

RESOLUTION NO. 3, 2002

A RESOLUTION IN SUPPORT OF OUR STEEL INDUSTRY

WHEREAS, the United Steel industry has been harmed by a record surge of steel imports into this country since 1998; and

WHEREAS, the increased imports has resulted in the loss of more than 27,000 steel workers jobs nationwide and resulted in 30 steel company bankruptcies; and

WHEREAS, the increase in imports has resulted in financial losses for the remaining domestic steel companies; and

WHEREAS, the bankruptcies, job losses and financial losses are contributing to the current economic slow down and have had a serious impact on Northwest Indiana and Porter County and many residents in the City of Valparaiso; and


WHEREAS, a strong steel industry is necessary to a healthy economy in Northwest Indiana and Porter County and the City of Valparaiso.

NOW, THEREFORE BE IT RESOLVED, by the Common Council of the City of Valparaiso as follows:

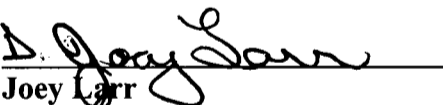
(1) The Common Council urges President Bush to impose ~~the~~ appropriate tariffs on imported steel on such terms and conditions that are necessary to protect the domestic steel industry and that this tariff cover the full range of products produced in this country, and

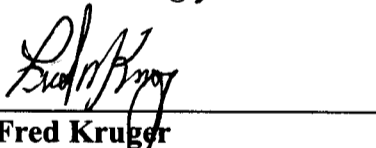
(2) That the Common Council of the City of Valparaiso urges the President to act on the proposed tariffs in a swift and certain manner and begin to address the remaining issues of consolidation, retiree, health care liabilities and loss of jobs.

Dated this 25 day of February, 2002 by a 7-0 vote of all members present and voting.

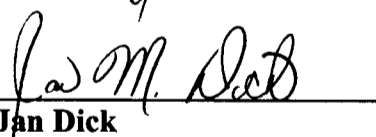

Aaron Carlberg


Al Eisenmenger

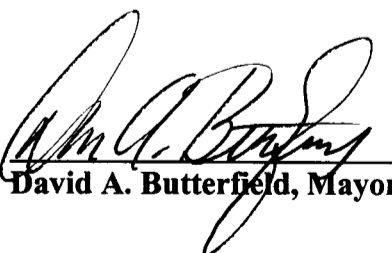

Joey Larr


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Donald Ragsdale


Jan Dick


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David A. Butterfield, Mayor

ATTEST:


Sharon Swihart, Clerk-Treasurer

Bob Corbin
Crown Point City Council
District 5

(219)662-8094
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FACSIMILE COVER SHEET

DATE: _____ PAGE: 1 OF 4

DELIVER TO: City of Valparaiso

DEPARTMENT: _____ FAX NUMBER: 464-4273

FROM: Robert Corbin

DEPARTMENT: _____ EXTENSION: _____

MESSAGE: _____

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**CITY OF CROWN POINT
101 East North Street
Crown Point, Indiana 46307**

James D. Metros, Mayor

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Pam Roth, 3rd District City Council
Bill Condran, 4th District City Council
Bob Corbin, 5th District City Council
Mike Conquest, City Council at Large
Jim Wirtz, City Council at Large*

To: Lake and Porter County Municipal Governments

From: Bob Corbin
5th District Crown Point City Council
Telephone: (219) 662-8094

Date: February 6, 2002

Re: Resolution in support of our steel industry

Following is a copy of an editorial appearing in the Tuesday, February 6, 2002, edition of "The Times" newspaper. We all are aware of the plight of the American steel industry, and what its demise means to the constituents we all serve as elected officials.

On February 4, the Crown Point City Council adopted a resolution in support of our steel industry and urging President Bush to take action to impose a tariff on foreign steel being illegally dumped in the United States. A copy of our resolution is attached. The Crown Point City Council usually is not in the business of asking the President of the United States to act on specific issues. However, if the municipal governments in Northwest Indiana collectively would consider a similar resolution, perhaps it would assist Congressman Visclosky in his efforts to save the steel industry which has made such an enormous contribution to our communities and those we serve.

WEDNESDAY
FEBRUARY 6, 2002

OPINION

THE TIMES
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Time running out for steel industry relief

The issue: Help for the steel industry
Our opinion: The longer President Bush waits to act on tariffs, the worse the situation will get.

Each day President Bush delays action on tariffs on imported steel, the domestic industry suffers. In January alone, the steel industry lost another 9,600 jobs, according to the U.S. Bureau of Labor Statistics. That figure includes the mid-December idling and shutdown of LTV Steel, which affected about 7,500 steelworkers nationwide.

"Time is running out for the steel industry and for the Bush administration to keep its promise to enforce this country's trade laws," said United Steelworkers of America President Leo Gerard.

He's right.

Including the iron ore industry, steel industry employment has fallen by 46,700 since the current steel crisis began, according to the union.

No one seriously believes imports are entirely responsible for the decline in the domestic steel industry. U.S. steelmakers have been around a long time and consequently have substantial legacy costs, including support for retirees.

But nearly two months ago, the International Trade Commission recommended tariffs of up to 40 percent on various kinds of steel that account for about 80 percent of steel product lines. The ITC had ruled that this imported steel was "dumped" here, or sold for less than the production cost.

Originally, the president had a Feb. 19 deadline to determine what action to take. U.S. Trade Representative Robert Zoellick, who favors reducing steel production capacity in the United States, last month asked the ITC for more information, an action that delayed Bush's deadline until March 6.

Zoellick's action also is accomplishing his goal of reducing capacity, because steelmakers are losing millions of dollars every day. Bethlehem Steel Corp., which is bankrupt, has made it clear it has only enough money to operate through the end of this year.

Relief is urgently needed.

As the ITC learned when it held a rare field hearing in Merrillville last October, reducing capacity means harming individuals.

Bush has a March 6 deadline, but that doesn't mean he has to wait until then - or even longer - to act. He should enact the tariffs now and give the domestic steel industry the help it needs.

February 4, 2002

The City of Crown Point Resolution

Whereas the United States steel industry has been severely harmed by a record surge of steel imports into the United States since 1998.

Whereas this surge in imports has resulted in the loss of more than 27,000 steel worker jobs and is the imminent cause of 30 steel company bankruptcies.

Whereas the import surge has also forced the United States steel industry into reduced volume, lower prices, and financial losses.

Whereas on October 22, 2001, the International Trade Commission (ITC) determined that the domestic steel industry has been severely injured by the import surge.

Whereas the United States steel industry has massive retiree health care liabilities that total \$13,000,000,000 and cost the steel industry almost \$1,000,000,000 annually.

Whereas these health care liabilities pose a significant barrier to steel industry consolidation and rationalization that could improve the financial condition of the industry and reduce the impact of foreign imports.

Whereas steel company bankruptcies, job losses, and financial losses are contributing to the Nation's current economic slowdown and are having serious negative effects on the tax base of cities, counties, and States, and on the essential health, education, and municipal services that these government entities provide to their citizens.

Whereas a strong steel industry is necessary to a healthy economy and to the adequate defense preparedness of the United States.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Crown Point, Indiana, as follows:

That the City of Crown Point calls on President Bush to impose tariffs of 40 percent on imported steel for the duration of four years, due to the severity of the damage to the domestic industry. The tariff must cover the full range of products where injury has been found by the ITC. These products include slabs, all flat roll, steel pipe and tubes, rebar, and other long products, and be it further

RESOLVED: That the City of Crown Point calls on President Bush to act on these tariffs in an expedited manner to provide essential relief to the domestic steel industry, and be it further

RESOLVED: That the City of Crown Point calls on the federal government to take immediate action with regards to the removal of the principal barrier to consolidation, retiree health care liabilities, that certain steelmakers have accrued through prior restructuring actions as well as those that will result from future rationalization activities.