

Testimony of
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"Global Steel Industry Situation"
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Assistant U.S. Trade Representative Jim Sanford and members of the panel, I want to thank you for taking the time to examine the state of the global steel industry and for inviting me to testify on behalf of the thousands of workers, who, like me, are worried about what this crisis will do to me, my family and my community.

My name is Sam Pantello and I have worked at Evraz Rocky Mountain Steel in Pueblo, Colorado for the past ten years as a mechanical technician, conducting maintenance throughout the plant. If anything that doesn't have electricity running through it breaks down, I fix it. I'm proud to be able to step in and make the repairs that keeps our plant running, whether that requires welding, machine repairs, or even plumbing. I also serve as the Vice President of United Steelworkers Local 2102.

Our facility has been hit hard by the current steel crisis of global overcapacity in steel. Right now we're operating well below capacity, at around 65%, and you can't break even running a mill like that. So our facility is going

through layoffs and slowed production. Right now we have 260 steelworkers laid off. To try to spread the pain a bit, we're restructuring our shifts and hours, reducing our time on the job so some of our coworkers can get back to work. But even after all that, many of my fellow steelworkers will still be without a job.

I'm proud of our plant. This facility goes back all the way to 1881, and has been churning out steel ever since. We produce high-quality steel cost-effectively and efficiently and are the only manufacturer of steel rail west of the Mississippi. And yet, because of steel dumping, I have coworkers out of a job, worrying about making their next mortgage or car payment, and that just isn't right.

With so many workers out of a job, and hundreds of workers about to see their hours reduced, the community will suffer. EVRAZ is the largest manufacturer in the area, so when they cut back, the whole community feels it. And for those workers laid off, it is hard to find other work. The next largest manufacturer in Pueblo, VAE Nortrak, is also experiencing layoffs. This puts us in a crazy situation where high-skilled manufacturing workers are unable to find work, but are also running out of unemployment eligibility.

I am grateful for the actions already taken to combat illegal dumping, but I did not want to come here today to simply address the steel dumping that is happening today. For too long, we have reacted to trade cheating only once clear harm has been done. This causes too much pain in communities like mine and makes running a competitive and profitable company next to impossible. We need to be forward-thinking to prevent this in the future. I wish I could say this is the first time my mill has run into this issue, but it isn't. In 2008-2009 our seamless pipe mill went down because China was dumping a competing product and 125 workers were out of work for over a year.

We can't keep responding to attacks on our domestic production after the fact, we need to send a clear signal that the U.S. does not allow dumping or

illegal subsidies, and be prepared to move more quickly so it doesn't take layoffs to spur action. Thank you for your time and consideration.