



Leo W. Gerard
International President

March 5, 2012

VIA FAX

U.S. House of Representatives
Washington, D.C. 20515

RE: Support H.R. 4105: Authority to Apply the Countervailing Duty Trade Remedy to Non-Market Economy Countries

Dear Representative:

I write on behalf of the 850,000 active members of the United Steelworkers (USW) to urge you to vote for H.R. 4105, introduced by the bipartisan leadership of the Ways and Means Committee which corrects a recent court ruling holding that the Department of Commerce lacks authority to offset the harm done to American workers and producers by trade-distorting subsidized exports from countries like China.

The nation has been witnessing the erosion of our prized manufacturing base with the loss of six million manufacturing jobs and 55,000 manufacturing facilities in the last decade alone. American workers have had to stand by and watch while an ever increasing amount of subsidized manufactured goods are being imported into the U.S. to the detriment of those who are abiding by free market principles. We cannot afford to stand by and let trading partners, like China, break the rules. Congress needs to provide a fair chance for American workers to compete on a level playing field by passing H.R. 4105.

USW members have time and again borne the burden of harm when foreign governments unfairly subsidize their exports costing thousands of lost jobs and shutdowns in the United States. The countervailing duty law levels the playing field for American workers and producers by offsetting the unfair competitive advantage otherwise gained from market-distorting subsidies. Retaining the countervailing duty law for non-market economy countries, like China, is consistent with WTO rules and vital if we hope to restore manufacturing and keep and create good manufacturing jobs.

The legislation corrects a recent court decision which jeopardizes 24 existing countervailing duty orders and several on-going investigations on non-market economy countries and threatens the jobs of thousands of workers across the country. Of the 24 existing orders at issue, the USW has been an active participant in 15 and fighting in every one to stop job losses for members making products like coated paper, aluminum extrusions, off the road tires and steel

pipe. Over all, the Court's holding threatens 80,000 jobs held by men and women producing American-made goods covered by the orders. Losing the orders would be a disaster for all affected workers and also for their families and communities and certainly would discourage investment in manufacturing here, as there would be no defense against such unfairly traded imports, especially from China.

China pours billions of subsidies into its core and emerging industries. It would be a travesty for Congress to stand idle while a country like China (simply because of its status as a non-market economy country) can provide lavish subsidies for exports without the United States being able to defend American workers and producers by offsetting the harm – an offset fully compliant with WTO rules. If the Congress does not pass this legislation, American workers will deservedly feel abandoned and more outrage at the unfairness of the international trading system, while China will get a free pass into the U.S. market. Ensuring that our laws are effective and that they are properly enforced is what this is all about.

The USW applauds the committees of jurisdiction in both the House and Senate who have worked together and with the Administration and their respective Leadership to produce expedited legislation, which has been introduced in the House by Chairman Dave Camp (R-MI) and Ranking Member Sandy Levin (D-MI), along with over 100 original House co-sponsors.

We urge you to vote in favor of H.R. 4105 and stand with American workers for a fair chance to compete on a level playing field.

Sincerely,

A handwritten signature in black ink that reads "Leo W. Gerard". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Leo W. Gerard
International President

LWG/ctl