

Altmire, English Unveil Bill to Help Manufacturers Hurt by Trade with China

(Washington, DC) — U.S. Congressmen Jason Altmire (PA-04) and Phil English (PA-03) today unveiled legislation that they are introducing in the U.S. House of Representatives this week to help manufacturers whose businesses are being jeopardized by a flood of Chinese imports.

The Supporting America's Manufacturers Act establishes Congressional review of the president's decisions regarding whether to provide temporary relief — in the form of import duties or quotas — to American companies facing market disruptions caused by Chinese imports. This bipartisan legislation is supported by both industry and union groups — including U.S. Steel, Wheatland Tube Company, and American Iron and Steel Institute (AISI).

American manufacturers were granted the ability to file petitions for assistance with the International Trade Commission (ITC) if their business has been negatively affected by a surge of Chinese imports under Section 421 of the U.S. China Relations Act of 2000. If a majority of the ITC believes an industry warrants relief, it forwards a recommendation of relief onto the U.S. Trade Representative and the president, who can then accept, modify or reject the recommendation. President Bush has rejected every single recommendation for assistance issued by the ITC, leaving manufacturers without the relief the ITC has recommended. Over the past eight years, America's manufacturing industry has lost 3.5 million jobs and the United States trade deficit with China grew to a record \$256 billion in 2007.

“For the past eight years, the president has unilaterally refused to follow the recommendations of the International Trade Commission and grant American manufacturers the assistance they need to remain strong in the face of a surge of Chinese imports,” Altmire said. “Giving Congress a say in deciding whether or not to follow the International Trade Commission's recommendations will help to ensure manufacturers are not unfairly denied assistance on the basis of ideology alone.”

“Three years ago, the administration turned their back on a vital sector of the American manufacturing base by failing to give breathing room to pipe and tube producers struggling to survive an onslaught of surging Chinese pipe,” said English, a senior member of the House Ways and Means Committee, which has jurisdiction over trade policy. “It is obvious that current law failed this industry despite overwhelming support by the International Trade Commission for relief. This legislation preserves the burden of proof for industries seeking relief, but removes the current bias against petitioning workers and employers and injects additional oversight to ensure our trade laws work as Congress intended.”

The most notable trade case filed under Section 421 involved the U.S. Steel Pipe and Tube industry. In 2005, Wheatland Tube joined with six other domestic pipe producers to file a petition showing the rise in Chinese imports of standard pipe surged from 9,000 tons in 2002 to 266,000 tons in 2004 was causing injury. Chinese pipe prices were — at the time — less than the cost of raw materials. Although the ITC agreed assistance was appropriate, the president rejected the ITC's recommendation. In August of 2006, the Sharon facility of Wheatland Tube was shut down because it could no longer viably compete with the overwhelming imports from China. The closing of the plant means that 257 individuals lost their jobs. These were good, high-paying jobs — on average employees made \$25 per hour. Were the president to rule in favor of domestic steel industry, many believe this facility would still be open today.

“The bill is a welcome and necessary step if China is to be held accountable to its WTO obligations and to promises made as conditions to its accession,” stated John P. Surma, Chairman and Chief Executive Officer of U.S. Steel, in a letter sent to Congressman Altmire today. “U. S. Steel is proud to endorse this important piece of

legislation, and we look forward to working with Congressman Altmire, Congressman English and all other sponsors in securing its passage.”