

WASHINGTON -- U.S. Rep. Spencer Bachus (R-AL) and other members of Congress concerned about the steel crisis unveiled legislation to help the domestic steel industry combat artificially-priced steel imports.

"A major American industry is under extreme financial assault from foreign countries that are illegally dumping their steel into our markets," Bachus said. "At the rate this crisis is growing, we may not have a U.S. steel industry in five years unless we take decisive action now."

The legislation, announced today at a news conference outside the Capitol, would freeze steel imports to their level in July 1997, before the current steel crisis began.

"By taking this dramatic action, we can restore fair competition between American and foreign steel producers," Bachus said. "If American steelworkers are allowed to compete on a fair playing field, they will win. But if we do not restore that fair playing field, more American steelworkers will lose their jobs."

Steel imports reached record levels in 1998. Imports of Japanese steel rose 141% over their 1997 level. Steel imports from Indonesia rose 387% and from Korea and Russia 96% and 30% respectively. The White House admits this deluge of imports is responsible for 10,000 layoffs at some domestic steel companies.

Bachus also said he will continue focusing on the International Monetary Fund's (IMF) role in the worsening steel crisis. His new role as chairman of the Domestic and International Monetary Policy Subcommittee gives him jurisdiction and oversight of the IMF.

"We will take a hard look at the IMF. Its policies work against our own steelworkers," Bachus said. "It's a horrible injustice to send the tax dollars of our steelworkers to their foreign competitors, who in turn flood our nation with unfair imports that cost our steelworkers their jobs."

A Clinton administration plan for dealing with the problem would expand the number of years that steel companies can spread out operating losses in order to lower their tax bills from two years to five.

"For a president who is famous for feeling our pain, in this case he's certainly not been good at easing it," Bachus said. "The president's action acknowledges our steel industry is in deep trouble, but we already knew that. He needs to use the clout and weight of the presidency and his administration to rein in foreign countries who are dumping their steel here at cut-throat prices," Bachus said.