



November 19, 2008

Support Emergency Assistance to the U.S. Automobile Industry

Dear Senator:

On behalf of the Transportation Trades Department, AFL-CIO (TTD), I urge you to provide critical economic relief to the American automobile industry. This legislation is not only necessary to the future survival of the Detroit-based automakers and their workers, but more significantly to the one in ten American workers who rely on this vital industrial sector for good jobs and economic security. It is clearly in the country's best interest to deal with this crisis upfront before it harms downstream supplier industries and state and local governments, and exacerbates the unemployment crisis.

Providing assistance out of the Emergency Economic Stabilization Act (EESA) to the automobile industry is consistent with the purpose of the legislation, as the credit crisis is making it extremely difficult for consumers to secure financing for auto purchases. Moreover, the proposed assistance would only amount to four percent of the funds authorized under the EESA.

Transportation workers know first-hand the importance of a strong manufacturing sector. The flight of manufacturing jobs overseas has destroyed regional economies and left state and local governments reeling from massive losses in tax revenues that support vital services. Many of the same companies that supply parts to the major auto companies also provide services to companies that manufacture rail and transit equipment. Furthermore, auto producers are major customers of freight transportation carriers, and we fear the demise of GM, Ford and Chrysler could have a rippling effect among transportation carriers and their employees as they struggle due to the loss of key transportation customers.

The collapse of the automobile industry will also place an unsustainable burden on the Pension Benefit Guaranty Corporation (PBGC). The PBGC is already bearing the load of multiple pension guarantees, including a significant number of airline worker's pensions, and can ill afford the devastating blow of further liability. The termination of auto employee benefits would further jeopardize the agency's current responsibilities and may require significant government involvement in the event of a collapse in the system.

Transportation Trades Department, AFL-CIO

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Edward Wytkind, President • Patricia Friend, Secretary-Treasurer



An entire generation of transportation workers has personally experienced what it means to permit America's industrial economy to disappear. Jobs are lost, communities are severely harmed, state and local government services are decimated, and businesses and their employees, downstream and upstream, suffer. US auto manufacturing directly or indirectly touches virtually every segment of the economy and every corner of this nation. It is time for Congress to step in and stop the severe economic carnage that would result from the collapse of one or more of the Detroit-based auto manufacturers.

For these reasons, transportation labor strongly supports assistance to the U.S. automobile industry, and we urge the Senate to quickly pass this bill to avert a national economic crisis.

Sincerely,

A handwritten signature in black ink, appearing to read 'Edward Wytkind', with a large, stylized flourish at the end.

Edward Wytkind
President