

**Testimony of Thomas M. Conway**  
**Before the International Trade Commission**  
**April 25, 2013**

Good morning Chairman Williamson and members of the Commission. I am Tom Conway, the International Vice President for the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union – known as the USW. The USW is the largest industrial union in North America and represents 850,000 active members working across a large portion of the nation's manufacturing sector.

The U.S. rebar industry and this case in particular, are very important to our members. The USW represents workers in much of the industry, including at Cascade and at a number of Gerdau's facilities. Let me be clear – we believe these and other jobs in the rebar industry are at risk from unfairly traded imports. That is what we are fighting for today. And as the Commission well knows, this union is no stranger to that fight. The USW has long been fighting against unfairly traded steel imports, as well as other unfairly traded imports, precisely because USW members have suffered much harm caused from unfair trading practices of foreign competitors in the form of lay-offs, shuttered plants, and reduced hours and benefits.

Steelworkers have sacrificed tremendously over the past five years in this sector. As you have heard from today's panel, the U.S. rebar industry suffered a

massive setback as a result of the 2008 Great Recession. Demand collapsed virtually overnight, causing production and sales to fall drastically. Shifts were reduced, our workers were laid off, and mills were closed.

While the rebar industry is clawing its way back, it is not out of the woods yet – not by a long shot. As you have heard today, production and sales remain far below pre-recession levels. Capacity utilization in the rebar industry is under 70 percent. In fact, there are currently 1,800 fewer workers in the rebar industry than there were six years ago. The number of hours worked and wages paid are all down over that period as well. This record does not bode well for the industry or our members. It means that fewer USW members are making steel, and those that have jobs can be taking home less pay and receiving fewer benefits. The bottom line is that it means USW member in this sector are extremely vulnerable today.

Part of the reason that the industry continues to suffer is that the construction market remains weak. But imports are also playing a large role. My understanding is that the U.S. market is being inundated with unfairly traded imports from Turkey and elsewhere and that these imports have taken market share away from U.S. producers, forcing them to cut production and lower prices in response. A return of subject imports, we believe, would cause even greater harm to the domestic industry, and inevitably lead to fewer shifts, shuttered mills, and more lay-offs for USW members. As the industry is attempting to get itself back

on its feet, our members simply cannot afford that – they and their families have suffered enough from unfair trade.

Importantly, on behalf of all USW members working in this sector, I want to state clearly that our members are well-trained, dedicated and can compete with anyone anywhere, as long as the competition is fair. But, when we are forced to compete against government-supported industries and foreign producers who do not play by the rules, we are placed at a severe disadvantage, which has caused real suffering to USW members, their families and their communities – communities where often the largest employer is a plant.

Unfortunately, it is my understanding that rebar producers in the countries under review have not played by the well-established trade rules, and I don't expect their behavior to change any time soon. For example, the Chinese industry is largely government-owned and subsidized, providing a huge unfair competitive advantage to the detriment of my members and other workers in this industry here in the U.S. As you have heard this morning, the Latvian industry apparently has already attempted to circumvent this order and is engaged in highly questionable activity in Poland and other markets. Further, apparently from what has been discussed here today, the primary Latvian rebar producer is on the brink of bankruptcy, and the Latvian government appears ready to bail it out to ensure that it does not fail.

It is just plain wrong for USW members and other American workers to be forced to compete against foreign companies that produce and sell rebar without regard for market considerations, or whose mills are being propped up by their governments, or who are engaging in questionable activity just to make a sale in the U.S. We should not be putting Steelworkers out of work or jeopardizing the future of our workers and retirees by letting these foreign producers break the well-established rules of trade.

USW members making rebar get up every day, go to work, and work hard; they play by the rules so they can provide a decent standard of living for their loved ones and contribute to their communities and the nation. They expect – and deserve – fair competition in the U.S. market, not competition distorted by unfair trade from foreign competitors. They also expect – and deserve -- that our government will enforce the trade laws to the utmost and hold these countries fully accountable. The orders under review have ensured that competition in the U.S. rebar market is fair. By keeping these orders, the Commission will help ensure that it stays that way.

On behalf of the Steelworkers who make rebar, the retirees that depend on the health of the industry, and all of the communities they support, I urge the Commission to grant our workers and this industry the relief they need by continuing the orders on these seven countries.

Thank you.