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CAMMU Statement on US-Japan Agreement on Steel Tariffs

Washington, D.C. – The Coalition of American Metal Manufacturers and Users (CAMMU) today issued the following statement:

"The US-Japan agreement to end the existing Section 232 steel tariffs for a certain amount of imported steel will increase the supply of steel in the U.S., which could help U.S. manufacturers who continue to have long delivery delays and continue to pay the highest prices in the world. However, it is disappointing that the agreement will not completely terminate these unnecessary trade restrictions on Japan. As we are already seeing with the U.S.-EU agreement where some steel products' quota filled up for the year in the first two weeks of January, this type of government restriction on raw materials and intervention lead to market manipulations and allow for gaming of the system that puts this country's smallest manufacturers at an even further disadvantage.

CAMMU urges the Administration to include the same exclusion provisions provided for in the U.S.-EU agreement automatically extending existing exclusions for two years and allowing for new exclusions when product categories reach their quota.

U.S. steel- and aluminum-using manufacturers can neither secure the raw materials that they need nor obtain them at competitive prices, and are losing business to competitors in other countries who are paying far lower prices for steel and aluminum. When these American manufacturers who use steel and aluminum lose business, they buy less of those products, which will lead to the domestic steel industry also losing business. CAMMU will continue to work with the U.S. government on behalf of U.S. manufacturers that need globally priced steel and aluminum to operate in the U.S."

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The Coalition of American Metal Manufacturers and Users is a broad organization of U.S. businesses and trade associations representing over 30,000 companies and over one million American workers in the manufacturing sector and the downstream supply chains of industries including aerospace, agriculture, automotive, consumer goods, construction, defense, electrical, medical, and recreational, among others. For additional information, visit <u>www.tariffsaretaxes.org</u> and follow the Coalition on Twitter at <u>@tariffsaretaxes</u>.