

Citizen Policy Trade Commission
Summary of Public Hearing Testimony
Thursday, November 30, 2006
City Council Chambers, Presque Isle

I. TESTIMONY BY TOPIC

Democracy Issues

- Free trade important to early USA and industrialization and American democracy, yet developing countries (emerging economies) with poor working conditions or ecological degradation may not change to free trade provisions without a democratic process
- State needs to develop policies within the free trade framework
- Access to the US market should require meeting basic standards
- State sovereignty is an important issue and states should be allowed to set their own rules

Maine Jobs/Economy

- Originally thought NAFTA was a good idea, yet as time goes on, seeing wages driven down because of NAFTA
- Friend works for a paper company that's opening 3 mills in Russia
- China now producing paper with raw materials sent from here, processed in China and sent back
- Working at Frasier used to mean a worker had a job they could depend on
- The paper industry is changing with expansion now done in other countries
- Goals of trade should be to open new markets for Americans and to open American markets to goods from other countries
- Northern Maine has seen job loss—need to find
- Need to be concerned about net loss of jobs while considering world standards (especially for emerging economies) for free trade
- 5 companies closed due to NAFTA that were Trade Adjustment Assistance (TAA) certified with 207 workers affected
 - Georgia Pacific- 12 workers
 - Aroostook Starch- 22 workers in Fort Fairfield
 - Louisiana Pacific- 103 workers and a main employer in rural Maine Legislature
 - 1st Technology- 63 workers in Caribou
 - Maine Brad and Manufacturing – 6 workers
- Loss of the 207 jobs devastating to the families and also to the entire area and St. John Valley
- When manufacturing jobs are lost in ME, new business can come in—but they rarely match the wages and benefits lost
- When large employer leaves a community or downsizes it's not just the loss of the employer—but the impact of those left behind, the effect on families, markets and services
- Need to look at how State does business, courting large employers—yet the majority of Maine business are small businesses with 20 employees or less

Labor Issues

- Trade Adjustment Assistance (TAA) Program provides assistance to employees if a company closes resulting from NAFTA agreements

- TAA benefits make US companies great—yet often cause companies to move or expand outside of the US
- TAA grants for tuition assistance (4 year programs) and work force funds target low income and disenfranchised youth, and women to provide an extra boost to workers to help support families
- If affected workers don't chose to go into a 4 yr program to get TAA funding, their options are to find work or to visit a career center that can help guide them to a high growth industry and assist them in getting the skills needed
- People need to be paid fairly—all workers, in Maine and globally
- US has federal trade system—in Canada the provinces compete and fight it out with each other—treating the US about like another province
- Inequity when US workers can't go to Canada and work, yet Canadian workers can get a visa to come to US and work all they want

Public Health/Pharmaceuticals

- Inequities in nursing sector with employment—US employees can't get jobs in Canada, yet US employers often hire Canadian workers because there's no insurance premium—certain sectors like nursing

Environment

- Trade agreements need to include conditions of wages: environmental standards and general health to equalize the playing field

Agriculture

- Having worked in the potato industry, puzzling that Maine can ship potatoes to Boston or New York markets and so can Canada—yet Maine can not send potatoes to Canadian markets
- For small farmers it's a struggle to compete and when there's a good year and the harvest is up, the market floods and NAFTA helps the Canadian farmers and hurts the Maine farmers
- Northern Maine is a farming community having lived in the same area for 50 years ago there used to be 40 farms—now there are 3
- In Maine, used to be 100,000 acres of potato farmland and 50,000 acres in Prince Edward Isle—now it's reversed
- Subsidization is also an issue as Canadian trucks are subsidized 200 miles to the border
- Another farmer that wants to stay in Aroostook county was offered to have a shed (\$3-4 million) built for him in Canada for a broccoli farm and he wouldn't have to pay—despite Canada saying they don't subsidize sheds anymore—still an issue
- Rural Caucus in King's administration got a Maine-Canadian ombudsman—now there's no money—it got reinstated yet Gov. Baldacci didn't realize the money was there—Rep. Carr possibly has research materials for work done by the rural caucus

Other

- 50 states were surveyed and half responded—only 1 state has 'emissary' working with Canada over trade issues