

Geneva, 15 April 2016

IndustriALL Global Union

Statement to the High-Level Meeting on Excess Capacity and Structural Adjustment in the Steel Sector

Brussels, 18 April 2016

[IndustriALL Global Union](http://www.industriall-union.org), representing 50 million industrial workers in 140 countries, calls on the OECD member states to take swift and decisive action to address the global steel crisis and protect our jobs and communities from the current wave of industrial destruction that is wiping out industrial jobs on a global scale and systematically eroding workers' rights and working conditions.

As trade unions, we defend the rights of all workers across the globe and the right to development for every country. But with this right comes the responsibility to operate within the bounds of the rules-based global trading system and to pursue development that is economically and environmentally sustainable.

We believe that if our societies are to be truly sustainable, then so must be the way we trade with each other and how we develop our own markets. We also believe that the strongest sign of a fair society is the way in which workers and their unions are treated.

Steel is the world's second largest industry, generating \$900 billion in economic activity. It has been the foundation for the last 100 years of industrial progress, driving industrial and environmental innovations and technologies and supporting economic growth in many other industrial sectors. Global steel use is projected to increase by 50% by 2050.

Yet the current conditions faced by the industry are the worst in a generation. Despite an increase in average steel use over the last decade, overcapacity is now a serious threat to the long-term future of our industry. China's annual production alone, driven by state-owned and controlled enterprises in violation of its WTO obligations, ILO core labour standards, and fundamental human rights, now exceeds 1.2 billion tons. This unchecked expansion combined with a long-term slowdown of China's economic growth is now dumping more than 110 million tons of steel into global markets, with devastating effects on steelmaking communities and the environment.

We believe it is not acceptable to threaten the jobs, families and communities of hundreds of thousands of workers across the globe due to these unfair and illegal trade practices. Ignoring the impact of these decisions on workers and their industries while claiming to be a responsible global partner is unacceptable behaviour from any nation. It is also unacceptable to ignore the continued state-sponsored financing of new steelmaking capacity with no commitment to long-term sustainability. In fact, despite repeated promises to reduce overcapacity, some Chinese state-owned enterprises are actually increasing production.

We also believe that global institutions and our governments must do more to highlight where market distortions occur and develop strategies to prevent them. National governments must aggressively enforce WTO anti-dumping rules, strengthen laws against unfair competition, and recognize the right of affected workers and communities to seek relief through those laws. Governments must also recognize the value of collective bargaining and workers' right to freedom of association.

Our governments must also proactively coordinate efforts to prevent unfair steel dumping. In particular the Organisation of Economic Cooperation and Development (OECD)'s High Level Steel Committee must continue to pursue a fair and just global framework for steel producers, free of market distortions.

In place of a downward spiral of unfair competition, we call on our governments to adopt active industrial policies including massive investment in sorely-needed infrastructure and training. Governments must also make targeted interventions to rescue steelmaking communities threatened with extinction by plant shutdowns. Governments and global institutions must consider the climatic consequences of shutting down steel-making capacity that meets the strictest environmental and quality standards while allowing unfettered growth where such standards are ignored.

IndustriAll Global Union commits to coordinated action to save the global steel industry and the millions of family-and-community-sustaining jobs it creates. We will continue to mobilize union members, their families and communities, and the public to fight back against the destruction of industrial jobs and raise awareness with our public policy makers over the important contribution that the steel industry makes to our economies and to society as a whole. With this in mind, we will aim to develop an environment that enables the global steel industry to flourish with steelworkers and their families alongside.

With best regards,

A handwritten signature in blue ink, appearing to be 'Jyrki Raina', written in a cursive style.

Jyrki Raina
General Secretary
IndustriALL Global Union