



Leo W. Gerard  
International President

December 8, 2008

VIA FAX:

United States Senate  
Washington, D.C. 20510

U.S. House of Representatives  
Washington, D.C. 20515

Dear Senator/Representative:

Congress rightly required the "Big Three" auto executives to return to Washington, D.C. with a plan to restructure their companies before agreeing to consider an emergency bridge loan to the industry. This is a much higher standard than Congress and the current Administration required of the CEOs of the financial industry in the taxpayer-financed bailout of Wall Street.

What the auto industry is requesting is minimal in comparison to what has already been spent by Wall Street. Instead of an outright bailout, the industry is asking for a bridge loan to tide them over through restructuring and a recession that has dropped auto demand and consumer confidence to an all time low. People wondering if they will have a job in the near future are not rushing out to buy cars and trucks.

**I strongly urge you to support either a bridge loan to the industry through the original funding source of the Emergency Economic Stabilization Act (EESA) or through the Advanced Technology Vehicles Manufacturing Incentive Program (ATVMIP) with strict accountability provisions. If ATVMIP is the source of funding I also urge your support for quick replenishment of the funds for this program.** Some opponents of industry loans cite the success of the domestic transplant industry, but they have already been subsidized by US taxpayers in the form of tax breaks by state and local governments.

The vast majority of the United Steelworkers' 850,000 members are employed in industries that primarily supply the domestic auto industry, in states that have already been hard hit by the decline in domestic manufacturing. Were GM or Chrysler be allowed to fail, the devastation to our membership would be catastrophic, not only for their communities and families, but to the economy as a whole.

The Economic Policy Institute's (EPI) just released study projects up to 3.3 million jobs could be lost, not only in supplier industries, but across a broad swath of the domestic economy. In addition, the EPI found that if the "Big Three" were forced by Congressional inaction to shut down, the US trade deficit would rise by \$109.3 billion.

If Congress refuses to act, the flood of job losses and cascade of bankruptcies throughout the manufacturing and service sectors of our economy will only be the beginning of a tidal wave of economic instability.

Sincerely,

A handwritten signature in black ink that reads "Leo W Gerard". The signature is written in a cursive style with a large initial "L" and "G".

Leo W. Gerard  
International President

LWG:ctl

c: USW International Executive Board