.

24 Ms. Hunter.

25 MS. HUNTER: Yes, thanks. Like I said, the

1 President of the United Steelworkers Local 1299 here
2 representing the Great Lakes Works Division of United States
3 Steel, the only one of our plants here, even though United
4 States Steel have plants throughout the country.

5 One of the things I want to talk about is when you
6 went before a break with manufacturing, the necessity for
7 manufacturing, our site alone serves predominantly 95 percent
8 of the auto industry as a flat rolled product. Right now,
9 because of the chip not being accessible, the electronic
10 industry, as we all know, left the States probably, you know,
11 in the '80s, that we don't build our electronic components
12 here is an issue. So we're waiting on the chip. This chip
13 is one of the serious reasons why many of our people were
14 laid off. A different situation where some remain on layoff,
15 and it's an issue. So we have to start manufacturing back in
16 this country.

17 I want to piggyback on that manufacturing being so
18 important. This is national security. One of the things the
19 pandemic has let us believe and let us -- brought to our
20 attention is that we do not make products here in America, so
21 we have shortages of those products, and one of those
22 shortages was in manufacturing.

23 Now, with the need, and someone talked about
24 innovation, what's going on with no more robotic stuff and
25 then employers, there has to be manufacturing for the parts

1 for these different components. Like I said, the
2 infrastructure bill this year, if we don't make stuff in this
3 country, we cannot depend national security-wise on us
4 getting these components from people we may have conflicts
5 with.

6 And we're not going to get these components if
7 we're having like we're doing sanctions on Russia, things
8 that's going on, so we need -- the manufacturing base here in
9 America needs to come back. And like I said, it goes back to
10 piggybacking with them being able to have these tax breaks
11 and, you know, get all the liberties of being American
12 without having American business here. And all those things
13 go hand-in-hand with trade.

14 I went from 1700 members down to 430 members, and
15 that cut -- also cut back the building trades that came out
16 here and did different work. It stopped our food supplies.
17 It stopped the people who provided us with rubber. It
18 stopped the people that provided us with different items we
19 needed to produce the steel.

20 So there's a big thing that manufacturing has to
21 come back to this country. It creates jobs, okay? With
22 that, when jobs are created, that gives more funds to the
23 educational system that we talk about.

24 One of the things that's happening when I see
25 people in the building trades, that education system, we used

1 to have driver's ed in the inner cities. We no longer have
2 that. Parents can't afford to send their kids to drivers
3 training to get a license. And I talked about here in
4 Michigan the high rents of car insurance that deters people
5 from wanting to get a license. Then I talked about how the
6 transportation system in the inner city lacks, also in the
7 suburbs, so when you create jobs in suburbs, they have no
8 access to it.

9 But manufacturing is paramount to a thriving
10 economy here in this country, so it's very paramount that we
11 get these jobs back, we get the education to man these jobs,
12 and we make sure that the corporations understand that the
13 uneven tax breaks and the greed factor destroys most nations.
14 That's history.

15 Okay. A lot of great nations have fallen, and they
16 usually fall from greed. So we have to go back to the point
17 of understanding that, you know, a country will only thrive
18 as its lowest citizen, and we want this country to thrive, so
19 everyone should be able to provide -- you know, be able to
20 provide a job and education. Thank you.

21 CHAIR KEARNS: Thank you, Ms. Hunter. I've got a
22 question for you too. Do you happen to know what the racial
23 makeup of your local is or the gender makeup or your local
24 roughly?

25 MS. HUNTER: Yes. Well, now the gender makeup,

1 probably like 33 percent are women, 33 percent are women.
2 Honestly, with the -- in different places, and it's an
3 unfortunate state, U.S. Steel will usually put minorities
4 as -- which is, I hate to say it, a dirtier place.

5 Now, when all those shut down, really, racially, as
6 far as fortunately as to consistency, it has decreased
7 significantly as far as employments of people of color here,
8 yes. So that's one of the things that's a big dynamic too,
9 is like people before me saying union jobs usually have
10 people of color because, let's be honest, racism, as we see,
11 is very prevalent.

12 And I always say sexism is higher than racism
13 because men of different races can be sexist, and, you know,
14 there's a whole other dynamic. But the issue is that if
15 people of color are more in union jobs, and then, when you
16 dissipate union jobs, that gives a lack of minorities because
17 another job who doesn't have unions -- like, unions will look
18 at the racial proportion of ethnicity because of, you know,
19 different laws.

20 Non-union places of employment, like mom-and-pop
21 stores, they're not. For smaller businesses, they're not.
22 So those minorities do not get hired in. There's nobody
23 watching. Am I making sense? You hear what I'm saying?

24 CHAIR KEARNS: You are. Just one quick follow-up.
25 When jobs are lost, as you've said that they have been in

1 your local, does that have the same impact on white and
2 people of color -- white people and people of color, or do
3 you think that there's a disproportionate impact?

4 MS. HUNTER: Big, huge disproportionate,
5 especially, like I said, not just people of color but the
6 women because now they don't have this job here. They have
7 to go back out and do another job. With the loss of jobs and
8 predominantly loss of jobs of union jobs, I mean, you know,
9 big union jobs that make the most money, like I said, they're
10 not getting employed by the non-union areas. So they're not
11 being able to find work as quick as someone else. And most
12 of the time, the people of color live in the urban cities,
13 like I was explaining. So, when the jobs are not in the
14 urban areas and they are miles and miles away in different
15 cities, how do you get to those jobs, okay?

16 So no, yeah, so the big seriously disproportionate
17 factor when union jobs are lost for people of color. Like I
18 said, obtaining jobs in the non-union sector is very
19 difficult because there is not no one watching the mandates
20 that make them have to hire a certain amount of people of
21 minority or women. So, yes.

22 CHAIR KEARNS: Okay, thank you very much. And I'm
23 going to call on, I think, Dr. Robinson next, but I wanted to
24 just mention that I know we've got a couple folks here who
25 haven't spoken yet, Mr. Goddeerris and also Ms. Sheldon, so

1 if you all have anything to add, please let us know, but
2 we'll go on with Dr. Robinson first.

3 DR. ROBINSON: Thank you. Well, I just wanted to
4 reinforce what was just said because I've seen studies to
5 that very effect. I'm not sure I fully understand the
6 reasons why, when manufacturing downsizes, whether it's
7 layoffs or plant closings, the most jobs are lost and the
8 biggest negative impact on income and wealth is on women and
9 people of color.

10 Maybe it's still the legacy of, you know, last
11 hired, first fired, that it took a long, long time to get
12 women and people of color into the plants on anything like a
13 proportional basis, but whether it's that and other factors
14 that are also involved, others here are better able to say
15 than I, but it's definitely a wide -- it's not just a
16 particular plant. This is aggregate data that shows this
17 trend.

18 I did want to talk about, you know, Brother Preuss
19 said, you know, why did everybody think they had to go to
20 university in order to get a decent job, and I think my
21 answer to that is, do you remember what Bill Clinton used to
22 say when he was defending NAFTA? Basically, his line was,
23 his narrative was globalization is out of our control,
24 globalization is happening, our only choice is to adapt, and
25 the way we adapt is we get out of "low-skilled jobs," which

1 are going to be taken by people of the rest of the world, and
2 we get into high education jobs.

3 And out of this kind of discourse came this
4 notion -- and there was data to back it up in terms of
5 incomes and income trends for high school and less versus
6 college, at least college education that showed growing, you
7 know, divergence of incomes for a couple decades. That's
8 really slowed now; it's not really nearly as true.

9 But he was able to point to that data and say,
10 basically, what you can do -- you can't change globalization.
11 The United States of America can't change globalization.
12 What we can do is we can adapt as individuals by getting more
13 education.

14 And so that's, you know -- there was always a
15 desire upon many working people not to have to have their
16 kids be in the same plant as they were and do the hard, dirty
17 work that they had to do in those plants to get them into a
18 different kind of job. That was there long before Bill
19 Clinton and the globalization discourse came along.

20 But that whole schtick really reinforced that idea
21 that if you're a responsible parent, you've got to get your
22 kids into university at the same time as we started defunding
23 public universities, right? So we tell them one thing, and
24 then we make it harder and harder for people to go to
25 university without taking on huge amounts of debt unless they

1 come from already wealthy families.

2 I wanted to just say a couple things about unions
3 and race. You know, we've already touched on some of that in
4 terms of why is the manufacturing sector, you know,
5 disproportionately likely to shed people of color and women
6 when it downsizes.

7 But the labor movement, you know, there's another
8 cliché, and that cliché is about the white guy in the
9 hardhat. And, you know, I have nothing against white guys,
10 some of my best friends are white guys, but it is true that
11 the labor movement has put a premium in the last decades on
12 fighting for diversity and fighting for equal pay for women
13 and people of color in their workplaces.

14 So the gender gap between pay rates in the union
15 sectors is far lower than the gender gap in the non-union
16 sector of our economy. And that's not an accident; that's
17 because unions prioritized equality of pay, equal pay for
18 equal work, in their collective bargaining efforts. And when
19 they used their power to pursue that, they were able to make
20 dramatic headway on that front. In the non-union sector, you
21 just don't see -- there's no commitment on the part of any
22 powerful actor to make that happen.

23 I would also note that we are now in a situation in
24 this country where the public sector unions, my union, for
25 example, as part of AFT, are half of all union members in the

1 country. That's historic that we, you know, got there a few
2 years ago, and the trends are continuing, partly because the
3 levels of union organization in the public sector are three
4 or four times higher than in the private sector.

5 And in the public sector has a much higher
6 proportion of women and people of color. So the overall
7 labor movement, because of the restructuring and the relative
8 growth of public sector within the labor movement, has become
9 more and more diverse to the point where the gap between
10 white men are probably not a majority of the labor movement
11 anymore.

12 I haven't got the exact stats at my fingertips, but
13 when you're out of the women and the people of color that are
14 such a substantial part -- they're the majority of my union,
15 they're the majority of AFT, women, I mean -- you know, the
16 overall cliché of the labor movement being a white man's
17 social movement is just not -- it never was entirely
18 accurate, and it's a whole lot less accurate now than it once
19 was. It's not accurate at all anymore.

20 I also want to say that the -- and my building
21 trades brothers and sisters can speak to this in more detail,
22 but Detroit has really been leading the way in taking
23 advantage of -- by making, virtue of necessity, in a way,
24 that, you know, the people who are now in the trades are
25 aging out. They're retiring faster than they're being

1 replaced.

2 Meanwhile, because of the infrastructure spending
3 that's coming out of the federal government, there's a rapid
4 increase in demand for skilled trades workers, and as a
5 result, there's a huge need for training new workers. And
6 the access-for-all program that was developed in metro and is
7 now being, you know, taken out to many other cities across
8 the State of Michigan is specifically targeting, as I
9 understand it -- others can correct me or elaborate -- but I
10 believe it's specifically targeting women and people of color
11 to help get them into the trades to make the trades more
12 racially diverse than they have been historically.

13 So maybe someone else might want to speak to that
14 because I think that's a really important development in the
15 labor movement.

16 CHAIR KEARNS: Great, thank you very much.

17 Next up is Mr. Robbins, but I want to just mention
18 too that -- I don't know if Mr. Johnson is still on, but he
19 was raising some issues about Native American trade. I think
20 he referred specifically to -- was it Dubai or
21 Bahrain -- Dubai, and how I think, if I understand correctly,
22 a Canadian competitor had an advantage over a U.S. company
23 when it came to sales of Native American products there. So,
24 if Mr. Johnson can elaborate more on that, I think we had
25 some follow-up questions to understand that better.

1 But, first, Mr. Robbins?

2 MR. ROBBINS: Thank you, guys. So I kind of want
3 to give a little bit of elaboration. I think, looking around
4 the room here, I'm probably one of the youngest people in
5 this room. Most of you were probably already invested in
6 your labor careers when I was still in high school.

7 With that being said, my time in high school, I
8 can't tell you how much it was pushed that you had to go to
9 college, you had to go to college. With that also being
10 said, most all the schools in the area that I lived in as a
11 teenager, they got rid of all their automotive programs.

12 We're talking about this lack in labor and
13 manufacturing. You know, I'm Assistant Director of the
14 Machinists' Union. With that being said, we represent a lot
15 of mechanics. Those jobs are in such high need. I represent
16 members now and companies that are dying for mechanics. You
17 know, we don't baptize our youth in skilled trades anymore.
18 It just doesn't happen. They push college. You had to go to
19 college if you wanted to make anything out of yourself, and
20 now that we're in this large lack of employment or labor out
21 there, it's detrimental, and it's something that we really
22 have to focus on.

23 You know, we talked about education, the lack of
24 education. That's something that really needs to be fixed in
25 this country, especially in Michigan. I mean, we're a

1 manufacturing state. Brother Mark, I believe, spoke in the
2 UAW of, you know, the threat. I want to get back into your
3 role of manufacturing that we were talking about right before
4 break.

5 But, you know, in the Lansing area, which is what
6 I'm familiar with, I'm originally from the Lansing area,
7 there's two plants in Lansing that keep Lansing afloat, and
8 that's the two General Motors plants there. With that being
9 said, I believe it was Mark who said, you know, for every one
10 manufacturing job lost, you know, it's really 50 down the
11 chain.

12 So, in Lansing, I came out of a logistics yard. We
13 did all General Motors' logistics for the two plants that run
14 out of Lansing. In Lansing, they make the Traverse, the
15 Buick Enclave, along with the Camaros and the Cadillacs.
16 When all the exports -- we touched on exports a little -- but
17 when the exports got shut down, you know, General Motors
18 wasn't shipping cars overseas, which directly affected our
19 plant, right? We're not loading these cars onto the trains
20 to get shipped out overseas. That was a huge loss of jobs
21 for just my shop.

22 But the bigger effect to it is, is just down the
23 road from us, there's dozens and dozens and dozens of
24 subcontracted companies that make parts for the cars in
25 Lansing, and General Motors wants to pull out of Lansing. It

1 would be a ghost town, like I've heard some of you say. That
2 is the lifeblood of Lansing. I mean, the two facilities
3 there, they push out about 1500 vehicles a day out of those
4 two plants.

5 If you were to shut that down, you would literally
6 cripple the Lansing economy and any manufacturing that goes
7 on in it. You know, like I said, there's dozens of
8 subcontracted companies that that is the lifeblood of
9 Lansing.

10 With that being said, you know, Lansing has a high
11 majority of minorities in there. Again, if you were to pull
12 out that support from those manufacturing jobs, you want to
13 talk about directly affecting minorities, I couldn't -- and,
14 again, you know, I'm not super familiar with Detroit as this
15 has been a recent move for me, but the minorities in Lansing
16 are huge. There's a lot of Hispanic and Black minorities in
17 Lansing, along with Hmong and Chinese. So the effect that
18 that would have on minorities in Lansing when it comes to
19 manufacturing, it would just be catastrophic.

20 CHAIR KEARNS: Okay, thank you. And one thing you
21 said, Mr. Robbins, and I think I've heard from others -- this
22 is an interesting thing that I think we'll have to give some
23 thought to -- we often talk about the need for education and
24 training in order to get jobs, and I'm definitely hearing
25 that all from you all, but I'm also hearing from you all and

1 Mr. Preuss and others that we need jobs in order to be able
2 to invest in education and training. So it's kind of -- I
3 guess it kind of goes both ways.

4 I'm going to call on Mr. DePaoli and then Mr.
5 Preuss, and then, after that, I'm going to ask the other
6 Commissioners if they have any questions. Mr. DePaoli?

7 MR. DEPAOLI: Yes, thank you, just a quick comment.
8 You know, there's been a lot of talk about education and how,
9 you know, high schools need to start gearing students more
10 towards skilled trades and not just college. And there was a
11 comment made earlier that that maybe is somewhat due to NEA's
12 monopoly on education.

13 And I just wanted to comment on that because I'm
14 not sure if everybody knows, but the Michigan legislature has
15 stripped the NEA of a lot of its bargaining rights, and part
16 of the reason that you see a lot of these classes go away
17 that are geared towards skilled trades is the Michigan
18 legislature has repeatedly passed bills that defer money,
19 funding, to public schools and shift them over to for-profit
20 charter schools, and that's part of the problem we see when
21 we look at funding in education and why we don't have these
22 classes geared towards skilled trades.

23 CHAIR KEARNS: Okay, thank you.

24 And then I'm going to turn to Mr. Preuss. Also, I
25 had promised that we would talk about kind of policies to

1 make things better, and I think, if you all are holding back
2 on any of that, you know, please don't feel the need to do
3 so. If you have any thoughts on that, we want to hear that
4 as well. But I'm going to call on Mr. Preuss and then ask
5 other Commissioners if they have any questions. Mr. Preuss?

6 MR. PREUSS: Wow, you're right when you started
7 this whole conversation that we're going to run over because
8 it's going to start heating up here, and it is, and there's
9 so many people to really comment on, you know.

10 I just want to kind of, like, comment on Dr.
11 Robinson, what he was saying earlier about how we've waited
12 and waited for the institutions to be able to produce a
13 baseline-level student to come into the trades, which,
14 historically, that's the way it worked, is that, you know,
15 kids would graduate from high school, and that post-secondary
16 education, they would come into the trades, and we would
17 teach them, the trades would teach them.

18 In the building trades, we would teach them how to
19 become the best electrician, plumber, pipefitter, laborer,
20 bricklayer and what have you, all the different trades, but
21 what's happened is, because of the disinvestment, because the
22 revenue -- there was no revenue sharing and revenue that
23 would support these school systems, especially in the urban
24 settings that money's been pulled out of, that the industry
25 was being blamed for, well, why don't you have enough Black

1 electricians?

2 Well, that's a very complicated problem because, if
3 the school system -- if you're only top-level, successful
4 students, you're going to push them to college, and then the
5 students that, let's say the -- you know, we have a great
6 majority of our students that are not academically -- they
7 don't have the fundamentals in place, that puts us at a
8 disadvantage.

9 So, as to Dr. Robinson bringing up access for all,
10 access for all was developed at the IBEW in our union hall.
11 It was the unions that got together to say that we
12 collectively have to fix this problem because we can't wait
13 on industry to come up with a solution. We can't wait for
14 the other institutions to come up with a solution.

15 So, to Dr. Robinson's point -- in fact, then it was
16 Don O'Connell and the building trades, Pat Devlin and some of
17 the other people, and I'm probably going to forget somebody's
18 name and they're going to be upset that I forget their names
19 and to give people credit. But we've gone into doing
20 pre-apprenticeship programs, apprenticeship readiness
21 programs. We've started and been partnered with many
22 different groups, nonprofits that we've been able to prop up
23 to address those minimum standards that are necessary to be
24 successful in our trades.

25 Can we do more? Should we be doing more?

1 Absolutely, we should be. Is there a problem with -- it's
2 unfortunate, the competition that has kind of, like,
3 stalemated a lot of progress, but, nevertheless, I mean, you
4 push back and push through, and hopefully we can use
5 government as a resource to kind of force people to working
6 together again that don't really work together very well.

7 You know, if we could, you know, get everybody in
8 the same room and decide that, you know, we're not going to
9 leave this room until we've got this problem solved with
10 education, I think we could get further down the road.

11 We saw that the collaboration does exist when
12 there's a big-ticket item. When Amazon decides, you know,
13 we're going to be putting our new headquarters somewhere, we
14 saw industry in the metropolitan Detroit area, we saw
15 Republicans and Democrats working together like we've never
16 seen before because we had a goal of attracting a big
17 corporate entity to the city. And I think that has to be the
18 same goal that we have now that corporations and companies
19 are going to move where there's talent. Tax abatements are
20 not going to be enough for the future economy. It's going to
21 be who has the talent.

22 And people say there's a shortage, there's a
23 shortage of people. There's a shortage of people that have
24 skill and ability. There's not a shortage of people that
25 need a job. There's over 200,000 people in the City of

1 Detroit -- I sit on the Workforce Board, by the way --
2 there's over 200,000 people in the City of Detroit that are
3 not working, that are without employment, 200,000.

4 There's not a shortage of people, but there is a
5 shortage of education, there's a shortage of people having
6 access. One of the things that the Mayor said that I think
7 that I agreed with -- this is a few years back -- he said
8 that skill and ability and talent, intelligence, is
9 distributed equally amongst all races, people, throughout the
10 entire world, but opportunity is not.

11 And you know what, that is very well-said. I agree
12 with it 100 percent because opportunity has not been shared
13 very equally with all the minority groups because the people
14 that have the power do not like to share the power with other
15 minority groups. That's why the unions have been the
16 equalizer, throughout history, the equalizer in this unfair
17 distribution of wealth that we see that's happening. And
18 that's what it comes down to.

19 When we talk about earlier with greed with Ms.
20 Hunter, what she was saying about greed, there has to be
21 controls on greed. Otherwise, leaving the powerful
22 corporations unchecked to be able to pay for their own
23 politicians and invest into the political system in a way
24 that they can manipulate the rules to favor them, that's
25 where the problem lies. And I'll end my comment there.

1 Thank you.

2 CHAIR KEARNS: Thank you.

3 I know we've got Mr. O'Connell and Ms. Brown Maxey
4 who wanted to speak, but I'm going to give our other
5 Commissioners a chance to speak first, and then I'll turn
6 back to you all. Commissioner Johanson, would you like to
7 speak?

8 COMMISSIONER JOHANSON: Thanks to all of you for
9 being here today. I find this very interesting, and we're
10 covering a lot of ground, I have to say, compared to some of
11 the other roundtables we've had. The discussion's been very
12 forthcoming, which is great. This is exactly what we want.

13 I'm going to cover an issue which I don't think has
14 been discussed today. Geography plays a role in each life of
15 a city, and the City of Detroit borders Canada, yet a speaker
16 today mentioned that Detroit is one of the poorest cities in
17 the United States. How much does Detroit benefit from trade
18 with Canada, and how much do the people of Detroit benefit
19 from trade with Canada?

20 MR. PREUSS: I can't get my microphone to mute, so
21 I think that's an omen. If I could just comment real
22 quickly? And forgive me for being out of line, but our
23 border -- I think we're the number one or number two border
24 in the country as far as the amount of -- I think it's
25 upwards of three-quarters of a trillion dollars' worth of

1 goods and services that pass through our borders here in
2 Detroit.

3 But, at the same time, we're the poorest city in
4 the country, and 78 percent of our population is Black. So,
5 you know, there's a huge distribution problem of wealth that
6 seems to deliberately evade the population, and that's
7 because the people that control the power, that control the
8 money, that control the trade, have been in control of who
9 gets it and who doesn't.

10 And for the last 30 years, Black and Brown people
11 in the City of Detroit have been excluded from all of those
12 gains. And we haven't even talked about property. We
13 haven't talked about the access to being able to buy your own
14 house. I mean, if we look at who's been able to go to the
15 bank and get a loan, get a mortgage, in I think it was 2016,
16 there was only 40 -- or not 40, excuse me, 400 mortgages in
17 the City of Detroit.

18 The people that are buying the property in the City
19 of Detroit, it's mostly cash sale. That's changed a little
20 bit, but who's the biggest landowner in the City of Detroit?
21 It's the City of Detroit, the people of the City of Detroit.
22 The landowners are the taxpayers, but, unfortunately, the
23 politicians control who has the access to that property. And
24 that has not been evenly distributed. It's not been fairly
25 utilized to benefit the people; it's benefitted the corporate

1 interests, the people that are paying for the politicians.

2 So I could go on and on about that, but I just
3 wanted to touch on the fact that, you know, we're one of the
4 largest international borders that has a lot of economic
5 trade that goes through our system, but it does not touch the
6 residents.

7 COMMISSIONER JOHANSON: I might add that one reason
8 I ask the question is I'm from Texas, and I know the cities
9 in Texas on the border do seem to benefit quite a bit from
10 trade. So that's why I'm just kind of confused by the
11 situation here in Detroit.

12 CHAIR KEARNS: Okay. I think next to answer
13 Commissioner Johanson's question is Dr. Robinson, and then
14 Mr. O'Connell after that.

15 DR. ROBINSON: Yeah, I think it's a good question.
16 I think we could say that if we went back further in time,
17 the highly integrated economies of Ontario and Michigan, the
18 benefits from the high level of integration between those two
19 national economies was, you know, much more evenly
20 distributed.

21 So it's really what my brother, Rick, was saying.
22 It's not about how much trade you do, how big are those trade
23 flows; it's about what rules govern the way those flows occur
24 and how do those rules and the impact they have on these
25 dynamics affect distribution of who benefits and who doesn't.

1 So, if we look, in 1965, the auto industry of
2 Ontario and -- you can in the United States, but, really,
3 that meant to a very significant degree Ontario and Michigan
4 and Ohio, took a quantum leap in integration. Much more
5 trade started to go across the borders when the auto pact was
6 signed. Why? Because the auto pact said we're going to take
7 down the tariffs. Canada took down the high tariff walls
8 that they had built up with their historic policy for
9 ensuring that there was auto production in Canada because
10 they didn't want to just import cars from the United States;
11 they wanted auto jobs in Canada as part of their economic
12 development strategy.

13 But the principle upon which the Auto Pact of 1965
14 was based is, for every car, a big three or whatever it was
15 in those days -- there was more than the big three -- for
16 every car they export to Canada, we want a car built in
17 Canada that will be exported, in part -- some of the cars
18 manufactured in Canada will be exported back to the United
19 States.

20 So it was basically a principle that ensured that
21 the amount of auto employment in each country corresponded to
22 the amount of automobile consumption that that country did.

23 Now, with NAFTA, we basically ditched the auto pact
24 and we said we're going to integrate three national
25 economies. In the Canada-U.S. case, we had both auto

1 economies in both countries were united by a strong, single
2 union. The United Auto Workers was truly an international
3 union in those days that represented all the auto workers in
4 Canada and in the United States.

5 And that was part of the reason the auto pact took
6 the form that it did, was the UAW pushed very hard on both
7 sides of the border for these kinds of trade principles.
8 Under NAFTA, if Mexico had followed auto pact rules, there
9 would be hardly any plants in Mexico because the workers in
10 Mexico, both in the auto plants and everywhere else, are
11 paid, on average, one-tenth of what the workers get here.

12 They don't have enough money to import very many
13 cars, and so not very many plants could be located in Mexico
14 under auto pact rules. But we ditched the auto pact and
15 basically opened the spigot for as many plants to be shifted
16 to Mexico as the big three found profitable to do.

17 And, hey, if you can cut your labor costs by 90
18 percent by shifting to a country where independent unions are
19 repressed by the government and by the company acting in
20 tandem and, guess what, by a labor federation that's closely
21 tied to the government and acts as a third party to also
22 crush independent unionism, you're going to be able to keep
23 those labor costs low no matter how high the productivity of
24 those plants is.

25 I've been in there and will see a plant; it's as

1 good as any plant in the United States, good as any plant in
2 Michigan in terms of productivity and quality. They pay
3 their workers 20 bucks -- when I was last there, it was a few
4 years ago, admittedly -- 20 bucks a day, not 20 bucks an
5 hour. So, you know, those are trade rules. We make those
6 rules. We can make them one way; we can make them another
7 way. And we have to understand when we make them a
8 particular way that it has very important distributive
9 impacts.

10 One of the impacts of shifting from auto pact trade
11 rules to NAFTA trade rules is that a whole lot of the gains
12 from efficiency of integrating those two national economies,
13 as well as the gains from productivity over time from, you
14 know, technological innovation and the like went out of the
15 hands of workers in both countries and into the hands of the
16 1 percent.

17 CHAIR KEARNS: Great, thank you.

18 Mr. DePaoli?

19 MR. DePAOLI: Yeah, just to answer that question,
20 and Dr. Robinson kind of touched on it, but one of the things
21 different about the trade with Canada is that their wages and
22 their environmental standards and things like that are fairly
23 equal to ours. So we don't face that unlevel playing field
24 that we do in other countries such as Mexico and China.

25 CHAIR KEARNS: Great, thank you.

1 Do other Commissioners have questions?

2 I'm sorry, Mr. O'Connell. Thank you.

3 MR. O'CONNELL: So one perspective that I have is
4 through the Trade Adjustment Assistance Program exclusively.
5 This is when the United States Department of Labor has taken
6 a look in 2020 and certified seven organizations within
7 Detroit alone. In 2019, there were four organizations. That
8 we know of in the past five years, a minimum of 1400 jobs
9 have been lost in Detroit alone.

10 I think the better question is, are we replacing
11 these jobs in Detroit that are going overseas that are being
12 impacted by trade? The decline of the Detroit industry has
13 an extreme impact on its individuals and on its tax base,
14 which is not helping to fund that infrastructure that's
15 needed to help fund the education.

16 I think a lot of my colleagues here have mentioned
17 the Right to Work -- or, I'm sorry, not Right to Work. The
18 Right to Read lawsuit that came about within the organization
19 that didn't allow these individuals to actually have the
20 basic education to read within Detroit itself.

21 What we really need to take a look at is why these
22 jobs are going overseas. The USITC actually investigates the
23 dumping of goods and how they're impacted within the U.S.
24 One of our best ways to combat trade is through tariffs, but
25 we are reactionary. When there is an impact somewhere, you

1 take a look at it, you say, okay, how many organizations were
2 impacted by this? Is this an actual problem within that
3 organization? And then you issue determinations of
4 organizations that were actually impacted around the United
5 States.

6 Well, I want to say that the product that has been
7 dumped on the U.S. may not be specific to those organizations
8 alone. It could be spread about across other organizations
9 as well. We need to examine the product as a whole and maybe
10 not the specific organizations to indicate whether or not
11 something has been dumped on the U.S. because we're not
12 catching everybody. Like I said, it's a minimum of 1400
13 jobs. There could be many, many more that have been lost in
14 Detroit.

15 CHAIR KEARNS: Okay. Thank you, Mr. O'Connell.

16 Vice Chair Stayin, did you have a question?

17 VICE CHAIR STAYIN: Yes, I do. Thank you.

18 Mr. O'Connell, there's a lot of talk about foreign
19 investment in the United States creating jobs and replacing
20 some of the jobs that have gone overseas. What is your view
21 on foreign investment in the United States? And who does it
22 benefit?

23 MR. O'CONNELL: Foreign investment in the United
24 States benefits not only the United States as a whole but
25 individuals who are benefitting from receiving jobs within

1 the United States.

2 It's a snowball impact within communities
3 themselves. I think I touched on this a little bit earlier.
4 But, if a company is investing within the United States, and
5 as an example, I'm going to say creating a manufacturing
6 plant. Choose any city. That's going to create jobs within
7 that city, which is going to allow more individuals to work,
8 bring in a higher tax base, help fund education programs,
9 help fund infrastructure, create these mom-and-pop jobs that
10 have kind of gone away in the past and help stabilize them.

11 Not only that, we're going to look at restaurants,
12 individuals after their shift at a manufacturing plant are
13 going to support the local business restaurants. They're
14 going to go out to eat. They're going to spend the money
15 that is coming in there.

16 I'm a big supporter of foreign investment within
17 the United States as a whole and not United States companies
18 investing in manufacturing plants and goods and services
19 outside of it.

20 VICE CHAIR STAYIN: Okay. Thank you.

21 Does anybody else want to comment on that? Mr.
22 Robinson?

23 CHAIR KEARNS: Dr. Nevshehir, I think, wanted to
24 comment on that.

25 MR. NEVSHEHIR: Yeah, it's a great question. So I

1 mentioned earlier that we have 1100 foreign companies with
2 operations here in Michigan that generate 313,000 jobs, 212
3 of which are in manufacturing. In addition, these jobs pay
4 18 percent more than domestic employers, and the reason for
5 that is because a lot of these foreign companies are high
6 tech, hence they're more higher value-added jobs and,
7 therefore, they're able to pay their employees a little bit
8 more than a Michigan company that's just focused on their
9 domestic operations.

10 VICE CHAIR STAYIN: Anybody else?

11 DR. ROBINSON: Well, I would add on that that, you
12 know, we come up against this when we talk about buying union
13 in the automobile sector. Sometimes we confuse buying union
14 and buying American. We have a lot of foreign-owned plants
15 in the southern parts of the country that have resisted union
16 organization, often breaking the law in order to do so. And
17 it's interesting. What's their motivation? Why do they do
18 that? Why wouldn't they be willing to be part of a union?

19 Now we've got Elon Musk going to Germany and trying
20 to build a plant there that he hopes will be non-union as
21 well. So this can work in both directions.

22 But I think there's a question of control, there's
23 a question of to what degree should the workers have a right
24 to have a say in how that workplace operates. We have plants
25 from Germany as well as Japan that have unions in their own

1 countries and they pay their workers higher wages than they
2 pay in the United States, generally resisting unions in this
3 country. I think it's partly about control and it's partly
4 about -- although they track the union wages pretty closely
5 because they know if they didn't keep up with UAW wages, that
6 would be a big organizing, you know, point to convince
7 workers to join UAW. But they don't pay nearly the same
8 benefits, which are harder to track.

9 So they're definitely holding down labor costs.
10 And because they are -- they don't have the legacy costs,
11 they're a lot newer plants, so they're not supporting
12 retirees in the same way as the big three American plants
13 are, they're actually able to be much more cost-competitive.

14 So the irony is that it's not the imported BMWs
15 from Germany where the workers are paid more than the UAW
16 workers are that are undercutting union jobs in this country.
17 It's moving to Mexico plus companies that move to the United
18 States and then resist going union that undercut the wage
19 structure that unions have been able to establish for auto
20 workers. So that's just to that point.

21 I mean, foreign investment is a mixed bag. It
22 really depends on not all jobs are equal. Not even all
23 high-tech jobs are equal. It depends what kind of a behavior
24 are those foreign investors bringing to this country? And
25 the foreign auto investors have not been behaving the way

1 they are expected to and do in their own countries. When
2 they come here, it's okay, a whole different story and not a
3 good one.

4 VICE CHAIR STAYIN: Thank you.

5 I have another question. There was an article in
6 the paper recently that hiring of college students versus
7 hiring a non-college student who has the skills for making
8 things, and, you know, it seems like -- is that happening?
9 Are we having jobs that would be better filled by young
10 people who are coming out of high school who have the skills
11 to do the things in the plant as opposed to maybe college
12 students? And is there some sort of a priority that may be
13 misplaced? Any comments on that?

14 DR. ROBINSON: Well, I've read that some employers
15 are using college, do you have a degree or not, just as a
16 sorting mechanism; you know, independent of whether or not
17 it's actually skill related, to anything they might have got
18 with a college degree, they're just saying, well, we've got
19 500 applications, 200 of them have done a BA and the rest
20 haven't, let's just work with the 200.

21 So that it's a kind of sorting mechanism, it's a
22 way of narrowing down the pool, but a very crude one and one
23 that might often not be appropriate. But I don't know beyond
24 that what else might be going on there.

25 VICE CHAIR STAYIN: Anybody else have a comment?

1 CHAIR KEARNS: Dr. Nevshehir had a comment on that.

2 MR. NEVSHEHIR: Great point. So I just want to
3 preface this by saying that some of the dumbest people I know
4 have always been considered the most educated people in this
5 country. And what I mean by that is that sometimes, you
6 know, you have these college-educated kids that have this
7 sense of entitlement and feel as though they can go into any
8 employer, dictate terms of their employment. In the
9 meantime, you have other people out there from the rural
10 areas, from the inner city, that are hungry and they have a
11 better work ethic than some of the so-called educated people
12 in this country. So I don't think we can equate education
13 with a good work ethic.

14 VICE CHAIR STAYIN: Thank you.

15 CHAIR KEARNS: We have Ms. Brown-Maxey would like
16 to speak.

17 VICE CHAIR STAYIN: Please do.

18 MS. BROWN-MAXEY: I want to agree with you, and
19 that is true. But it's a myth, it's a thought that if you
20 don't have a degree, then you're not qualified. That's what
21 it is. Or, if they do hire you, they don't respect the fact
22 that you don't have the degree. So even though you may get
23 hired, you will not get the same pay as that of a educated,
24 entitled college degree person, okay, because so many jobs
25 have you got to have experience plus a degree or some type of

1 work background. So what does that do for that creative,
2 innovative, motivated genius that has just graduated from
3 high school? Where does that person go?

4 VICE CHAIR STAYIN: Good question.

5 I have one more question and I would like to ask
6 about, when I went to high school in the stone age, we had a
7 shop class and students could choose do you want to go into,
8 you know, English or German or language or do you want to go
9 to the shop and have shop class, and they learned there how
10 to do things, make things. In Cincinnati, Ohio, we had a lot
11 of manufacturing plants and it provided young people who come
12 out of high school with some skills and who have talent and
13 learn and can be excellent students, excellent employees, and
14 they were absorbed by all these manufacturing plants and one
15 of the reasons that they were so successful. I see some
16 nodding over here. Would you like to comment as well?

17 CHAIR KEARNS: Dr. Robinson I think he's referring
18 to.

19 DR. ROBINSON: We had that kind of shop when I was
20 in high school and some of my good friends, you know, decided
21 to take that option and, you know, they -- I'm talking about
22 people who graduated in 1975. They still felt that they
23 could get good jobs without going to college. Very few of
24 the students I went to high school with in a suburb of Ottawa
25 actually did go to college. They turned out to be, you know,

1 at the cusp of this very big change where they did pay a big
2 price in many cases for not going to college.

3 But, again, that's because we structured our
4 economy in a certain way. We adopted certain rules about how
5 we would run it and regulate it that created this massive
6 bias against people who were not college-educated workers.
7 It hadn't been that way for the previous 30 years, and it
8 didn't have to be that way for the following 30 years, but it
9 was because of decisions we made about how to structure trade
10 policy among other things. It wasn't the only thing, but it
11 was a big piece of the puzzle.

12 VICE CHAIR STAYIN: Okay. Thank you.

13 I have no further questions.

14 CHAIR KEARNS: Thank you, Vice Chair Stayin.

15 I'm very proud of the wood stool I made in my shop
16 class, I have to say. I wasn't good enough that I could
17 continue on in the shop class, but I'm pretty proud of it
18 anyway.

19 Okay, Mr. Robbins, I think you had something you
20 wanted to add.

21 MR. ROBBINS: Yeah, I just wanted to touch on, you
22 know, that basis of what we were talking about. You know, in
23 2006, I believe, is when all the shop classes closed in the
24 Lansing area in high schools.

25 With that being said, I'm 31 years old. I never

1 had the opportunity to be in one of those classes, right? So
2 I feel like in a trade of which I'm in now, I was put at a
3 disadvantage.

4 You know, we talked about people later on in life
5 getting into skilled trades, and in my opinion, you know,
6 we're not baptizing our high school kids and giving them
7 options, other options than going to college.

8 You know, I have friends that came out of high
9 school that went directly into plumbers, pipefitters,
10 electricians, along with the machinists union, and I have
11 other friends that have their four-year degrees and are still
12 working at a dead-end job. You know, I have the guys that
13 are welders that are making \$100,000 a year, and then I have
14 friends that are working at Target at minimum wage with a
15 four-year degree. You know, there's such a misconception of,
16 I don't want to say misconception because college is a
17 necessity in some situations, correct? But, when it comes to
18 labor, again, it's lacking. And I feel like our youth and
19 our upcoming youth are being left out of the pool and not
20 given the opportunities or the knowledge and education I
21 should say to grow into these jobs that we so desperately
22 need.

23 VICE CHAIR STAYIN: Thank you.

24 CHAIR KEARNS: Thank you. I keep being reminded of
25 the statistic that only about a third of Americans have a

1 college degree, which always kind of blows me away.

2 I don't know, Commissioner Karpel, did you have any
3 questions?

4 COMMISSIONER KARPEL: Thank you. No, I don't, but
5 I do want to say thank you to everyone. I've been listening
6 carefully the whole time. I'm sorry I couldn't have my
7 camera on earlier, I have a sick kid, so I was doing a little
8 bit of double duty, but I think it's been a great
9 conversation and just appreciate everyone sharing your
10 perspectives. It's really been a good conversation.

11 CHAIR KEARNS: Thank you. I hope she gets better
12 soon.

13 Dr. Nevshehir?

14 DR. NEVSHEHIR: I just want to make a point kind of
15 getting back to what we were talking about earlier. We have
16 to be reminded that wherever manufacturing goes, innovation
17 follows, not to mention the supply chains. So, as we try to
18 in-source production back into the United States,
19 particularly given the geostrategic situation with China and
20 Russia and other countries around the world, we can't turn on
21 that supply chain or all that workforce talent that we lost
22 in the interim on, like, a faucet. It's just going to
23 require some major retraining and workforce development. And
24 I think, you know, just given the fact that whether we like
25 it or not, you know, education, I think, is the ultimate key

1 to ensuring the future success of our country.

2 CHAIR KEARNS: Thank you.

3 Vice Chair Stayin, did you have another question?

4 MR. SECRETARY: You're on mute, Vice Chair.

5 VICE CHAIR STAYIN: Thank you. I've got it.

6 I want to thank all of you for being here and for
7 all of your great responses to our questions. We are working
8 diligently to try to address some of these issues and
9 preparing a response to the U.S. Trade Representative that
10 has asked us to do this investigation and prepare a response.

11 I did want to mention one other thing that doesn't
12 come up in this particular arena in the sense of what we're
13 talking about, but one of the things that the United States
14 International Trade Commission does, one of the major things
15 we do is we look at the impact of unfairly traded products
16 that have come to the United States. The Commerce Department
17 determines whether the product is sold at less than fair
18 value or that it was subsidized, though, clearly, when a
19 government subsidizes the production of a product and they
20 ship that product to the United States, it's going to be way
21 below what our products are because our governments don't
22 subsidize manufacturing.

23 So what we do, what comes to us is, have these
24 imports injured the U.S. industry? And if we determine that
25 the U.S. industry has been injured by these imports, we make

1 our decision and then, ultimately, the administrative process
2 will be finished, the antidumping duty or countervailing duty
3 will be moved, and that will be enforced at all of our ports.
4 And in that way, when a product comes to the United States
5 and it's one of the ones that we've dealt with, it will not
6 get into the United States.

7 We're looking at what we can do to keep our workers
8 working to be able to support their families and their
9 communities. So just to put that into the process. This is
10 something, we act as judges. Cases are presented before us,
11 and then we make our decisions.

12 And that is all I need to say. Thank you.

13 CHAIR KEARNS: Thank you, Vice Chair Stayin.

14 Mr. Jeffers?

15 MR. JEFFERS: Yes. I would just like to say that
16 we shouldn't wait for a company to have job loss. We
17 shouldn't wait for a company to go down and a lot of people
18 be unemployed. We should be proactive and stop the imports
19 from coming into the United States instead of waiting for job
20 loss because, again, job loss leads to human factors, to
21 people being hurt, suicides and everything else.

22 And another thing, I did get TAA. Out of our
23 company, out of 800 people that were eligible for TAA, 650
24 people used it, which is a lot. And they only trained us for
25 jobs that were out on the market now, not for the increase in

1 jobs coming in from foreign countries. It was just for the
2 jobs that were currently out there. So, luckily, some people
3 did find jobs, but some people didn't. They had to retire
4 because, like I said, at the age of 56, they had to retire
5 early because there was no job for them. Nobody was going to
6 hire them. Thank you.

7 CHAIR KEARNS: Thank you, Mr. Jeffers.

8 Dr. Robinson and then Ms. Brown Maxey.

9 DR. ROBINSON: I just wanted to respond to the
10 point about antidumping and the role of the USITC that Vice
11 Chair Stayin was just mentioning because I remember during
12 the NAFTA debates, which I was very involved in, we talked a
13 lot about the concept of social dumping. We talked a lot
14 about the idea that if a government suppresses its workers'
15 right to organize, that's a kind of subsidy, and that kind of
16 subsidy ought to be taken into account, and I think the
17 Europeans actually developed the concept of social dumping
18 and tariffs. They have a name, maybe it was social tariffs
19 or something that reflected tariffs specifically designed to
20 neutralize the competitive advantage that comes from
21 violating worker rights to organize, to bargain collectively,
22 and to strike.

23 I don't think the USITC has ever really taken up
24 that doctrine, and I would urge you to do so. I mean, I
25 think that's just one little piece of our trade law, the

1 dumping law, but that falls directly under your jurisdiction
2 in a way that, you know, negotiating NAFTA or the WTO does
3 not, so that's a piece you can work on. That's a piece you
4 can do something about.

5 And I would also note in the context of comparing
6 ourselves to how the Europeans handle this that when the
7 European -- before the European Union, when it was still
8 called the European community, was contemplating whether or
9 not to allow the trade preferences that membership in the
10 European community confers on its members to the countries of
11 Greece, Spain, and Portugal back in the late '70s, they said
12 you will not be able to join the European community until you
13 have democratic systems of government.

14 Think about that as a principle for American trade
15 policy to be organized around. Think about if we had a tier
16 of countries that we trade with that actually have democratic
17 unions or democratic governments that respect labor rights,
18 and they get most favored nation status. But any country
19 that doesn't meet those two criteria, they don't respect
20 worker rights and/or they're not democratic -- and those two
21 tend to go very, very closely together, as I'm sure you
22 know -- they don't get that status. They get an inferior
23 status or maybe they don't get to export to us at all.

24 Maybe we phase that out. We probably can't do it
25 immediately, but we say uh-uh. No, that's not going to

1 continue. That's not beneficial to our workers. It's not
2 beneficial to your workers either. We're facilitating you
3 operating in a way that's extremely harmful to your workers.
4 It's a lose/lose proposition for the workers around in both
5 countries, and we're not going to be participating in that
6 kind of system anymore,

7 CHAIR KEARNS: Thank you.

8 Vice Chair Stayin?

9 VICE CHAIR STAYIN: Yes. I think that there's one
10 more thing I needed to mention and that is that our statute
11 not only applies to injuries that actually have occurred, but
12 they apply to threatened injury to these things before it
13 actually gets to the destruction standpoint on our country
14 and our workers. So, you know, it's do you have current
15 injury or is the company and the employees threatened with
16 injury. Those are the issues and those are the issues we
17 decide. Thank you very much.

18 CHAIR KEARNS: Ms. Brown-Maxey, did you have
19 something you wanted to add?

20 MS. BROWN-MAXEY: Yeah, just to piggyback on what
21 they said. They're absolutely right. And I just want to say
22 something that I was thinking.

23 The most important way, in my opinion, one of the
24 most important ways to fix this is to flip our whole model of
25 trade agreements around. Instead of being based on making it

1 easier for companies to move jobs wherever they want in the
2 world, it should be based on creating a much stronger
3 protection for workers rights and environmental health and
4 safety standards across the world. Doing so would help level
5 the playing field and make it much easier for American
6 workers to compete without having to worry about their jobs
7 and could they be removed by other countries where workers
8 are only paid pennies an hour. We're talking unions. We're
9 talking workers' rights.

10 CHAIR KEARNS: Thank you.

11 I think, Mr. O'Connell, you had something to say.

12 No?

13 Okay, does anyone else have any further comments?

14 That's a pretty good place to end if you ask me.

15 Yeah, Dr. Nevshehir?

16 DR. NEVSHEHIR: Yeah, I really enjoyed this
17 discussion. During the break, I was talking to the Chairman
18 about, you know, sometimes what we need more is empathy
19 toward one another and that you judge a country by how well
20 we take care of our weakest members. In that regard, I don't
21 think we do such a great job.

22 But it's nice, though, to be in a room where we
23 have diverse opinions and everybody's respected. And this
24 could be a model for bringing our polarized country back
25 together because, you know, change doesn't happen at the

1 extreme right. It doesn't happen at the extreme left.
2 Change always happens in the middle. So I was really honored
3 to be part of this, Chairman Kearns, and I appreciate you
4 inviting me. I really learned a lot.

5 CHAIR KEARNS: Thank you.

6 We're heading back to Washington tomorrow. Maybe
7 we'll bring something back to Washington, a little bit more
8 bipartisan and reasonable approach.

9 Mr. DePaoli, did you have something to say?

10 MR. DePAOLI: No, I was actually giving a thumbs up
11 to his comment, but I hit the wrong button. Sorry.

12 CHAIR KEARNS: That's okay.

13 Does anyone else have anything they want to close
14 with?

15 (No response.)

16 CHAIR KEARNS: All right. Well, then we will wrap
17 this up. Thank you all very much. This has been an
18 excellent conversation and we really appreciate everyone
19 participating. Have a great evening.

20 (Whereupon, at 4:10 p.m., the roundtable in the
21 above-entitled matter adjourned.)

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CERTIFICATION OF TRANSCRIPTION

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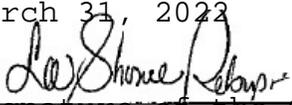
LOCATION: Southfield, Michigan

NATURE OF HEARING: Roundtable Discussion

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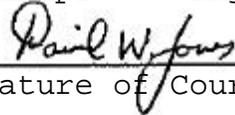
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