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TIM RYAN
CONGRESS OF THE UNITED STATES
13TH DISTRICT, OHIO

COMMITTEE ON APPROPRIATIONS
DEFENSE SUBCOMMITTEE
TRANSPORTATION, HOUSING, AND URBAN
DEVELOPMENT SUBCOMMITTEE
COMMITTEE ON THE BUDGET

March 28, 2016

Mr. Jim Sanford
Assistant U.S. Trade Representative for Small Business,
Market Access and Industrial Competitiveness
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, DC 20508

RE: Request for Comments Concerning Policy Recommendations on the Global Steel Industry Situation and Impact on U.S. Steel Industry and Market (Docket: USTR-2016-0001)

Dear Mr. Sanford:

In response to a joint request in the Federal Register on March 4, 2016 (81 FR 1 1638-39) from the Office of the United States Trade Representative (USTR) and the U.S. Department of Commerce (DOC), I hereby submit comments regarding the global steel industry situation and the impact on U.S. steel industry and market.

My comments are specifically focused to the impact of excess global steel capacity and unfair trade practices on manufacturing jobs. These issues have a tremendous effect on the workforce in Ohio and my District, in particular, where more than 50% of manufacturing jobs are impacted by the global steel supply issue. Our Nation's steel workers are facing an unprecedented threat, one that could jeopardize our steel industry, manufacturing base and communities across America.

The U.S. steel industry is a vital component of our country's manufacturing base, which is a critical segment of our economy in the U.S. and in my District. Any disruption of our manufacturing base would have a catastrophic impact on our economy and our labor base. Manufacturing employment in Ohio is about 662,100 or 12.60% of the total non-farm employment. Manufacturing contributes \$99.8 billion or nearly 18% to the state's GDP.

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Ohio's economy has experienced resurgence in recent years partially due to new investments by the steel industry; however, these gains have seen setbacks due to the ongoing flood of imports and oversupply of steel. If we continue to allow foreign countries to create an unfair playing field, the economy of my state that has become one of the top steel making states in recent years will be threatened. Unfair trade practices and steel oversupply can potentially put over 300,000 Ohioan manufacturing workers out of jobs. Furthermore, since each manufacturing job impacts at least four other jobs, the total number of workers affected by such unfair practices would be staggering. The same trend could also affect other industrial states in our union, thus causing a chain reaction across the country.

Ohio is home to many steel pipe and tube companies - a segment of the steel industry that has been hit the hardest. Some of the steel pipe and tube companies in Ohio's 13th District include JMC Energex, (Cambridge, Niles, Warren) TMK IPSCO (Brookfield) and Vallourec USA (Youngstown). This particular industry has experienced nearly 4,000 layoffs since January 2015 and uncertain conditions in the marketplace continue to threaten these companies and their workers. In 2015, the industry experienced several bankruptcies and plant closures. In addition, two leading producers exited the domestic market resulting in permanent job losses. While overall pipe and tube imports fell in 2015, the shipments from domestic manufacturers plummeted. By the end of 2015, imports managed to capture 60 percent of the U.S. market.

The letters provided by Mayor Thomas Bernabei (Mayor of Canton), Mr. Robert Hankins (President and CEO of ArtsinStark), Mr. Stephen Paquette (President and CEO of Stark Development Board, Inc.) and Ms. Beth Lechner (Executive Director of Habitat for Humanity) attest to the potential impact on the community if one of Ohio's major steel producers, TimkenSteel, becomes affected by unfair trade practices and/or steel oversupply.

Strong trade enforcement is needed to level the playing field for our steel workers and manufacturing workforce. I ask that you continue to support the American steel workers and vigorously enforce the current trade laws and continue to help our steel industry fight against the foreign dumping of cheap steel. I urge you to use new trade remedies as needed, deny requests for extension by foreign respondents in trade cases, and issue preliminary determinations that provide effective relief. We must send a strong message that our workers can compete with any in the world, but the playing field must be level.

Sincerely,



Tim Ryan
Member of Congress