

December 1, 2009

(WASHINGTON, D.C.) -- Today, U.S. Congressman Jason Altmire (PA-04) testified before the U.S. International Trade Commission (ITC) regarding the impact oil country tubular goods (OCTG) imported from China have had on the U.S. Steel industry. Several domestic steel manufacturers -- including U.S. Steel, TMK IPSCO, and Wheatland Tube Corporation -- and the United Steelworkers filed a petition with the ITC in April requesting that duties be levied against the Chinese oil country tubular goods that have flooded American markets in recent years.

“Chinese manufacturers have undermined America’s steel industry by flooding our markets with heavily subsidized imports,” Altmire said. “China has the capacity to produce more oil country tubular goods that it can consume or export at fair prices, and dumps underpriced goods in American markets. Therefore, it is critically important that the ITC impose duties on these products to provide American workers with the level playing field they deserve.”

Oil country tubular goods are seamless and welded steel tubular products that are used in oil and gas drilling in areas across the county, including the Marcellus Shale. The amount of Chinese oil country tubular goods imported to the U.S. has tripled in recent years, rising from 725,000 net tons in 2006 to 2.2. million in 2008. This surge in imports -- combined with China’s ability to sell its goods at reduced prices due to government subsidies -- has put the U.S. Steel industry at a significant competitive disadvantage. Thus far, according to the United Steelworkers, more than 2,000 American workers have been laid off by companies making oil country tubular goods.

Western Pennsylvania has a number of companies which produce oil country tubular goods. For example, TMK IPSCO has one facility in Ambridge, PA that produces seamless oil country tubular goods and another facility in Koppel, PA which produces the billets used to make these products. Western Pennsylvanians attending today’s hearing included Rick Galiano, President of United Steelworkers Local 9305 at IPSCO-Koppel Steel; Mike Sabat, Chairman of the United Steelworkers Local 9305 Political Action Committee; and Andrew Harkulich, President of United Steelworkers Local 1660 at the Wheatland Tube Corporation.

The ITC is expected to vote on whether countervailing duties should be imposed on China’s oil country tubular goods on December 30, 2009. It will vote on whether anti-dumping duties should be imposed early next year.