

**SUMMARY STATEMENT OF  
ALAN REUTHER, UAW LEGISLATIVE DIRECTOR**

The UAW believes that global warming and our nation's dependence on foreign oil are serious problems that need to be addressed through broad, comprehensive energy policies. These policies should require all sectors of the economy to participate in efforts to reduce our nation's oil consumption and greenhouse gas emissions.

The UAW supports the establishment of an economy-wide mandatory tradable-permits program to slow the growth of and eventually reduce greenhouse gas emissions. This program should be done on an "upstream" basis in order to minimize regulation and to ensure that all sectors of the economy participate in a proportionate manner.

The UAW also supports measures to promote the use of alternative fuels in motor vehicles. This includes mandates relating to the production and sale of flex fuel capable vehicles, as well as incentives to overcome bottlenecks in the production and distribution networks for alternative fuels.

The UAW urges Congress to use tax and/or other incentives to encourage domestic production of advanced technology vehicles and their key components. These types of manufacturer's incentives could accelerate the introduction of these more efficient vehicles, while creating tens of thousands of automotive jobs in this country.

The UAW strongly urges Congress to impose an "anti-backsliding" requirement on any new attribute-based CAFE rules that NHTSA would be authorized to promulgate for passenger cars. This would allow us to obtain the benefits of moving to an attribute-based CAFE system, while avoiding the down side of losing our small car production and jobs.

The UAW is deeply concerned about the economic feasibility of proposals for stringent increases in the CAFE standards. In light of the extremely serious financial conditions of GM, Ford and DCX, such CAFE proposals could jeopardize tens of thousands of automotive jobs, as well as health coverage for 500,000 retired workers and their families. Any proposals should provide struggling manufacturers with the resources needed for retooling. Such assistance should be structured in a manner that promotes domestic production and jobs and protects retiree health care benefits. We also urge Congress to consider mechanisms other than CAFE for improving vehicle efficiency that might be more consistent with economy-wide efforts to reduce oil consumption and greenhouse gas emissions.