



**American
Iron and Steel
Institute**

Steelgram

Immediate Attention Requested

September 24, 2010

**To: Members of the House Steel Caucus
House staff assigned to steel and/or trade issues**

PLEASE SUPPORT H.R. 2378, THE CURRENCY REFORM FOR FAIR TRADE ACT

Background: China is breaking the rules and stealing American manufacturing jobs with its mercantilist and market-distorting trade and industrial policies. China's steel sector and other "strategic" steel-intensive manufacturing sectors remain government-owned, controlled and heavily subsidized; and the Chinese government continues to manipulate its currency by intervening extensively in foreign exchange markets so as to keep its currency (the renminbi) severely undervalued. The deliberate undervaluation of China's currency acts as a huge export subsidy, giving Chinese exports an unfair advantage over U.S. made goods in markets around the world. The effects of this huge subsidy can be seen throughout the U.S. economy. It has been a contributing factor to the loss of roughly 2.4 million American jobs to China in the past decade and to our unsustainable trade deficit as it makes it more difficult for goods and services produced in the United States to compete with Chinese-made goods both here and abroad. China's currency manipulation puts all U.S. manufacturers at a competitive disadvantage internationally.

Situation: Last Friday, the House Ways and Means Committee reported out of Committee an amended version of H.R. 2378, a bi-partisan bill introduced by Congressmen Tim Ryan (D-OH) and Tim Murphy (R-PA). The amendment, in the nature of a substitute to H.R. 2378 offered by Chairman Sandy Levin (D-MI), is supported by Ranking Member Dave Camp (R-MI) because it took extra steps to ensure that the bill is WTO compliant. This bill gives U.S. manufacturers the ability to use the existing countervailing duty law to obtain a remedy for injury caused by goods benefiting from a currency manipulation export subsidy. In other words, American manufacturers can fight back when it's clear China is cheating and taking good-paying domestic manufacturing jobs from Americans who need them. The House is expected to vote on H.R. 2378 this week prior to the fall recess.

Request: Please vote **YES on H.R. 2378**, the Currency Reform for Fair Trade Act, a bill that will not add to the federal deficit but will aid to our economic recovery and the creation of jobs.

Thank you for your continued efforts on behalf of American manufacturing.

Sincerely,

A handwritten signature in black ink that reads "Thomas J. Gibson".

Thomas J. Gibson
President and CEO