



**American
Iron and Steel
Institute**



ALLIANCE FOR
american
manufacturing

May 19, 2021

President Joseph R. Biden
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Biden:

On behalf of American steel producers, fabricators and workers, we write today to emphasize the importance of the steel tariffs put in place by the U.S. government in 2018. The tariffs were necessitated by repeated surges in steel imports driven by global steel overcapacity that threatened our industry and the nearly two million jobs it supports. The tariffs have been a success, allowing our industry to restart idled mills, rehire laid-off workers and invest in the future. Since the tariffs took effect, American steel producers have announced plans to invest more than \$15.7 billion in new or upgraded facilities – investments that are now beginning to bear fruit in the form of permanent, family-sustaining steel jobs and economic activity that supports communities across the United States.

Opponents of the steel tariffs argue that they should be eliminated to increase supply, given the current environment of rising prices and long lead times. This ignores the fact that the COVID-19 pandemic has posed unprecedented, but temporary, challenges to global supply chains in many industries – including lumber, semiconductors, concrete, agricultural products and cleaning products – as manufacturers respond to rapid and unpredictable shifts in customer demand and logistical difficulties. The same is true for steel. Indeed, virtually every steel market around the world is experiencing record high prices and long local lead times.

Domestic steel supply is responding to market signals. Steel production has increased by more than 50 percent in the last year. Steel mill employment has increased by nearly 3,000 since September. Meanwhile, the tariffs are providing a fairer and more level playing field, creating the market stability needed for companies to invest in the future of the domestic steel industry, including a significant amount of new steelmaking capacity that has come on line very recently. The new capabilities resulting from these

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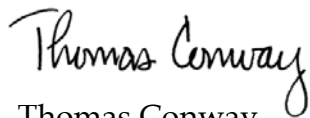
investments in new and upgraded facilities will further expand the ability of steel producers to meet increases in demand from a comprehensive infrastructure investment program and growth in the renewable energy sector.

Eliminating the steel tariffs now would undermine the viability of our industry. Global steel overcapacity has only increased during the pandemic, and past economic crises have led to devastating import surges as other nations dumped their excess steel into the U.S. market. Given the essential role of the steel industry to the nation's defense and its critical infrastructure, the tariffs must remain in place. Moreover, the American steel industry's favorable environmental footprint – as the cleanest and most energy efficient of major steel industries – makes it indispensable in the pursuit of our nation's critical climate goals.

Sincerely,



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*American Iron and
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Thomas Conway
International President
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