

THE WHITE HOUSE
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STATEMENT BY THE PRESIDENT

Free trade is an important engine of economic growth and a cornerstone of my economic agenda. My Administration has successfully launched new global trade talks, reignited the movement for free trade within our own hemisphere, and helped bring China and Taiwan into the World Trade Organization. To open even more markets to American products, I have urged the Senate to grant me the trade promotion authority I need to create jobs and greater opportunities for U.S. workers and farmers. An integral part of our commitment to free trade is our commitment to enforcing trade laws to make sure that America's industries and workers compete on a level playing field. Free trade should not mean lax enforcement. Consistent with this commitment, last June I launched a three-part initiative designed to restore market forces to world steel markets. This initiative includes international discussion to encourage the reduction of excess global steel capacity and negotiations to eliminate market-distorting subsidies that led to the current glut of capacity. I also called upon the United States International Trade Commission (ITC) to investigate the impact of imports on the U.S. steel industry under section 201 of the 1974 Trade Act. The ITC subsequently found that increased steel imports are a substantial cause of serious injury to our domestic industry. Today I am announcing my decision to impose temporary safeguards to help give America's steel industry and its workers the chance to adapt to the large influx of foreign steel. This relief will help steel workers, communities that depend on steel, and the steel industry adjust without harming our economy. These safeguards are expressly sanctioned by the rules of the World Trade Organization, which recognizes that sometimes imports can cause such serious harm to domestic industries that temporary restraints are warranted. This is one of those times.

I take this action to give our domestic steel industry an opportunity to adjust to surges in foreign imports, recognizing the harm from 50 years of foreign government intervention in the global steel market, which has resulted in bankruptcies, serious dislocation, and job loss. We also must continue to urge our trading partners to eliminate global inefficient excess capacity and market-distorting practices, such as subsidies.

The U.S. steel industry must use the temporary help today's action provides to restructure and ensure its long-term competitiveness. Restructuring will impact workers and the communities in which they live, and we must help hard-working Americans adapt to changing economic circumstances. I have proposed a major expansion of the National Emergency Grants program to assist workers affected by restructuring with effective job training and assistance. I have also proposed direct assistance with health insurance costs that will be available to workers and retirees who lose their employer-provided coverage. And I support coordinated assistance for communities and a strengthened and expanded trade adjustment assistance program. America's workers are the most highly skilled in the world, and with effective training and adjustment assistance we will help them find better, higher paying jobs to support their families and boost our economy.