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**NAFTA STEEL INDUSTRY RECOMMENDS POLICIES FOR  
INCREASING NORTH AMERICA'S EXPORTS OF MANUFACTURED GOODS**  
*NAFTA Governments Must Focus on R&D, Infrastructure and Trade Policy*



**American Iron  
and Steel Institute**

Washington, D.C. - The NAFTA steel industry sent a letter yesterday to the Trade Promotion Coordinating Committee (TPCC) at the U.S. Department of Commerce, expressing appreciation for President Obama's National Export Initiative (NEI) and voicing strong support for "significantly increasing North America's exports of manufactured goods to other world regions."



The letter -- endorsed by the American Iron and Steel Institute (AISI), Canadian Steel Producers Association (CSPA), Mexican Steel Producers Association (Canacero), Steel Manufacturers Association (SMA) and Specialty Steel Industry of North America (SSINA) -- recognizes the growing challenges that North American manufacturers face from China and other global competitors. As the letter states, "North America's share of world exports of manufactured goods decreased from 19 percent in 2001 to 13.3 percent in 2008, while other important emerging economies -- such as China, India and Brazil -- doubled their share." The industry asks the TPCC and NAFTA governments to support the following recommendations.



- **Innovation, Technology and Human Capital** – Support more R&D in North America on "breakthrough" technologies to reduce energy use and CO<sub>2</sub> emissions dramatically, and provide greater incentives in the NAFTA region to pursue innovative projects to increase energy efficiency, including support for joint and cross-border R&D initiatives where appropriate.

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- **Infrastructure Investment** – Continue the ongoing efforts to improve our border infrastructure to facilitate the efficient and secure movement of people and fairly traded cargo between NAFTA countries, and build a 21<sup>st</sup> century infrastructure throughout North America.
- **More Effective Trade Policies** – Develop industrial strategies to improve the ability of manufacturers in North America to compete with China, India and other emerging market countries, and achieve a truly level international playing field -- with an enhanced focus on both trade enforcement and export promotion.

In addition to creating in each NAFTA country optimum business conditions to attract market-based investments, the industry letter emphasizes “support for global structural rebalancing and the need to correct the regional imbalances that have produced our huge North American trade deficits with other world regions.” It also stresses that NAFTA governments must “address the trade-distorting industrial policies of offshore governments,” including currency manipulation, massive subsidies and raw material export barriers; and it references a June 9 industry letter to NAFTA Cabinet officials emphasizing that China’s currency policy “has caused the loss of millions of good manufacturing jobs in North America over the past decade.”

In its letter to the TPCC on the U.S. NEI, the industry urges the TPCC and NAFTA governments to support “further trilateral discussions among top policy makers in all three countries” on the urgent need for “pro-manufacturing initiatives throughout the NAFTA region, including cross-border initiatives where appropriate.”

Click [here](#) to read the letter.