

**A House Resolution urging Pennsylvania's federal elected officials in Washington, D.C. – including the President of the United States, United States Senators and United States Representatives – to fight for strong enforcement of our nation's trade laws to level the playing field with China and other countries, taking necessary action to protect the domestic steel industry from unfair foreign competition; and urging the U.S. Department of Commerce to maintain China's "non-market economy" status to preserve the ability of United States companies and American workers to access domestic trade remedy laws.**

**Whereas, Manufacturing is a critical part of Pennsylvania's economy, providing 569,600 jobs.**

**Whereas, Manufacturing jobs declined in Pennsylvania over the last year and gained only 30,000 jobs nationwide in 2015, compared to 2.7 million across the entire economy;**

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

**Whereas, The United States trade deficit with China set a new record in 2015 at \$366 billion;**

**Whereas, Manufacturing gained only 30,000 jobs nationwide in 2015, compared to 2.7 million across the entire economy;**

**Whereas, The Institute for Supply Management manufacturing index shows that the sector contracted in February 2016 for the fifth consecutive month;**

**Whereas, The steel industry, in particular, is suffering from an unprecedented surge in imports into the United States from nations like Brazil, China, India, Russia, South Korea, Turkey and Vietnam;**

**Whereas, Steel is used in a broad range of applications, ranging from autos to energy production and transmission, to transportation infrastructure including bridges, highways, airports, and railroads, to public safety infrastructure such as water treatment, to construction of hospitals, schools, industrial plants, and commercial buildings; and national security, including aircraft carriers to nuclear submarines to tanks and armored transports;**

**Whereas, The steel sector is an engine for good-paying jobs for more than one million Americans, supporting approximately 136,000 jobs in Pennsylvania according to the American Iron and Steel Institute;**

**Whereas, Every steel industry job supports up to five additional jobs in the Pennsylvania economy and provides good paying, family sustaining jobs;**

**Whereas, Major steel mills were recently closed or idled in Pennsylvania and across the United States;**

Whereas, Finished steel imports increased by a dramatic 36 percent in 2014 and set an all-time record;

Whereas, Finished steel imports captured 29 percent of the U.S. market in 2015, the second consecutive year that figure was at an all-time record, up from just 23 percent in 2013;

Whereas, Domestic steel shipments declined by over 12 percent in 2015 and plant activity (capacity utilization) averaged just 70 percent for 2015 – well below levels necessary to be profitable;

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

Whereas, A major cause of the steel import surge is global steel industry overcapacity — a measure of excess production capacity above what is necessary to meet market demand;

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

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

Whereas, Chinese crude steel production soared from 128 million metric tons in 2000 to 823 million metric tons in 2014, an increase of nearly 700 million tons;

Whereas, The Organization for Economic Cooperation and Development (OECD) estimates that there is almost 700 million metric tons of excess steel capacity globally today;

Whereas, Much of the world's steel ends up in the United States because we have the most open market in the world, and because other countries are more aggressive in putting safeguards and tariffs in place:

Therefore, be it resolved by the House of Representatives of Pennsylvania of the General Assembly of the Commonwealth of Pennsylvania that the Pennsylvania Senate urges Pennsylvania's federal elected officials in Washington, D.C. to fight for strong enforcement of our nation's trade laws to level the playing field with China and other countries, taking whatever action necessary to protect the domestic steel industry from unfair foreign competition; and urges the U.S. Department of Commerce to maintain China's "non-market economy" status, which preserves the ability of United States companies and American workers to access domestic trade remedy laws.