

Something Shady is Happening in Our Tire Industry

As the largest union in tire manufacturing, the USW has taken the threat of increased dumped and subsidized tire imports seriously. We successfully petitioned to use a 421 investigation against China, which was followed by multiple successful anti-dumping and countervailing (AD/CVD) petitions against India and China on an array of tire products. We are also part of an ongoing trade case on passenger vehicle and light truck (PVLТ) tires against Korea, Taiwan, Thailand, and Vietnam which will conclude in June or July of this year. Many of you helped us defend the domestic industry and your job by testifying and reaching out to your Congressional Representatives on the importance and impacts in your facilities.

Unfortunately, like every bad actor does, some of these overseas companies have taken to using “backdoor” methods to circumvent the protections we fought so hard for. Here is the down and dirty:

- We are seeing a number of countries like Indonesia, the Philippines, and Thailand being used to ship significant tire import volumes under what is called the Generalized System Preference (GSP) program. All three of these countries have well documented labor and environmental abuses.
- GSP is the largest and oldest U.S. trade preference program. It was established by the Trade Act of 1974 and is meant to promote economic development in 119 designated countries and territories by eliminating import duties on thousands of products which at the time were not considered import sensitive.
- In addition, future Chinese investments in GSP tire exporting countries could lead to additional import pressures on U.S. producers (our represented workplaces) and workers (our members). These investments will increase export volumes and undermine relief provided by the successful cases we fought so hard for.

Our represented facilities have good wages and benefits. They are often the best jobs in communities, many of which unfortunately have poverty levels already in the double digits. The GSP was set up to help bring economically developing countries out of poverty, not allow foreign companies to undermine U.S. jobs. GSP should not be used as a tool to allow rule breakers to circumvent their duties; dump their cheap, subsidized products; and put Steelworker jobs at risk.

Our union will call on Congress to declare tires as “import-sensitive” and remove tires as eligible for a GSP preference, which could come up for renewal in the coming months. We will need your voices to get that done. Stay tuned to Rapid Response to see how we can stop shady players from manipulating our trade rules and hurting our members.