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**USW Marks First Year Anniversary of US-Korea Free Trade Deal**

***‘If this is success, we’re in a heap of trouble,’ says USW Pres. Gerard***

WASHINGTON, D.C. (March 14, 2013) – Leo W. Gerard, International President of the United Steelworkers (USW) issued the following statement today in advance of tomorrow’s one-year anniversary of the implementation of the U.S.-Korea Free Trade Agreement.

“Tomorrow marks the one-year anniversary of the start of the U.S.-Korea Free Trade Agreement. The anniversary will spark a debate about whether the FTA has been successful or not. Of course, it’s early. But, if this is success, we’re in a heap of trouble.

“The early figures sound like a good news, bad news joke. First, the good news:

“According to Korean statistics, the registrations of vehicles manufactured by Ford have jumped by 23 percent, from 2011 to 2012.

“Now, the bad news: That annual increase was a mere 942 vehicles from 4,184 to 5,126 Fords registered in South Korea. Meanwhile South Korean companies sold more than 1.26 MILLION cars here in the U.S., in 2012 alone. Clearly, the huge imbalance in auto trade has only been solidified by this ill-conceived trade agreement.

“Imports of passenger vehicles from South Korea totaled $10.9 BILLION in 2012, up from $9 billion the year before – a $1.9 billion increase, while U.S. exports increased a tiny $180 million to $546 million[[1]](#footnote-1). And, according to press reports[[2]](#footnote-2), the total U.S. trade deficit with South Korea grew faster during the first nine months that the FTA was in place -- than during the entire year.

“In short, our trade deficit with South Korea is getting worse. With it, more good-paying, family supportive jobs are being lost at the rate of more than 5,000 American jobs per billion dollar increase in the trade deficit.

“Roughly 350,000 Steelworkers make products that can end up in a motor vehicle. Trade in cars and motor vehicle parts more generally, as a result, is critical to their future. The news on parts mirrors that of motor vehicles, with imports from South Korea skyrocketing by almost 28% from 2011 to 2012[[3]](#footnote-3). Steelworkers have been outspoken about the need to foster fair trade in motor vehicles and parts.

“In the coming days, I’m sure that there will be a robust argument about the success or failure of the U.S.-Korea Free Trade Agreement as supporters and opponents seek to parse the facts. While there’s value in learning from our mistakes, I would hope that everyone would agree that the current approach isn’t working.

“It’s time to update and reform our nation’s trade policies so that they work for working people and for the American economy.

“Changing our negotiating approach is most critical as negotiations on the Trans-Pacific Partnership continue. Without substantial changes in our negotiating approach, we can assume that the TPP will give us the results we now see with South Korea and the results we’ve experienced in earlier trade agreements ranging from NAFTA to China PNTR.

“The American people aren’t interested in excuses for why our trade agreements are not working. American workers want jobs, lower trade deficits and an end to one-way trade agreements. We need fundamental changes in our nation’s trade policy to alter the destructive path we’re on. And, those changes need to be coupled with swift and sure action when our trading partners break the rules.”

The USW is the largest industrial union in North America and has 850,000 members in the U.S., Canada, and the Caribbean. It represents workers employed in the metals, rubber, chemicals, paper, oil, energy, government and service sectors.

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1. Data from the U.S. International Trade Commission, HTS 8703 [↑](#footnote-ref-1)
2. Inside U.S. Trade, February 14, 2013, *Almost A Year After FTA, Trade Data Show Expanding Deficit With Korea* [↑](#footnote-ref-2)
3. Data from the U.S. International Trade Commission, HTS 8708 [↑](#footnote-ref-3)