

HEARING TESTIMONY OF SENATOR WYDEN BEFORE THE U.S. INTERNATIONAL
TRADE COMMISSION

Cold-Rolled Steel Flat Products from Brazil, China, India, Japan, Korea, Netherlands, Russia,
and the United Kingdom, Inv. Nos. 701-TA-540-544 and 731-TA-1283-1287 and 1289-1290
(Final)

May 24, 2016

Thank you Madam Chairman, and members of the Commission.

Once again, I am here to speak in support of U.S. workers and U.S. employers who face a crisis of unfair trade from China and other nations that has cost good-paying American jobs. I may sound like a broken record. It was just last month I testified about the harms to U.S. workers of China's destructive trade practices at a USTR hearing on the global steel market. Today, I am here to talk about flat-rolled steel, the injury suffered by American workers as a result of unfairly traded steel, and how U.S. trade laws should be vigorously applied to address this challenge.

As the ranking Democrat on the Senate Finance Committee, my top trade priority is standing up for American workers through tough trade enforcement. It is my obligation to fight to make sure our trade policies create better opportunities for American workers.

Producers of steel products employ thousands of workers and support tens of thousands of additional jobs throughout the supply chain. And so when I see American mills or factories close because they are being undermined by Chinese or Brazilian or other producers that are dumping product around the world, it is not just heartbreaking, it is infuriating. In the case of steel products, we have seen it happen in my home state of Oregon and all across the country. That is why I have put such a focus on enforcing our existing trade laws and adding new tools to our nation's enforcement toolkit.

My friend Leo Gerard has spoken eloquently of the challenges of getting relief through trade cases before the clock runs out for companies and workers facing unfair trade. Some people believe that to bring a successful case workers first have to lose their jobs, companies have to go out of business, and communities have to be devastated. That just does not make sense. This Commission was not established to preside at wakes. Rather, it is here to determine whether "material injury" exists such that a U.S. industry can get relief before it is too late.

Last year I am proud to say Congress made a number of significant improvements on trade enforcement, including as part of the Trade Preferences Extension Act of 2015. This is a bill I fought to pass. I now urge the Commission to pay close attention to two provisions in that Act.

First, we heard from companies and workers that worried about bringing a trade case when demand was rising because they thought this Commission would not be able to see through that single indicator to the injury suffered from unfair trade. So we included a new provision to make clear what was, in my opinion, already present in the law – workers and companies do not have to wait until they are losing money to seek, and obtain, trade relief.

Second, sometimes unfair trade may hurt a company's performance even when operating income remains stable. The Commission should be sensitive to the effects of unfair trade however they manifest themselves, and Congress wanted to clarify the law on that point. Our legislation says the Commission should consider key economic data about the domestic industry – including the industry's net profits, its ability to service debt, and its return on assets.

So in conclusion, as you consider this case, I urge you to pay close attention to our recent clarification of the injury standard, and to ensure that our laws are strictly enforced. Thank you again for all that you do to ensure that the trade rules are enforced as intended.