

**Testimony of:
Senator Joe Donnelly
October 31, 2013**

**ITC Hearing:
Antidumping and countervailing duty (CVD) investigations on Hot-Rolled Steel Products
from China, India, Indonesia, Taiwan, Thailand, and Ukraine**

Inv. Nos. 701-TA-405, 406, and 408 and 731-TA-899-901 and 906-908 (Final)

Good morning. Thank you for this opportunity to appear before you on a case that I believe is critical not only to American steel producers, but also to the jobs that support thousands of American families: the unfairly traded imports of hot-rolled steel. As everyone knows, our economy is still recovering from the devastating effects of the recent recession. While many industries are on their way to returning to pre-recession form, others are still too fragile to compete on an uneven playing field. Unfortunately, the steel is such an industry.

Mr. Chairman, Hoosiers sent me to Washington to help create the conditions for economic growth so that Americans across our great nation can get back to work. As you deliberate the matter before you, I urge you to not only consider the recovering economy, but also the American worker who suffers from the unfair trade practices of other nations.

As you know from studying the steel market, hot-rolled steel is central to the nation's economy. Automobiles, construction vehicles, agricultural vehicles, appliances – they all contain hot-rolled steel, or steel *made* from hot-rolled steel. America was built on hot-rolled steel and continues to grow with its versatile uses. Hot-rolled steel is used in many different ways – from building the water tanks that allow our families to have water pressure, to its use in pipes and tubes that are essential to discovering, producing, and transporting natural gas and oil all over our country.

A healthy economy creates high demand for hot-rolled steel, but we all know our economy is still recovering. It is well-known that one reason for the lack of growth in the steel-using sector is the persistence of massive trade deficits that are made worse by the market-distorting practices employed by the very countries with which we have those deficits. China in particular comes to mind – which is why trade remedies were implemented in the past.

By contrast, much of the growth in those countries – propping up their trade surpluses – comes from making more steel than they can consume and exporting it by whatever means necessary into a global market that is already vastly over-supplied. Opening the floodgates to the countries subject to this order, thereby permitting them to ramp-up their unfair steel exports into *American* markets, will only worsen the situation.

Such unfair practices have harmed the steel industry for decades. The impact of unfair trade is not only realized in board rooms, but in family rooms. Indiana communities that were built on a strong middle class have been left reeling because of their economic dependence on the steel industry. I can assure you, Mr. Chairman, cities and towns throughout my home state – like Gary, Hammond, and Fort Wayne – know this all too well.

Despite the past impacts of unfair trade, the steel industry's presence in Indiana today supports over 150,000 jobs. I have seen first-hand the resilience of the American worker. They are not asking for preferential treatment under the laws, but *fair* and *equal* treatment. We all know that good trade policies create jobs, fuel economic growth, and benefit consumers both at home and abroad. And yet we must remember that trade only works when everyone plays by the same rules.

That is why I am here today: to ask for a level playing field and to encourage the Commission to maintain the existing antidumping and countervailing duty orders against unfairly traded imports of hot-rolled steel.

To conclude, I want to note that I, like many Americans, have been frustrated by Congress—both the House and Senate—and the lack of focus on jobs. The recent government shutdown was embarrassing. It had a stifling impact on our economy and even delayed this important hearing. It, however, also served as an important reminder that we are a stronger nation when we work together. That is why I am pleased to be here before you with a letter signed by a bipartisan group of nineteen Senators asking this commission to maintain the existing orders. Clearly, this issue transcends politics because of its direct relationship with American jobs.

Mr. Chairman, I would like to submit this letter for the record. And I would like to thank you and all the Commissioners, as well as your personal staff, for your many courtesies and for your attention to these remarks.