



INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA - UAW

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VICE PRESIDENTS: GENERAL HOLIEFIELD • BOB KING • CAL RAPSON • JIMMY SETTLES • TERRY THURMAN



IN REPLY REFER TO

May 15, 2009

1757 N STREET, N.W.
WASHINGTON, D.C. 20036
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Dear Representative:

As the discussions continue concerning the restructuring of General Motors, the UAW wishes to restate our strong opposition to the company's plan to close 16 manufacturing facilities in the United States, while at the same time dramatically increasing the number of vehicles it will be importing from Mexico, Korea, Japan and China for sale in this country. We urge Members of Congress to join with the UAW in urging the Obama administration to insist, as part of any further government assistance, that GM should be required to maintain the maximum number of jobs in the U.S., instead of outsourcing more production to these other countries.

The facts regarding GM's proposed restructuring plan are not in dispute. GM's plan calls for the closing of 16 plants in this country, including four assembly plants. This will directly result in the loss of 21,000 jobs, and the ripple effect at suppliers, dealers and other businesses will cost tens of thousands of additional jobs across the United States. Numerous communities will be devastated by these plant closings and job loss.

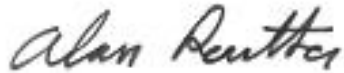
At the same time, GM has admitted that between 2010 and 2014 it is planning to increase the number of vehicles that it will be importing from Mexico, Korea, Japan and China from 371,547 to 736,743. This represents a 98% increase in the vehicles it will be importing from these countries. As a result, the share of GM's sales in the U.S. market that will be imported from these countries will increase from 15.5% to 23.5%.

GM has responded that this sharp increase in imports from these four countries will be partially offset by a drop in the vehicles in imports from Canada. But this argument ignores the fact that vehicles imported from Canada have very high levels of U.S. content, due to the longstanding integration of the U.S. and Canadian auto industries. In contrast, imports from Mexico, Korea, Japan and China will have very low or zero U.S. content. Thus, GM's sourcing plans clearly call for a sharp drop in the level of domestic content in the vehicles it will be selling in the U.S., with the resulting loss of automotive jobs for American workers.

The UAW believes Congress and the Obama administration should insist that GM change its restructuring plan. If GM is going to receive government assistance to facilitate its restructuring, along with substantial benefits from the tremendous sacrifices by UAW active and retired members and other stakeholders, we believe it should be required to maintain the maximum number of jobs in the U.S., instead of outsourcing more production to countries where the vehicles will have little or no U.S. content.

Thank you for considering our views on this priority issue.

Sincerely,

A handwritten signature in black ink that reads "Alan Reuther". The signature is written in a cursive, slightly slanted style.

Alan Reuther
Legislative Director

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