

## Policy Brief 02-1: Tables 1-6, A.1-A.3

**Table 1 Bankruptcies in the US steel industry, 1997-2001**

Company	Employees	Status
AI Tech Specialty Steel Corp.	790	Closed
Acme Metals	1,700	Closed
American Iron Reduction	70	Closed
Bethlehem Steel	13,000	Operating
CSC Ltd.	1,225	Closed
Edgewater Steel Ltd.	140	Closed
Erie Forge & Steel	300	Operating
Excaliber Holdings Corp.	800	Operating
Freedom Forge Corp.	1,120	Operating
GalvPro	60	Closed
Geneva Steel Co.	2,600	Closed for now
Great Lakes Metals LLC	40	Closed
GS Industries, Inc.	1,750	Operating
Gulf States Steel	1,906	Operating
Heartland Steel Inc.	175	Operating
J&L Structural Steel Inc.	275	Operating
Laclede Steel Co.	1,475	Closed
LTV Corp.	18,000	Idle
Metals USA	4,700	Operating
Northwestern Steel & Wire	1,600	Closed
Precision Speciality Metals Inc.	200	Operating
Qualitech Steel SBQ LLC	350	Closed
Republic Technologies	4,600	Operating
Riverview Steel Corp.	60	Operating
Sheffield Steel	610	Operating
Trico Steel	320	Closed
Vision Metals Inc.	610	Operating
Wheeling-Pittsburgh Steel Corp.	4,800	Operating
Worldclass Processing Inc.	80	Emerged

**Table 2 Total compensation per hour, 2001**

Steel	\$37.91
All private workers	\$20.81
Construction	\$24.08
Manufacturing	\$24.30
Services	\$19.74
Northeast	\$23.91
Midwest	\$20.47
Union	\$27.80
Nonunion	\$19.98

Sources: AISI (2001) for steel; BLS (2001) for others.

**Table 3 Overcapacity in the world steel industry, 1998<sup>a</sup>**

<b>Country / group</b>	<b>Production</b>	<b>Overcapacity</b>
European Union	173	55
China	126	n.a.
Japan	103	19
United States	108	17
Russia and Ukraine	75	28
Korea	44	n.a.
Brazil	28	n.a.
India	26	n.a.
Taiwan	19	n.a.
Canada	18	n.a.
Mexico	16	n.a.
Turkey	16	n.a.
Rest of world	105	185
<b>World</b>	<b>855</b>	<b>303</b>

n.a. = not available

a. Figures are in millions of short tons. Overcapacity figures are approximate. Rest of world overcapacity includes the overcapacity of specific countries listed as n.a.

*Sources: For production:* International Iron and Steel Institute (2001).

*For overcapacity:* International Trade Administration (2000).

**Table 4 ITC remedy recommendations**

<b>Product category</b>	<b>Specific product</b>	<b>Joint Remedy</b>	<b>Okun Remedy</b>	<b>Bragg Remedy</b>	<b>Devaney Remedy</b>
Flat	Slabs	TRQ	TRQ	T40	T40
Flat	Plate	T20	Q	T40	T40
Flat	Hot-rolled	T20	Q	T40	T40
Flat	Cold-rolled	T20	Q	T40	T40
Flat	GOES				
Flat	Coated	T20	Q	T40	T40
Flat	Tin	<b>T20</b>		T40	T40
Long	Ingots				
Long	Hot-bar	T20	Q	T35	T35
Long	Cold-bar	T20	Q	T35	T35
Long	Rebar	T10	Q	T35	T35
Long	Rails				
Long	Wire				
Long	Strand				
Long	Nails				
Long	Heavy shapes				
Long	Fabricated units				
Tubular	Seamless				
Tubular	Seamless OCTG				
Tubular	Welded	TRQ	TRQ	T30	T30
Tubular	Welded OCTG				
Tubular	Flanges	T13	T13	T30	T30
Stainless/Tool	Slabs				
Stainless/Tool	Plate				
Stainless/Tool	Bar	T15	Q	T25	TRQ
Stainless/Tool	Rod	T20	Q	T25	TRQ
Stainless/Tool	Tool steel	<b>T10</b>		T25	TRQ
Stainless/Tool	Wire	<b>T8</b>		T15	TRQ
Stainless/Tool	Cloth				
Stainless/Tool	Rope				
Stainless/Tool	Seamless pipe				
Stainless/Tool	Welded pipe				
Stainless/Tool	Flanges	<b>T15</b>		T30	Q

GOES = grain-oriented electrical steel

OCTG = oil country tubular goods

Notes: Bold indicates only one of the three commissioners involved in the joint remedy made the recommendations. T indicates “Tariff”. Q indicates “Quota”. TRQ indicates “Tariff-rate quota”. T20, for example, means that the initial tariff would be 20 percent, and it would then decline a few percentage points per year for the next four years.

Source: ITC (2001c).

**Table 5 Illustrative gains and costs from alternative Section 201 trade restraints**

	<b>Joint Remedy</b>	<b>Devaney/ Bragg Remedy<sup>a</sup></b>	<b>Tariff rate quota</b>	<b>Grand Bargain<sup>b</sup></b>
<b>BEFORE trade restraints</b>				
Import quantity (million short tons)	27.0	27.0	27.0	27.0
Landed value of imports (\$ billions)	10.7	10.7	10.7	10.7
Landed import price (\$ per ton)	396	396	396	396
Domestic quantity (million short tons)	82.0	82.0	82.0	82.0
Domestic revenues (\$ billions)	27.3	27.3	27.3	27.3
Domestic price (\$ per ton)	334	334	334	334
<b>AFTER trade restraints</b>				
Import quantity (million short tons)	21.5	12.6	17.9	26.0
Landed value of imports (\$ billions)	9.1	6.9	8.5	10.8
Landed import price (\$ per ton)	422	549	473	416
Domestic quantity (million short tons)	83.9	986.7	87.2	79.0
Domestic revenues (\$ billions)	28.8	30.0	29.7	27.3
Domestic price (\$ per ton)	343	346	341	346
<b>GAINS from restraints</b>				
Tariff revenue (\$ millions)	962	1,839	629	541
Quota rent (\$ millions)	145	0	1,381	0
Producer gain (\$ millions)	650	1,487	584	966
Industry employment gain (persons)	3,545	8,770	9,692	Loss
<b>COSTS from restraints</b>				
Consumer loss (\$ millions)	2,070	4,475	2,945	1,564
Efficiency loss (\$ millions)	311	1,149	351	57
Consumer loss per industry job gained (\$ thousands)	584	510	304	n.a.

**Table 6 Assumptions for calculating wage insurance and legacy costs**

Average annual earnings of steel workers <sup>a</sup>	44,000
<b>Wage insurance make-up</b>	
Steel workers displaced, 1997-2001	21,000
Of which, estimated number reemployed <sup>b</sup>	12,810
Steel workers displaced per year in Grand Bargain, 2002-04	6,000
Of which, estimated number reemployed <sup>c</sup>	4,500
Annual earnings loss per reemployed steel worker <sup>d</sup>	15,300
Wage insurance per reemployed worker, 1997-2001 <sup>e</sup>	11,500
Wage insurance per reemployed worker, 2002-04 <sup>f</sup>	23,000
Total wage insurance for workers displaced, 1997-2004 (millions of dollars)	458
Of which, in 2002	199
Of which, in 2003	104
Of which, in 2004	104
Of which, in 2005	52
Legacy costs, 2002-06, at \$500 million per year	2,500

- a. The earnings figure does not include fringe benefits.
- b. Assuming 61 percent were reemployed.
- c. Assuming that wage insurance raises the reemployment rate to 75 percent.
- d. Assuming the average displaced worker who is reemployed suffers an earnings loss of 34.8 percent.
- e. Assuming that wage insurance pays 75 percent of the earnings loss for one year.
- f. Assuming that wage insurance pays 75 percent of the earnings loss for two years.

*Source:* Hufbauer and Goodrich (2001), based on Kletzer (2001).

**Table A.1 ITC injury determinations**

<b>Product category</b>	<b>Specific product</b>	<b>Affirmative votes</b>	<b>Canada included</b>	<b>Mexico included</b>
Flat	Slabs	6	No	Yes
Flat	Plate	6	No	Yes
Flat	Hot-rolled	6	No	Yes
Flat	Cold-rolled	6	No	Yes
Flat	GOES	2		
Flat	Coated	6	No	Yes
Flat	Tin	3	No	No
Long	Ingots	2		
Long	Hot-bar	6	Yes	No
Long	Cold-bar	6	Yes	No
Long	Rebar	6	No	No
Long	Rails	2		
Long	Wire	2		
Long	Strand	2		
Long	Nails	2		
Long	Heavy shapes	2		
Long	Fabricated units	0		
Tubular	Seamless	2		
Tubular	Seamless OCTG	2		
Tubular	Welded	6	Yes	No
Tubular	Welded OCTG	2		
Tubular	Flanges	6	Yes	Yes
Stainless/Tool	Slabs	2		
Stainless/Tool	Plate	2		
Stainless/Tool	Bar	6	Yes	No
Stainless/Tool	Rod	6	No	No
Stainless/Tool	Tool steel	3	No	No
Stainless/Tool	Wire	3	No	No
Stainless/Tool	Cloth	0		
Stainless/Tool	Rope	2		
Stainless/Tool	Seamless pipe	0		
Stainless/Tool	Welded pipe	0		
Stainless/Tool	Flanges	3	Yes	Yes

GOES = Grain-oriented electrical steel; OCTG = oil country tubular goods

Notes: There were six voting commissioners. The ITC only made determinations on whether Canada and Mexico constituted a substantial share of the product if three or more commissioners found injury.

Source: ITC (2001a).

**Table A.2 Steel imports from non-NAFTA and NAFTA countries, 1996-2001**

*Imports from non-NAFTA countries*

						<b>Percent change 1996- 2000</b>	<b>YTD 2000</b>	<b>YTD 2001</b>	<b>Percent change YTD</b>
	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>				
<b>Product (in millions of dollars)</b>									
A- Carbon and alloy flat products	5,546	5,917	7,518	5,171	5,783	4.30	3,041	1,738	-42.80
B- Carbon and alloy long products	2,261	2,406	3,663	2,957	3,482	54.00	1,721	1,428	-17.10
C- Carbon and alloy pipe and tube	1,179	1,407	1,694	1,192	1,829	55.20	871	1,137	30.50
D- Stainless steel and alloy tool steel	1,260	1,253	1,308	1,331	1,732	37.50	911	733	-19.60
Total	10,246	10,983	14,183	10,651	12,827	25.20	6,544	5,035	-23.10
<b>Product (in thousands of short tons)</b>									
A- Carbon and alloy flat products	14,894	15,555	21,660	16,989	17,300	16.20	9,425	5,364	-43.10
B- Carbon and alloy long products	3,568	3,843	7,367	6,186	7,199	101.80	3,739	2,614	-30.10
C- Carbon and alloy pipe and tube	1,451	1,900	2,280	1,746	2,750	89.50	1,348	1,749	29.80
D- Stainless steel and alloy tool steel	359	404	521	695	786	119.10	425	336	-21.10
Total	20,272	21,703	31,828	25,617	28,035	38.30	14,938	10,063	-32.60

*Imports from NAFTA countries*

						<b>Percent change 1996- 2000</b>	<b>YTD 2000</b>	<b>YTD 2001</b>	<b>Percent change YTD</b>
	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>				
<b>Product (in millions of dollars)</b>									
A- Carbon and alloy flat products	1,594	1,657	1,561	1,483	1,508	-5.40	854	594	-30.40
B- Carbon and alloy long products	1,236	1,335	1,483	1,563	1,729	39.90	883	818	-7.40
C- Carbon and alloy pipe and tube	589	639	746	653	835	41.80	479	398	-17.00
D- Stainless steel and alloy tool steel	282	240	217	228	281	-0.50	146	152	3.60
Total	3,701	3,871	4,007	3,927	4,353	17.60	2,363	1,961	-17.00
<b>Product (in thousands of short tons)</b>									
A- Carbon and alloy flat products	3,957	4,188	4,163	4,556	4,210	6.40	2,369	1,847	-22.10
B- Carbon and alloy long products	2,492	2,552	2,589	2,775	2,742	10.00	1,464	1,270	-13.30
C- Carbon and alloy pipe and tube	901	951	1,103	1,065	1,295	43.70	753	622	-17.40
D- Stainless steel and alloy tool steel	112	97	89	90	98	-13.00	51	58	13.70
Total	7,463	7,788	7,944	8,486	8,345	11.80	4,637	3,796	-18.10

Note: YTD indicates the first six months of 2000 or 2001.

Source: ITC (2001b).

