

**Finance Committee Hearing
Trade Adjustment Assistance
Statement of Senator Snowe
July 19, 2001**

Thank you Mr. Chairman. I want to thank the Chairman for holding this hearing today as the Trade Adjustment Assistance programs are extremely important and beneficial as they provide short-term assistance to train people who lost their jobs due to imports or whose plants have relocated to Mexico or Canada, to do other jobs.

For example, just in my own home state of Maine, we've had workers who have applied for NAFTA-TAA assistance, such as Port Clyde Canning in Rockland, which moved production to Canada, and Tree Free Fiber Company which used to be in the state capitol of Augusta, but suffered due to the import of a similar product from north of the border. SCI Systems, which made computer parts, laid off over 200 workers and applied for both TAA and NAFTA-TAA assistance due to the impact of imports from Canada as well as other overseas companies. And one company that manufactured semi-conductors shut down last year and literally pulled its equipment off the floor and shipped it to Mexico.

The fact is, trade results in both the formation of new jobs and the loss of others. These programs give the American worker the education, training, and skill they need to find another job.

Now, this Committee is faced with developing reauthorization legislation which takes into consideration the realities of these programs, those it has affected, and where we want it to go in the future.

I know that there are already areas where there is a consensus, such as consolidating the TAA and NAFTA-TAA programs into one, more efficient program – and I, too, support that. Another issue which I know has created problems in my State has been the current budget for training assistance. Maine has continually run short of training funds forcing them to apply for Department of Labor grants. At worst, a state would have to stop providing retraining assistance.

I also know that in reviewing additional reforms to the TAA program, differing views will be expressed. However, one thing I think we can all agree on is that these programs provide a resource to people who would have no other option comparable to what TAA gives them - which is the ability to keep working.

I look forward to this hearing as it will serve to provide us with the opportunity to discuss the current TAA programs and any improvements we may make to them as the Committee discusses re-authorization language.

Thank you, Mr. Chairman.

TAA for firms has also proved its worth. This program is slightly different than the others as its purpose is to provide technical assistance to firms *before* they reach the point of having to shut down so that they have the opportunity of becoming more competitive. In fact, the New England Trade Adjustment Assistance Center (NETAAC) is presently working with four Maine manufacturers, and supervising technical assistance totaling \$535,000. The companies employ approximately 752 workers. This is not a tremendous amount of money to provide the expertise to preserve the jobs of these employees.