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Mr. Chairman, Members of the Committee, My name is David Foster. I currently serve as the Executive Director of the Blue Green Alliance, a partnership of four major unions and two national environmental organizations with over six million members, touching virtually every community in the country. The Blue Green Alliance is specifically made up of the United Steelworkers (USW), the Sierra Club, the Laborers' International Union of North America (LIUNA), the Natural Resources Defense Council (NRDC), the Communications Workers of America (CWA), and the Service Employees International Union (SEIU). This collaboration of labor unions and environmental organizations is based on our common goal to build a clean energy economy — an economy that both creates good green union jobs and combats global warming.

The Blue Green Alliance has become one of America's leading advocates for global warming solutions and good green jobs, and so I am especially pleased to be given the opportunity to testify before the Committee on this critical issue.

Before serving in this capacity, I spent 31 years as a member of the United Steelworkers, and for 16 years, served on the union's International Executive Board as the Director of District 11, a 13-state region based in Minnesota.

Several weeks ago, in response to the deepening economic and climate crises, the Blue Green Alliance put forward a policy statement on climate change — the first such statement with both labor unions and environmental organizations, and for some of our partners, their first public statement on climate change.

The policy statement stressed the importance of including targets that rely on the best scientific evidence and an economy-wide cap-and-trade system that contains mechanisms to prevent job loss in globally-competitive energy-intensive industries. And above all, the statement made clear that comprehensive climate change legislation should focus on the creation and retention of millions of new and existing, family-sustaining green jobs and should finance the transition to a clean energy economy. I have submitted a copy of our policy statement for the record following my written testimony.

The Blue Green Alliance strongly believes that Congress should act this year and pass responsible climate change legislation that will rapidly put Americans back to work with millions of jobs building the clean energy economy and reducing global warming emissions to a level necessary to avoid the worse effects of climate change. Our partners agree that no course of action would be more destructive than to continue the energy policies that drove oil prices to

$140 a barrel in 2008, contributed to skyrocketing food prices and global food shortages, and resulted in unsustainable trade imbalances.

Solving global warming will not be the economic calamity that some are predicting. Done right, the transition to a green economy will be the most important economic development tool of the 21st century.

We were pleased to see many of the Blue Green Alliance principles in the draft climate change legislation. We believe the draft legislation is a step in the right direction to solving climate change and creating jobs.

The creation and retention of millions of new and existing, family-sustaining green jobs, particularly in manufacturing and construction, must be a top priority of climate change legislation. The American Recovery and Reinvestment Act of 2009 took the first step in that direction with a meaningful down payment on investments in the green economy. Within about a month of passage, 180 workers went back to work at Andersen Windows, a local company that makes energy efficient windows.

But this down payment could be wasted if we don't continue to make the large-scale investments that are necessary to transition the nation into a clean energy economy. Policies, such as a strong Renewable Energy Standard (RES) — which is included in the draft bill, are essential in creating a regulatory framework that supports renewable energy, energy efficiency, and new transmission, as they provide important market signals that will attract private investment at the scale necessary to put millions more Americans back to work. A national RES will also diversify our energy supply, guard against price instability, and reduce imports from other countries.

A study released by the Blue Green Alliance and the Renewable Energy Policy Project of component manufacturing in the renewable-energy industry based on a 10-year effort to introduce 185,000 megawatts of renewables — the rough equivalent of a 15 percent RES — found that 850,000 jobs would be created with $160 billion of investments in manufacturing. Economic models for the state of Minnesota show that a federal RES at 15 percent would generate over 18,000 jobs in renewable-component manufacturing, while Pennsylvania would create 42,000; Michigan 34,000; and Wisconsin, 35,000. My home state of Minnesota currently has a 25 percent RES, and is home to Mortenson Construction, one of the nation's leading construction companies specializing in wind-farm installation.

New wind-turbine equipment plants have also been built in communities across the country including in South Dakota, Minnesota, Iowa, Oklahoma, Colorado, Arkansas, New York, North Carolina and other places, directly employing thousands of workers. If you include the number of people employed in component parts manufacturing, installation of turbines, their maintenance and construction, tens of thousands more are employed.

And investments in clean energy technologies don't just result in new plants and start-up companies. Most importantly, they revitalize existing companies, create new products for old equipment, and give our existing manufacturing infrastructure a new lease on life. For example, ATI Casting Services in LaPorte, Indiana, which makes the bases for wind turbines, at one point

expanded to nearly 300 workers to meet the demand. And Dow Chemical in Midland, Michigan recently announced that it would build a new facility in Michigan to manufacture batteries for the next generation of electric vehicles, bringing with it the potential of more than 800 jobs.

The wind turbines, solar technologies, geothermal and biomass projects to power our country's infrastructure, along with new transmission, energy efficiency initiatives, broadband investments and mass transportation systems, will revitalize our existing manufacturing capacity even further. We need to invest in all of these as a country since a primary goal of climate legislation must be to create jobs here in the United States and not consumer spending in China.

In order to accomplish this goal we must safeguard our investments with appropriate procurement policies. We shouldn't confuse sensible government procurement policies with the trade rules that govern private commerce.

Comprehensive climate change legislation will also reinvigorate the construction industry, in which 1.9 million people are now out of work and the unemployment rate has reached 21 percent. With this grim news, we must make greater investments in both commercial and residential construction. Imagine a 20-year program to retrofit America's buildings and weatherize America's homes to make them as energy efficient as European buildings where energy consumption is half the per capita rate of our country. Such energy savings can be put to use to finance a high-wage, high-road weatherization industry where livable wages are paid, health care is provided, and essential career and job training opportunities are made available to communities across America. Private industry, communities, unions, and workers can all benefit from smart, effective global-warming solutions. And while the issue of auctions still needs to be further defined, it is important that some of the revenue generated from the action also be invested in job creating infrastructure activity that reduces carbon.

While many jobs will be created in areas related to renewable energy and energy efficiency, some jobs in other areas will potentially be lost and communities strained. It is critical that the final climate change bill also has a robust and comprehensive program to provide assistance to workers who are adversely affected by the changes in policy. Workers should not only receive a readjustment allowance, and health care, but also access to employment training.

As members of the Committee are fully aware, global warming is a global problem. U.S. climate change legislation must not create perverse incentives for energy-intensive industries to close their U.S. facilities because of rising energy costs and relocate them to countries that do not take effective action to curb emissions related to products shipped to U.S. markets. Such a result would cost U.S. jobs without curbing local greenhouse gas emissions. Nor should energy-intensive industries be left vulnerable to imports from countries that do not price carbon in energy-intensive products. In either case, Americans lose jobs and global warming emissions increase.

A ton of steel manufactured in the U.S. today results in one ton of carbon emissions. A ton of steel manufactured in China results in 2.5 tons of emissions. It would be a tragedy for both workers and the environment if our solution to global warming resulted in closing U.S. steel mills and importing needed steel products from China.

Among some of the mechanisms available to resolve the international competitive issue are allowance allocations to energy-intensive industries, border-adjustment mechanisms that level the carbon playing field in energy-intensive industries, and globally measurable and enforceable, sectoral agreements within the framework of an international treaty. We are confident that this committee can craft the appropriate combination of these mechanisms to ensure that our domestic manufacturing industries remain both competitive and play their critical role in reducing their own emissions.

Conclusion

Global warming is already destroying the livelihood of workers everywhere. For example, thousands of Steelworkers who used to make aluminum in the Pacific Northwest have lost their jobs because years of declining snowfalls in the Cascade Mountains meant less water in reservoirs and higher-cost electricity from the mighty dams that Henry Kaiser built more than 60 years ago. Smelters closed because they were unable to afford the higher cost of electricity. These lost jobs are a grim testament to why we can't wait to deal with climate change. Failure to act will mean severe economic consequences.

In Nairobi, where last month I spoke to the United Nations Environment Programme's biennial ministerial, global warming isn't just about lost jobs. It is about starvation and mass migration. What little hope countries like Kenya, or others in the developing world, had of climbing the development ladder out of extreme poverty and into the ranks of the so-called emerging economies, is evaporating as surely as the deserts of Darfur are expanding. That is the price of failing to act on global warming.

Before us are critical choices and decisions.

Will we build the clean energy economy and put America's factory and construction workers back on the job?

Will we advocate a new development model for developing countries that emphasizes consumption in their economies, instead of unsustainable trade deficits in ours?

Will we look back a year from now and say that we stood up for our country, our climate, and all humanity when it mattered?

Your choices will decide which path we go down as a nation. I believe that with the vision that has been laid out in the draft legislation, you have already taken steps down the right path for our workers and for our environment. The Blue Green Alliance and its partner organizations look forward to working with Members of the Committee as you continue to work on this critical piece of legislation.

Thank you.