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New Report Reveals Trump Is Not Punishing Corporations that Offshore American Jobs, but Awarding Them New Government Contracts

56 Percent of Top U.S. Government Contractors Offshored Jobs

WASHINGTON, DC – Despite President Donald Trump's campaign promises to punish firms that offshore American jobs, the flow of federal contract awards to major offshorers has continued unabated since Trump's inauguration, according to a new report released today by Good Jobs Nation and Public Citizen's Global Trade Watch. The report, titled "Trump's First 100 Days: Federal Contracting with Corporate Offshorers Continues," reveals that a majority of the largest U.S. government contractors ship jobs overseas. Even after United Technology decided to offshore 1200 of its 2000 Indiana Carrier jobs to Mexico despite Trump's interventions, the firm has obtained 15 new federal government contracts since Inauguration Day.

Key findings of the study include:

- 56 percent of the top 50 federal contractors in FY 2016 were certified under just one narrow U.S. government program as having engaged in offshoring, and 41 percent of the top 100 FY 2016 contractors were certified as having offshored jobs.
- The top federal contractors certified as having offshored jobs received \$176 billion in contracts in 2016, which accounts for more than a third of total contract spending for that year.
- Since Trump's inauguration, the flow of federal contract awards to major offshorers has continued, with United Technologies, for instance, receiving 15 new awards and General Electric obtaining scores more.

Read the full report <u>here</u>.

"Our analysis proves that Donald Trump is not fulfilling his signature campaign promises to stop offshoring and bring back American jobs. Even though he's signed over 60 executive orders during his first 100 days, he has yet to use the power of the pen to stop corporations that receive taxpayer dollars from shipping American jobs overseas," said Joseph Geevarghese, director of Good Jobs Nation.

"After pledging to *punish* companies that offshore American jobs, Trump has not even used his expansive unilateral authority to ban offshorers from being *awarded* lucrative government contracts. Instead of delivering on his promises to end offshoring and create American jobs, Trump is rewarding companies that offshore with big contracts paid by our tax dollars. He has not introduced the End Offshoring Act or launched the NAFTA renegotiations he promised for his first 100 days, and he caved on taking tough actions to reduce our huge job-killing China trade deficit," said Lori Wallach, director of Public Citizen's Global Trade Watch.

"It's disgusting that companies like T-Mobile get taxpayer money at the same time they're sending thousands of jobs abroad," said Jamone Ross, a former call center worker for T-Mobile in Texas, who lost his job in 2012 along with 500 co-workers when T-Mobile shifted their work to Asia and Honduras. "When I lost my job I'd just gotten married and bought a house. Thanks to T-Mobile, I spent the first year of my marriage taking out loans to keep up my mortgage payments, and the next year digging myself out of debt. Friends of mine lost their cars and their apartments. If Trump really cares about American workers, like he says, he should stop this, right now."

U.S. presidents have broad executive authority to enact "policies and directives" for federal contracting. Trump has failed to exercise this authority to cut off firms that offshore from obtaining lucrative government contracts paid with taxpayers funds.

The report highlights that Trump appeared willing to flex his muscle as "purchaser-in-chief" right after the 2016 election with his high-profile interventions to try to prevent United Technologies, a major defense contractor, from shipping its Carrier subsidiary's operations to Mexico. However, the study finds that since then Trump not only has failed to take promised actions, such as introducing and "fight[ing] for passage within the first 100 days of my Administration" of a Stop Offshoring Act in his first 100 days, but his administration has approved lucrative contracts with some of the nation's most notorious chronic offshoring corporations.

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Good Jobs Nation represents over two million low-wage federal contract workers who are fighting to end the U.S. government's role as America's #1 low-wage job creator. We are calling on President Trump to keep his campaign pledge to create "more jobs and better wages" for workers by signing a Model Employer Executive Order and investing taxpayer dollars in corporations that create good union jobs in the USA, not in firms that steal wages and ship our jobs overseas. Good Jobs Nation is supported by national faith, labor and advocacy organizations including Change to Win, Interfaith Worker Justice, Progressive Congress and Our Revolution, among others. Learn more at www.goodjobsnation.org.

Global Trade Watch is a division of Public Citizen, the national consumer advocacy organization with 400,000-plus members founded in 1971. Global Trade Watch's mission is to ensure that in this era of globalization, a majority have the opportunity to enjoy economic security; a clean environment; safe food, medicines and products; access to quality affordable services such as health care and democratic decision-making about the matters that affect their lives. Global Trade Watch was founded in 1995 when Public Citizen recognized that the corporate interests we had battled domestically were using "trade" agreements to promote anti-public-interest non-trade agendas behind closed doors and without the participation of those who would live with the results. Learn more at www.tradewatch.org.