

## IndustriALL Global Union's Statement on Recent Developments on Steel and Aluminium Tariffs

23 March 2018

IndustriALL Global Union's 2<sup>nd</sup> Congress in Rio de Janeiro in October 2016 intensively debated trade issues. According to the unanimously adopted Political Resolution, "IndustriALL Global Union must play a leading role within the global trade union movement and wider society to advocate our vision of fair global trade that works for all."

In addition, the Political Resolution states: "Trade and investment must ensure a more equitable redistribution of wealth between and within countries and must reject a failed neo-liberal economic ideology based on deregulation, liberalisation and privatisation that this new generation of trade agreements still supports. We call for a new global debate on a fair trading framework that safeguards democratic standards and the public interest, and has the scope for social policy that puts people first."

The U.S. Government announced in early March that it would impose tariffs of 25% on imports of steel and tariffs of 10% on imports of aluminium in order to protect U.S. national security. As of 23 March, the day the tariffs are to go into effect, the U.S. has exempted, often for uncertain reasons and an uncertain period without a clear connection to national security, the following countries from these tariffs, with the understanding the exemptions may end if governments of these countries don't offer some other uncertain concessions to the U.S. government in separate negotiations – Argentina, Australia, Brazil, Canada, the EU, Mexico and South Korea.

In these circumstances, IndustriALL Global Union and affiliated unions in the base metals sector worldwide reiterate **once again their call for** a fair global trade that works for all, and increased efforts to combat the persistent global problem of steel and aluminium overcapacity. Although we strongly support efforts to preserve and create jobs in the steel and aluminium industries, we criticize the implementation of tariffs which, as in this case, are indiscriminate, unilateral, and unfair and can provoke a trade war. IndustriALL Global Union reiterates its call for a system of fair global trade that works for all and that builds on the principle of cross-border worker solidarity.

Although global steel and aluminium markets have improved somewhat since our unions released a [Declaration on the Global Steel Crisis](#) at the IndustriALL Global Union's World Base Metals Conference in November 2016, steel and aluminium workers around the world continue to be threatened by overcapacity. This overcapacity is overwhelmingly in China, which continues to unfairly subsidize its steel and aluminium industries, and which continues to dump steel and aluminium in our countries, sometimes shipping it indirectly through third countries.

We therefore reiterate, from the Declaration, our “call for urgent action to 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.”

While it is obvious that pragmatic and daily attempts cannot be sustainable solutions, “complex political problems can only be solved by multilateral political initiatives” as stated in the [Political Resolution](#) from our 2<sup>nd</sup> Congress. In this context, it is critically important to seek viable rules and regulations for global trade instead of seeking temporary ways out such as exemptions. It can never be possible to find a proper way forward in between protectionism and dumping.

We are committed to encouraging multilateral negotiations and to making all necessary efforts to avoid triggering a global trade war, a war in which workers around the world stand to lose the most.

Our governments must coordinate efforts in international forums such as the OECD Steel Committee and the Global Forum on Steel Excess Capacity to pressure China to reduce its capacity, to end unfair practices that create overcapacity, and to prevent overcapacity from emerging or increasing in other countries. IndustriALL Global Union will continue to support those efforts, continue to participate in the OECD Steel Committee, and will continue to seek to open the Global Forum on Steel Excess Capacity to trade union participation.

We **commit to** demanding our governments take strong actions to defend our unions’ members against unfairly traded steel and aluminium, while urging our governments to ensure that those actions do not harm steel and aluminium workers who are also threatened by that overcapacity.

We also demand our governments put industrial policies in place to preserve and create jobs in the steel and aluminium industries. We must work to strengthen the internal consumption of certain regions of the world where consumption per capita is low in order to minimize dependence on international decisions and to promote local development.

We further **commit to** increasing collaboration among our unions in combatting the problem of global overcapacity of steel and aluminium. This collaboration will help to ensure the overcapacity does not serve to divide and thereby weaken us, but rather our global union power and solidarity is strengthened.

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