

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 246 Session of
1998

INTRODUCED BY THOMPSON, MURPHY, BELAN, TOMLINSON, LAVALLE,
BODACK, GERLACH, AFFLERBACH, PICCOLA, WHITE, CONTI, KASUNIC,
MOWERY, ROBBINS, COSTA, O'PAKE, SALVATORE, ULIANA, BELL,
RHOADES, EARLL, TARTAGLIONE, KUKOVICH, BRIGHTBILL, TILGHMAN,
LOEPER, WOZNIAK, LEMMOND, HART, SCHWARTZ, MELLOW AND WAGNER,
NOVEMBER 10, 1998

INTRODUCED AND ADOPTED, NOVEMBER 10, 1998

A RESOLUTION

1 Calling on the President of the United States and the Federal
2 Government to take all necessary and appropriate action to
3 respond to the surge of steel imports resulting from the
4 financial crises in Asia, Russia and other regions.

5 WHEREAS, Metal manufacturing is integral to the economy of
6 the Commonwealth of Pennsylvania, employing 72,900 workers in
7 the primary metal industry and 86,200 workers in the fabricated
8 metal products industry; and

9 WHEREAS, The steel industry holds an important place in the
10 history of Pennsylvania for its contribution to business and
11 industry; and

12 WHEREAS, The current financial crises in Asia, Russia and
13 other regions have involved massive depreciation in the
14 currencies of several key steel-producing and steel-consuming
15 countries along with a collapse in the domestic demand for steel
16 in these countries; and

17 WHEREAS, The crises have generated and will continue to

1 generate surges in United States imports of steel, both from the
2 countries whose currencies have depreciated in the crisis and
3 from steel-producing countries that are no longer able to export
4 steel to the countries in economic crisis; and

5 WHEREAS, United States imports of finished steel mill
6 products from Asian steel-producing countries, such as the
7 People's Republic of China, Japan, Korea, India, Taiwan,
8 Indonesia, Thailand and Malaysia, increased by 79% in the first
9 five months of 1998 compared to the same period in 1997; and

10 WHEREAS, Year-to-date imports of steel from Russia now exceed
11 the record import levels of 1997 and steel imports from Russia
12 and Ukraine now approach 2.5 million net tons; and

13 WHEREAS, Foreign government trade restrictions and private
14 restraints of trade distort international trade and investment
15 patterns and result in burdens on United States commerce,
16 including absorption of a disproportionate share of diverted
17 steel trade; and

18 WHEREAS, The European Union, for example, despite also being
19 a major economy, in 1997 imported only one-tenth as much
20 finished steel products from Asian steel-producing countries as
21 the United States did and has restricted imports of steel from
22 the Commonwealth of Independent States, including Russia; and

23 WHEREAS, The United States is simultaneously facing a
24 substantial increase in steel imports from countries within the
25 Commonwealth of Independent States, including Russia, caused in
26 part by the closure of Asian markets; and

27 WHEREAS, The United States, through the International
28 Monetary Fund, generously participates in a bailout of the
29 crisis countries on terms that do not deter and in fact
30 encourage them to export their way out of the crisis; and

1 WHEREAS, There is a well-recognized need for improvements in
2 the enforcement of United States trade laws to provide an
3 effective response to such situation; therefore be it

4 RESOLVED, That the Senate of the Commonwealth of Pennsylvania
5 call on the President of the United States and the Federal
6 Government to take all necessary and appropriate action to:

7 (1) Pursue enhanced enforcement of United States trade
8 laws with respect to the surge of steel imports into the
9 United States, using all remedies available under those laws,
10 including offsetting duties, quantitative restraints and
11 other authorized remedial measures as appropriate.

12 (2) Pursue with all tools at the President's disposal a
13 more equitable sharing of the burden of accepting imports of
14 finished steel products from Asia and the countries within
15 the Commonwealth of Independent States.

16 (3) Establish a task force within the Executive Branch
17 of the Federal Government with responsibility for closely
18 monitoring United States imports of steel.

19 (4) Report to the Congress of the United States by no
20 later than January 5, 1999, with a comprehensive plan for
21 responding to this import surge, including ways of limiting
22 its deleterious effects on employment, prices and investment
23 in the United States steel industry;

24 and be it further

25 RESOLVED, That copies of this resolution be transmitted to
26 the President of the United States, to the United States Trade
27 Representative and to each member of Congress from Pennsylvania.