



STATEMENT

US-SOUTH KOREA FREE TRADE AGREEMENT – YEAR TWO

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United Steelworkers (USW)

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The United Steelworkers (USW) opposed the US-South Korea Free Trade Agreement (KORUS FTA) and the model it's based on because we didn't think it would do enough to support good paying jobs here in the USA. Unfortunately, our concerns have turned into a reality and we have no belief that its negative impact will be reversed.

Since the Korea Free Trade Agreement, our trade imbalance with Korea has gone up – not down – and that result has cost too many American workers their jobs. In 2013, EPI highlighted that 40,000 jobs were lost in the first year of the Korea Free Trade Agreement as a direct result of our country's trade imbalance - and many of those jobs are in manufacturing.

What does 40,000 jobs lost look like? It's not just large manufacturing plants but small manufacturers as well.

In just one of many cases where our members have lost jobs to free trade agreements, the Steelworkers are preparing to assist a small machine shop in Pennsylvania that is losing jobs. Since the KORUS FTA, thirty-four workers – out of a total of forty-four union workers - who were making an average of \$20 dollars an hour - are no longer working because the contract they have to make parts for steam and gas turbines is being moved to South Korea.

With a regional unemployment rate of 7.7%, every job counts. Federal job retraining benefits are not what these workers need in Pennsylvania, they need jobs. We need trade agreements that add work at their shop - not take it away.

USW continues to work with the Administration to try to improve the framework of our trade agreements. However if the Korea Free Trade Agreement approach isn't changed significantly, then it will be next to impossible for USW to support future trade agreements like the Trans-Pacific Partnership (TPP).

Our union wants to see trade agreements that reduce our country's trade deficit and that create and maintain jobs here in the United States. Korea sees what a sweet deal they got and that America will essentially ignore violations of trade laws – whether under the FTA or other U.S. laws.

Ask the 1,684 USW members at Whirlpool in Fort Smith, Arkansas about Korea - they saw their plant close in 2012 because of unlawful dumping by Korea of bottom-freezer refrigerators – ask them if the FTA did anything to help them or to get their government to enforce our laws. Whirlpool had to appeal their case to the Court of International Trade and just this January received the relief they needed – but much too late for our members.

Ask our members at a major US steel producer that have just been laid off if the Korea FTA has stopped Korea from dumping and subsidizing drill pipe (called Oil Country Tubular Goods or OCTG) into our market. Korea makes this product ONLY for export – and our jobs are their target. These are pipes for drilling for natural gas – a market that is booming and that American workers should be sharing in – but that is not the case.

Trade deals, and the desire of trade officials to promote their success and sweep under the rug problems that arise with the countries we sign them with; create a climate where our trading partners know they can take advantage of us.

Success in trade deals should be measured by the number of good jobs created, not the number of agreements that are signed. We need to eliminate non-tariff trade barriers, include strong rule of origin provisions, develop enforceable labor and environmental standards, and cease our country's focus on negotiating enhanced rights and protections for corporations that allows for the spread of low-road, anti-worker production strategies both here and abroad.

Right now, KORUS and other major trade agreements have proven to be a drag on growth and an impediment to creating the kind of good jobs that are needed.

We need to improve the ways we come to these agreements and how they are enforced, the United Steelworkers are not opposed to trade, we just want fair trade that keeps American's working and reduces inequality in this country.

That's why our union supports bills like Representative Slaughter's [Reciprocal Markets Access Act](#), which would instruct US trade negotiators to eliminate foreign market barriers before reducing US tariffs and allows for our country to reinstate tariffs if the foreign government does not honor its commitment to remove barriers.

Our union just wants our country's trade negotiators to follow a simple golden rule. "Do unto others as you would have them do unto you."

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