



**Oral  
Testimony**

**of**

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**The United Steel, Paper and Forestry, Rubber,  
Manufacturing, Energy, Allied Industrial and Service  
Workers International Union (USW)**

**for the**

**United States Trade Representative**

**hearing on**

**Operation of the Agreement Between the United States of  
America, the United Mexican States, and Canada**

**December 3-5, 2025**

Good afternoon all. On behalf of the United Steelworkers, I am pleased to provide the following public comments to the United States Trade Representative regarding the United States, Mexico, Canada agreement otherwise known as the USMCA operation hearing. My name is Roy Houseman, and I am the Legislative Director and Assistant to the International President at USW.

The USW is a large general trade union, and is the largest manufacturing union in North America. Our members mine, refine, melt, smelt, and cast millions of tons of key commodities across the country. We also represent contractors for Google, higher education workers, and as a retired District Director once said, "We have nurses that will bring you into this world and grave diggers who will take you out."

This diversity means our union must carefully and thoroughly review the implications of the USMCA agreement from a lens that maximizes employment and opportunity for our members, and for workers in the countries subject to the agreement.

USW President McCall submitted detailed comments as the chair of the Labor Advisory Committee, the union supports all of the recommendations in those comments, but I will focus my time on a few key items, including improved rules of origin and environmental standards.

The union believes that the opportunity to open USMCA and renegotiate the agreement is a sensible and necessary approach. This is a practical and normal approach for the union. USW regularly bargains contracts at facilities for around 3 to 4 years, and those negotiations provide a necessary give and take toward continuous improvement. Our free trade agreements, which have a dramatic impact on the lives of hundreds of millions, should also be continuously improved. Over 1.5 trillion dollars spent in trilateral trade every year demands it.

Since USMCA was implemented, the U.S. goods trade deficit with Mexico alone hit 156 billion dollars in 2024, widening by 101 billion dollars since USMCA took effect, largely due to manufacturing imports. A trade deficit tells a story of policy, or lack of policy, amongst the trading partners, and one stubborn issue that remains is the relative stagnation of wages in Mexico compared to the U.S. Other panelists here will highlight additional aspects of wage suppression and remedies, but put simply: artificially low wage rates in Mexico incentivizes outsourcing of U.S. jobs and undermines the purchasing power of 130 million people in Mexico.

USW members have also been locked in a deep competition with the state capitalist model of the People's Republic of China for over 25 years now. Excess capacity in steel, aluminum, and a host of other goods has led to price suppression undercutting U.S. workers and their private firms, undermining research and development, lowering employment, and upsetting global trade. That is why USMCA,

in a renegotiation, should also harmonize partner obligations related to U.S. Foreign Entity of Concerns policy.

Expanding USMCA participant rules to limit foreign direct investment by FEOC countries will be necessary to ensure goods and services that are anti-competitive have a limited impact on the regions' economies. A USMCA renegotiation also can build on successful policies such as the steel "melt and pour" rules by ensuring similar production rules for other key commodities such as copper, nickel, graphite, lithium, titanium, and platinum group metals.

Improving the rules of origin to ensure increased regional content across additional key consumer goods will also improve regional supply chains and incentivize demand.

Another space where U.S. leadership can improve the quality of life for all USMCA countries is on environmental standards. U.S. clean air and water policy has dramatically improved the quality of life for millions of Americans, and that is why it is vital to not let low pollution standards in USMCA countries create a giant sucking sound of outsourcing. Our trade rules should reflect our values and efforts to improve air and water quality in our neighboring countries. This will improve health outcomes, improve common fisheries, and reduce outsourcing incentives. A renegotiated USMCA should, at a minimum, include an environmental rapid response mechanism, which can address bad actors. Additional policy should be developed to ensure partner countries meet minimum standards, and that there are clear and swift dispute settlement pathways for environmental violations.

The USMCA six-year review is a logical and sensible opportunity to address past policy mistakes, and further evolve trade policy toward one that decreases the incentives to outsource, improves working conditions for hundreds of millions, and improves the quality of life for all participant countries. USTR and the Trump administration have an opportunity to cement a lasting legacy that improves resiliency and fosters affordability if there is a serious and deep renegotiation. Thank you for the opportunity to provide these comments.