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From \_\_\_\_\_

CONGRESSMAN

# Nick Rahall

WEST VIRGINIA-4th DISTRICT

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## TRADE BILL PASSES HOUSE; CONTAINS RAHALL MET COAL MEASURE

Washington, D.C. -- U.S. Rep. Nick Rahall (D-WV) announced that the trade bill passed by the House today contains his measure to bring parity to the metallurgical coal and steel trade between the U.S. and Japan, as well as other provisions to help reduce the record-breaking trade deficit which is costing jobs in West Virginia and all over the country.

"I am pleased that the House of Representatives recognizes the need to allow our workers and industries to compete on the same level playing field as our trading partners," Rep. Rahall said. "I am especially heartened by the inclusion of my provision which, among other things, urges the President to direct the U.S. Trade Representative to negotiate an agreement under which that country will import quantities of U.S. metallurgical coal in amounts equivalent to Japan's market share of steel products imported into the U.S." Metallurgical coal is an essential ingredient in steelmaking.

Speaking in the House in support of the bill, Rahall pointed out, "The Japanese have flagrantly ignored the commitment made to the U.S. in the Joint Policy Statement on Energy Cooperation as it pertains to metallurgical coal. In that statement, the Japanese were to maintain current levels of U.S. metallurgical coal imports and seek to increase their purchases from this country if conditions in their steel industry so permitted. While Japanese steel production has, in fact, increased since 1983, that country has nonetheless slashed the amount of metallurgical coal it purchases from the United States. The inclusion of this provision is intended to send a strong signal to the Japanese that we are calling their bluff and that we expect our agreements to be honored." The agreements were reached in 1983 talks between President Reagan and Prime Minister Nakasone.

The trade bill passed also contained provisions to extend existing trade law which gives workers the right to organize and bargain collectively, freedom of association, a prohibition on the use of forced or compulsory labor, a minimum age for children workers, and reasonable work conditions in regard to wages, hours of work, and occupational safety and health. These rights have been frequently ignored. "The denial of these internationally recognized workers rights must be defined as an unfair trade practice by the United States," Rahall told his colleagues. I do not feel that it is at all unreasonable for us to require that our competitors grant their workers the same rights that we in the United States recognize without question as basic to our workers." The bill would allow the President to take retaliatory action, including imposing higher tariffs and import quotas, against countries that violate international labor standards.

The bill also contains a number of other provisions, including one which is very important to the American specialty steel industry which permits the imposition of duties against diversionary dumping. "This affects our specialty steel industry in West Virginia," Rahall noted.

H.R. 4800 also will help in the area of retraining workers who have lost their jobs due to foreign imports, as well as promoting computerized job banks to find new jobs for these workers. "I am hopeful that through the enactment of this legislation we can begin to put the United States back at the top of the international trade market and begin to put the unemployed, particularly in West Virginia, back to work."

The bill will now go to the Senate for consideration.

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STATEMENT OF NICK RAHALL  
H.R. 4800, OMNIBUS TRADE ACT

Mr. Speaker, I rise today in strong support of H.R. 4800, the Trade and International Economic Policy Reform Act of 1986. We must modernize U.S. trade laws. One only has to take into account our 1985 record-breaking trade deficit of \$148.5 billion -- which far surpassed our 1984 deficit -- to realize that U.S. trade policy has got to be revised. Our trade deficit has grown despite the depreciation of the dollar against other currencies, which theoretically should have helped ease the imbalance. Estimates of the number of Americans out of work because of the unfavorable trade balance vary from 1.5 million to as high as 4 million workers. Today, unemployment is the single most important concern facing my state of West Virginia. There, the unemployment rate, which although for the first time since 1982 is not the country's highest, is still in double digits. The enactment of this comprehensive trade bill will provide the crucial impetus to efforts to put our American industries and workers on a fair and even playing field with our competitors around the world.

There are several provisions in H.R. 4800 which I feel are especially important. One of these is the worker rights provision which is not a new proposal but an extension of existing trade law. These workers rights -- the right to organize and bargain collectively, freedom of association, a prohibition on the use of forced or compulsory labor, a minimum age for children workers, and reasonable work conditions in regard to wages, hours of work, and occupational safety and health -- are already in U.S. law in relation to the Generalized System of Preferences and the Overseas Private Investment Corporation. The denial of these internationally recognized workers rights must be defined as an unfair trade practice by the United States. I do not feel that it is at all unreasonable for us to require that our competitors grant their workers the same rights that we in the United States recognize without question as basic to our workers. This legislation would allow the President to take retaliatory action, including imposing higher tariffs and raising import quotas, against countries that violate international labor standards.

Of great importance to many industries, including the American specialty steel industry, is the provision which permits the imposition of duties against diversionary dumping. Diversionary dumping occurs when a foreign material or component is dumped in a third country market and then incorporated into a product being imported into the United States. Heretofore, U.S. industries have not been compensated for economic injury caused by dumping -- this bill would allow U.S. firms and workers to file private lawsuits to recover damages related to imports for the first time.

H.R. 4800 provides much needed assistance to those who have been put out of work by foreign imports. The current Administration's policy has been to ignore the retraining needs of these jobless Americans -- only 7,000 people entered retraining programs last year and the Administration wants to terminate these programs. This legislation streamlines and targets retraining more quickly to those industries hardest hit by imports and promotes computerized job banks to facilitate new careers and relocation where necessary. The bill also authorizes subsistence stipends to those

being retrained.

H.R. 4800 contains a provision of great importance to the U.S. coal industry, section 176. This provision provides a sense of the Congress that the objectives of the November 1983 Joint Policy Statement on Energy Cooperation as it relates to U.S. exports of metallurgical coal to Japan have not been achieved and urges the President to direct the U.S. Trade Representative to negotiate an agreement with Japan under which that country will import quantities of U.S. metallurgical coal in amounts equivalent to Japan's market share of steel products imported into the U.S.

With this provision, we are seeking reciprocity in the steel and metallurgical coal trade between the U.S. and Japan as metallurgical coal is an essential ingredient in steelmaking.

The Japanese have flagrantly ignored the commitment made to the U.S. in the Joint Policy Statement on Energy Cooperation as it pertains to metallurgical coal. In that statement, the Japanese were to maintain current levels of U.S. metallurgical coal imports and seek to increase their purchases from this country if conditions in their steel industry so permitted. While Japanese steel production has, in fact, increased since 1983, that country has nonetheless slashed the amount of metallurgical coal it purchases from the United States.

The inclusion of this provision in H.R. 4800 is intended to send a strong signal to the Japanese that we are calling their bluff and that we expect our agreements to be honored. The efforts on behalf of this provision by my friend Ronnie Flipppo of Alabama and by the chairman of the Trade Subcommittee, Sam Gibbons, are deeply appreciated.