

Congressional Steel Caucus

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-REMARKS-

Before the
Congressional Steel Caucus
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Thank you Chairman Visclosky and Chairman English for calling this meeting of the Congressional Steel Caucus.

Last fall, voters all across the country called for a change of direction in our nation's trade policy. In all my years watching our political system, I have never seen trade issues rise to the level of concern and debate that took place in the election. A number of politicians ran ads and spoke out forcefully on the trade issue.

Today we've come together to outline some of the steps that need to be taken to change course and to fulfill those promises made to the American people. The members of my union, indeed voters all across the country, are watching carefully. We have to produce.

It's also important to recognize that we're here today committed to finding common ground on which to work together. This is a bipartisan meeting and, indeed, change will require bipartisan cooperation. We're also here – companies and union – united in our desire to ensure the long-term success of our industry.

The steel sector has been through tough times. My members know that better than anyone. They work hard and play by the rules and they expect that their government will stand by them to fight foreign unfair and predatory trade practices. Too often, our government has stood idly by while our competitors flood our market with unfairly priced products.

Our combined pressure and working together got our government to act – finally. A lot of pain was inflicted but the relief that was granted was used to revitalize the industry. In those tough times over 250,000 of our retirees at the most vulnerable stage of their lives lost their retiree health care and over 50,000 of our members lost their jobs. We've taken a lot of tough steps to restore our sector.

Unfortunately, we're at risk again. As John Surma of US Steel will shortly outline, the numbers again reflect a growing problem. We can't afford to wait to act – the industry has already downsized enough.

The steel sector is vital to our economic strength. It's vital to our national strength. It provides good, family supporting jobs. It's more productive than any other nation's steel

industry.

Putting it simply, we've got to stop the cheating of our trading partners. We need to enforce the rules we have, to defend our laws against efforts to dismantle them and to expand our arsenal.

John will highlight a number of issues. But let me raise two issues, concerning the growing threat from China.

Late last year, the Chinese authorities announced that they intended to maintain state control and involvement in a number of key industries – including steel. This runs counter to their promises they made when they joined the World Trade Organization to move to a market economy. They subsidize their industry. They ignore environmental standards. They abuse workers rights. Taken together, it's virtually impossible to compete against an industry that has the support of the government like China's steel sector has.

The Administration is engaged in a bilateral steel dialogue with China. China has dramatically expanded its production capacity. At the first downturn, their production will flood world markets – indeed, they have already impacted world production. At the last meeting of the dialogue, the Chinese officials indicated that they wanted to reduce their uncompetitive production but that it would be difficult because so many of their jobs relied on maintaining their production.

You know what? Our jobs are at risk as well.

We look forward to working with all of you in the coming days. Our members, voters, are expecting a lot. We have to deliver.