

STATE OF MAINE

—
**IN THE YEAR OF OUR LORD
TWO THOUSAND AND SIXTEEN**
—

**JOINT RESOLUTION MEMORIALIZING THE PRESIDENT OF
THE UNITED STATES AND THE UNITED STATES CONGRESS
TO TAKE ACTION FOR STRONG ENFORCEMENT OF OUR
NATION'S TRADE LAWS**

WE, your Memorialists, the Members of the One Hundred and Twenty-seventh Legislature of the State of Maine now assembled in the Second Regular Session, most respectfully present and petition the President of the United States and the United States Congress as follows:

WHEREAS, manufacturing is a critical part of Maine's economy, representing a 9.13% share of the gross state product, and Maine has 49,900 manufacturing jobs, representing 7.16% of total state employment; and

WHEREAS, manufacturing gained only 30,000 jobs nationwide in 2015, in an economy that gained 2,700,000 jobs across all sectors, and the Institute for Supply Management manufacturing index shows that the sector contracted in February 2016 for the 5th consecutive month; and

WHEREAS, industrial manufacturing sectors are at risk of sliding back into recession due to an alarming surge of unfairly priced imports from China and other nations; and

WHEREAS, the United States trade deficit with China set a new record in 2015 at \$366,000,000,000; and

WHEREAS, the steel industry in particular is suffering from an unprecedented surge in imports from a number of countries around the world, including China; and

WHEREAS, steel is a fundamental building block of our economy, used in the automotive industry, energy production and transmission, transportation infrastructure including bridges, highways, airports and railroads, public safety infrastructure such as water treatment, and the construction of hospitals, schools, industrial plants and commercial buildings; and

WHEREAS, steel is used in a broad range of military applications, from aircraft carriers to nuclear submarines, tanks and armored transports; and

WHEREAS, the steel industry provides employment for over 1,000,000 Americans and each steel job supports up to 7 other jobs in the economy; and

WHEREAS, finished steel imports increased by a dramatic 36% in 2014, setting an all-time record, and constituted 29% of the United States market in 2015, setting an all-time record for the 2nd consecutive year, up from 23% in 2013; and

WHEREAS, domestic steel shipments declined by over 12% in 2015 and plant activity averaged just 70% for 2015 and are well below levels necessary to be profitable; and

WHEREAS, the aluminum industry directly employs more than 155,000 people and the industry is directly or indirectly responsible for 678,000 jobs; and

WHEREAS, every job in the aluminum industry supports more than 3 jobs elsewhere in the economy and the aluminum industry in China is growing at a remarkable rate, from 11% of the world's primary aluminum production in 2000 to over 50% today; and

WHEREAS, aluminum shipments from China surged by 28% in the last year and Chinese aluminum producers have added an additional 17 metric tons of production since 2010; and

WHEREAS, paper imports coming into the United States since 2012 have caused 8 uncoated paper mills to close or shut down machines, causing the loss of thousands of jobs, and for every paper industry job that is lost 6 others are indirectly lost in other sectors of the economy; and

WHEREAS, paper imports from China have increased from 23,600 metric tons in 2012 to 62,400 metric tons in 2014 and a major cause of this import surge is global industry overcapacity, which is excess production capacity above what is necessary to meet market demand; and

WHEREAS, China's steel, aluminum and paper industries are almost completely state-owned and state-supported by China's central and provincial governments and China's exports are flooding every market around the world, creating a domino effect on trade flows; and

WHEREAS, much of the world's steel, aluminum and paper end up in the United States because we have the most open market in the world and because other countries are more aggressive in putting safeguards and tariffs in place; now, therefore, be it

RESOLVED: That We, your Memorialists, on behalf of the people we represent, take this opportunity to respectfully urge that the President of the United States and the United States Congress take action for strong enforcement of our nation's trade laws to level the playing field with China and other countries and to protect domestic manufacturing industries from unfair foreign competition; and be it further

RESOLVED: That we respectfully urge the United States Department of Commerce to maintain China's status as a "non-market economy," a country that does not operate on market principles of cost or pricing structures and in which sales of merchandise do not reflect fair value, in order to preserve the ability of American companies and American workers to access domestic trade remedies; and be it further

RESOLVED: That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to the Honorable Barack H. Obama, President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives and to each Member of the Maine Congressional Delegation.