

**GOVERNOR JENNIFER M. GRANHOLM**

Friday, December 9, 2005

Hello, this is Governor Jennifer Granholm.

On Monday, a top White House economist said that Michigan's auto manufacturers need to go it alone when it comes to global competition and the high cost of pensions and health care.

This is an unacceptable response to our manufacturing crisis. In Michigan, we know better. Michigan is at the center of the global shift in manufacturing jobs due to competition with other countries. Our manufacturers and our workers are being asked to compete on a global playing field where the rules are not fair. They're being asked to compete with one arm tied behind their back.

Those in power in Washington must act to help our manufacturers succeed, and that's why I'm pushing Washington leadership to take specific actions that will level the playing field to assist not only our automakers, but the hundreds of thousands of workers and families who rely on our manufacturing economy.

On Tuesday, I submitted virtual testimony to a congressional committee outlining the specific actions that must be taken.

I repeated my call for Congress to enforce our trade laws, to compel other countries to play by fair rules by ending currency manipulation and strengthening intellectual property protections.

And, I believe that when we make a promise to our workers, we should keep it. So I asked lawmakers once more to ensure that pension promises made to workers are kept, by reducing administrative burdens on employers and by fairly treating our manufacturing sector.

I also asked them again to alleviate high health care costs for our manufacturers by making health care information technology a priority, which will greatly reduce costs, and by creating a catastrophic insurance pool. It is extremely important to allow our manufacturers to compete on a level playing field with other countries by providing assistance in health care costs.

These are actions that I outlined in person when I met with Michigan's Congressional Delegation last month. And coming out of that meeting, we have an excellent bipartisan consensus on several recommendations to help our domestic manufacturers.

We are working hard in Michigan to help our manufacturers. But we need to have a partner in the federal government. I know that Michigan's manufacturers can compete and win in the global marketplace. We have the best workers in the world to help them do it. But we need a level playing field – and those in power in Washington hold the key.

This has been a critical week in Washington on another front, as Congress considers whether to pass deep cuts in programs that support the children and families that are our most vulnerable neighbors.

The attempt to slash billions from these critical programs is justified in the name of “cost-cutting”. In reality, the cost of providing these services isn’t eliminated, but merely shifted to states like Michigan that are already bearing the brunt of the nation’s manufacturing crisis.

Just as the Bush administration shouldn’t ignore our manufacturers, they the leaders in Washington should not ignore the federal obligation to this country’s vulnerable citizens. I strongly urge our Michigan Congressional delegation to fight these cuts, and not to balance the federal deficit on the backs of the states and their citizens in need.

Thank you for listening.