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For Immediate Release

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Washington D.C. - U.S. Rep. John P. Murtha called Tuesday for continuing the antidumping (AD) and countervailing duty (CVD) orders on corrosion-resistant steel.

Testifying before the ITC hearing on five-year reviews of AD and CVD, he said these orders are essential to support for the nation's manufacturing sector, economy and national security. He agreed with maintaining essential AD and CVD orders on corrosion-resistant steel from Australia, Canada, France, Germany, Japan and Korea because our nation can not afford to allow unfairly traded steel to undermine our domestic steel industry.

"While I appreciate that the law you must administer is complex, the basic analysis is relatively simple," Murtha said during his testimony. "Does our nation need a domestic steel industry? Will we enforce our trade laws to ensure that we do have a domestic steel industry? I believe the answer to the first question is: absolutely; and the answer to the second question is: we must."

There are essentially two problematic issues with AD and CVD orders: dumping and subsidizing. Dumping occurs when a foreign producer sells a product in the United States at a price that is below that producer's sales price in its home market, or at a price that is lower than its cost of production. Subsidizing occurs when a foreign government provides financial assistance to benefit the production, manufacture, or exportation of a good.

Also while testifying, Murtha commented on the need to build and maintain necessary infrastructure for military and civil defense needs.

"It is essential that we can rely on a domestic steelmaking capability," he said. "It would be an inexcusable failure of all of us in government service if we found ourselves dependent on shipments of foreign steel to rebuild our critical infrastructure needs in the wake of a terrorist attack."

In addition, he noted that families and communities in Pennsylvania and throughout the country have suffered as a result of the unfair trade practices in the past by foreign steel producers and the domestic industry is now a fraction of what it once was.

"Even after the devastation caused by import surges earlier this decade, in my home state of Pennsylvania, there are over 30,000 workers in the steel industry with an annual payroll of over \$1.5 billion. The value of steel shipments from Pennsylvania alone, after you have taken into account input costs, exceeds \$3.3 billion annually."

