
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 811 Session of
2015

INTRODUCED BY EVANKOVICH, BURNS, LONGIETTI, MARSHALL, BAKER,
PASHINSKI, CUTLER, HENNESSEY, JAMES, MURT, MUSTIO, IRVIN,
DRISCOLL, McNEILL, SIMMONS, A. HARRIS, MILLARD, SAINATO,
D. COSTA, WARD, READSHAW, MAHONEY, PAYNE, FARINA, SANKEY,
GIBBONS, HARHAI, LAWRENCE, GOODMAN AND SAYLOR, APRIL 14, 2016

REFERRED TO COMMITTEE ON STATE GOVERNMENT, APRIL 14, 2016

A RESOLUTION

1 Urging the President, Senate and House of Representatives of the
2 United States to fight for strong enforcement of our nation's
3 trade laws in order to level the playing field with China and
4 other countries and take necessary action to protect the
5 domestic steel industry from unfair foreign competition and
6 urging the Department of Commerce to maintain China's
7 nonmarket economy status in order to preserve the ability of
8 United States companies and workers to access domestic trade
9 remedy laws.

10 WHEREAS, Manufacturing is a critical part of Pennsylvania's
11 economy and provides 569,600 jobs; and

12 WHEREAS, Manufacturing industrial sectors are at risk of
13 sliding back into recession due to an alarming surge of unfairly
14 priced imports from China and other nations; and

15 WHEREAS, The United States trade deficit with China set a new
16 record in 2015 at \$366 billion; and

17 WHEREAS, Manufacturing gained only 30,000 jobs nationwide in
18 2015, compared to 2.7 million across the entire economy; and

19 WHEREAS, The Institute for Supply Management Manufacturing
20 Index shows that the sector contracted in February 2016 for the

1 fifth consecutive month; and

2 WHEREAS, The steel industry in particular is suffering from
3 an unprecedented surge in imports into the United States from
4 nations such as Brazil, China, India, Russia, South Korea,
5 Turkey and Vietnam; and

6 WHEREAS, Steel is used in a broad range of applications,
7 ranging from automobiles to energy production and transmission,
8 to transportation infrastructure including bridges, highways,
9 airports and railroads, to public safety infrastructure such as
10 water treatment, to construction of hospitals, schools,
11 industrial plants and commercial buildings and to national
12 security, including aircraft carriers, nuclear submarines, tanks
13 and armored transports; and

14 WHEREAS, The steel sector is an engine for well-paying jobs
15 for more than one million Americans and supports approximately
16 136,000 jobs in Pennsylvania according to the American Iron and
17 Steel Institute; and

18 WHEREAS, Every steel industry job supports up to five
19 additional jobs in the Pennsylvania economy and provides well-
20 paying, family-sustaining jobs; and

21 WHEREAS, Major steel mills were recently closed or idled in
22 Pennsylvania and across the United States; and

23 WHEREAS, Finished steel imports increased by a dramatic 36%
24 in 2014 and set an all-time record; and

25 WHEREAS, Finished steel imports captured 29% of the United
26 States market in 2015, the second consecutive year that figure
27 was at an all-time record, up from just 23% in 2013; and

28 WHEREAS, Domestic steel shipments declined by more than 12%
29 in 2015 and plant activity or capacity utilization averaged just
30 70% for 2015, well below levels necessary to be profitable; and

1 WHEREAS, Multiple steel-producing countries are taking nearly
2 one-third of the domestic market which harms families and
3 communities and is a threat to our national economic security;
4 and

5 WHEREAS, A major cause of the steel-import surge is global
6 steel industry overcapacity, a measure of excess production
7 capacity above what is necessary to meet market demand; and

8 WHEREAS, China's steel industry, which now represents half of
9 all global steel production, is almost completely subsidized,
10 owned and state-supported by China's central and provincial
11 governments, with nine out of its top ten producers state owned;
12 and

13 WHEREAS, China continues to overproduce steel with the
14 backing of aggressive government support and trade policies that
15 are resulting in Chinese exports flooding every market around
16 the world and creating a domino effect on trade flows; and

17 WHEREAS, Chinese crude steel production soared from 128
18 million metric tons in 2000 to 823 million metric tons in 2014,
19 an increase of nearly 700 million tons; and

20 WHEREAS, The Organization for Economic Cooperation and
21 Development estimates that there are almost 700 million metric
22 tons of excess steel capacity globally today; and

23 WHEREAS, Much of the world's steel ends up in the United
24 States because we have the most open market in the world and
25 other countries are more aggressive in putting safeguards and
26 tariffs in place; therefore be it

27 RESOLVED, That the House of Representatives of the
28 Commonwealth of Pennsylvania urge the President, Senate and
29 House of Representatives of the United States to fight for
30 strong enforcement of our nation's trade laws in order to level

1 the playing field with China and other countries and take
2 whatever action necessary to protect the domestic steel industry
3 from unfair foreign competition; and be it further

4 RESOLVED, That the House of Representatives urge the
5 Department of Commerce to maintain China's nonmarket economy
6 status, in order to preserve the ability of United States
7 companies and workers to access domestic trade remedy laws.