

Home > About Us > Press Office > Press Releases > 2011 > February

## Statement by USTR Ron Kirk on Need to Support American Workers by Extending Important Trade Programs

Washington, D.C. - Today, United States Trade Representative Ron Kirk released a statement on the need to support American workers by extending important trade programs.

"I am disappointed that Congress has not acted to extend Trade Adjustment Assistant (TAA), the Andean Trade Preference Act (ATPA), and the Generalized System of Preferences (GSP). These are important programs that support workers and help U.S. businesses compete in the global marketplace. As a result of this inaction, 155,000 Americans will go without the assistance they were promised under TAA to help retrain for a new job," said U.S. Trade Representative Ron Kirk. "Farmers and workers in Colombia will lose access to the U.S. market just as they are recovering from severe floods. At the same time, the continuing absence of ATPA and GSP benefits raises costs for American consumers and businesses as well as farmers in some of the world's poorer countries."

"We encourage Congress to extend these three programs as soon as possible and to do so for substantially more than a few months. We are committed to working with Congress to secure reauthorization of these essential trade programs."

## BACKGROUND

The Trade and Globalization Adjustment Assistance Act of 2009 (TGAAA) was signed into law by President Obama as part of the American Recovery and Reinvestment Act of 2009. The law expanded benefits to workers whose jobs have been outsourced to foreign countries, including those in the service sector. It improved workers' training options, made health insurance premiums more affordable for them, and created new benefits for trade-affected communities. The TGAAA also expanded the scope of the TAA programs to enhance assistance for adversely affected workers in finding new employment. Additionally, the program encouraged the type of long-term training necessary for jobs in the 21st century economy through an extension of income support, an increase in the cap for training funding, and access to training for adversely affected incumbent workers.

The objective of the Andean Trade Preference Act, enacted in 1991, is to promote broad-based economic development, diversification of exports, and consolidation of democracy. It is also intended to help defeat the scourge of drug trafficking by providing sustainable economic alternatives to drug-crop production in beneficiary countries. Colombia and Ecuador were receiving benefits under the program, but those benefits expired on February 12, 2011.

U.S. businesses and consumers benefit from the GSP program through cost savings on imports. GSP saved U.S. importers nearly \$577 million in duties in 2009. Also, according to a 2005 U.S. Chamber of Commerce study, the program supports over 80,000 American jobs associated with moving GSP imports from the docks to farmers, manufacturers and ultimately to retail shelves. In addition to its benefits to Americans, GSP promotes economic growth in the developing world by providing preferential duty-free entry for about 4,800 products from 131 designated beneficiary countries and territories. The program was instituted on January 1, 1976, by the Trade Act of 1974.

Office of the United States Trade Representative • http://www.ustr.gov/ • accessed on: Wed, 16 Feb 2011 14:19:29 -0500