

**Opening Statement of the Honorable Lee Terry
Subcommittee on Commerce, Manufacturing, and Trade
Hearing on “Our Nation of Builders: The Strength of Steel”
March 21, 2013**

(As Prepared for Delivery)

Thank you for all for coming to the second in a series of hearings of the Commerce, Manufacturing and Trade Subcommittee promoting our nation of builders.

The focus of today’s hearing is the health of our steel industry and how we can work together to overcome the challenges it faces.

According to the American Iron and Steel Institute, steel manufacturing employs 161,900 individuals at over 100 facilities nationwide. And, the steel industry is indirectly responsible for over 1.1 million jobs in industries like transportation, construction, auto, and national security.

The productivity of the steel industry is astounding.

Since the late 1980s, U.S. steel plants have seen a five-fold increase in productivity, producing one ton of finished steel in 10.2 man-hours in the early 1980s to an average of just over two man-hours in 2011. Today, the U.S. is the third largest producer of steel, producing over 86 million metric tons.

And U.S. steel manufacturers do this while maintaining a strong commitment to workplace safety. That’s a testament to a very highly skilled workforce.

But today’s hearing is about finding pathways to policies that will cut down regulatory and other barriers standing in the way of steel manufacturers. Two things I’d like to know are: first, what can we do to make sure our U.S. steel producers can compete on a level playing field, not handicapped by outdated trade laws and not pitted against foreign companies that are unfairly subsidized? And, second, what can we do to match workers with these good-paying jobs? If U.S. steel manufacturers cannot find the skilled workers they need, that is a double tragedy.

Surplus steel from countries such as China and Korea is flooding our markets with cheap products. This low cost and sometimes low quality steel being imported into the U.S. is being heavily subsidized by exporting nations through state sponsorship, export rebates, currency manipulation and other schemes.

This subcommittee’s jurisdiction covers non-tariff trade polices, of course, and this is of great interest to us. But the main reason we are here today is to identify the obstacles facing the industry so we can improve the competitive environment for this vital industry. We want to make sure our steel manufacturers have the opportunity to compete on equal terms. If we can help facilitate that and make sure the U.S. government is not thwarting progress, then I am confident they will flourish in a competitive market.

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