Administration of Donald J. Trump, 2018

Remarks on Signing Proclamations on Adjusting Imports of Aluminum and Steel Into the United States and an Exchange With Reporters
March 8, 2018

The President. Well, thank you very much, everybody. I'm honored to be here with our incredible steel and aluminum workers, and you are truly the backbone of America. You know that. Very special people. I've known you and people that are very closely related to you for a long time. You know that. I think it's probably the reason I'm here. So I want to thank you.

I also want to thank Secretary Mnuchin, Ambassador Lighthizer, Secretary Ross, Peter Navarro, Mike Pence, our great Vice President. They've worked so hard on getting this going and getting it done. And people are starting to realize how important it is. We have to protect and build our steel and aluminum industries, while at the same time showing great flexibility and cooperation toward those that are really friends of ours, both on a trade basis and a military basis.

A strong steel and aluminum industry are vital to our national security. Absolutely vital. Steel is steel. You don't have steel, you don't have a country. Our industries have been targeted for years and years—decades, in fact—by unfair foreign trade practices leading to the shuttered plants and mills, the laying off of millions of workers, and the decimation of entire communities. And that's going to stop, right? It's going to stop.

This is not merely an economic disaster, but it's a security disaster. We want to build our ships, we want to build our planes, we want to build our military equipment with steel, with aluminum from our country. And now we're finally taking action to correct this long-overdue problem. It's a travesty.

Today I'm defending America's national security by placing tariffs on foreign imports of steel and aluminum. We will have a 25-percent tariff on foreign steel and a 10-percent tariff on foreign aluminum when the product comes across our borders. It's a process called dumping. And they dumped more than at any time, on any nation, anywhere in the world. And it drove our plants out of business. It drove our factories out of business. And we want a lot of steel coming into our country, but we want it to be fair, and we want our workers to be protected. And we want, frankly, our companies to be protected.

By contrast, we will not place any new tax on product made in the U.S.A. So there's no tax if a product is made in the U.S.A. You don't want to pay tax? Bring your plant to the U.S.A; there's no tax. Which we will benefit from the massive tax cuts that we have in place. We have passed the largest tax cut plan in the country's history, and that has caused really tremendous success between that and regulation cutting. And I think maybe regulation cutting every bit as much. And we have a long way to go on regulations, but we've already cut more than any President in history.

So we're urging all companies to buy American. That's what we want, buy American. The action that I'm taking today follows a 9-month investigation by the Department of Commerce, Secretary Ross, documenting a growing crisis in our steel and aluminum production that threatens the security of our Nation and also is bad for us economically and with jobs.

The American steel and aluminum industry has been ravaged by aggressive, foreign trade practices. It's really an assault on our country. It's been an assault. They know better than anybody. Other countries have added production capacity that far exceeds demand and flooded the world market with cheap metal that is subsidized by foreign governments, creating jobs for their country and taking away jobs from our country. I've been talking about this for a long time, a lot longer than my political career. I've been talking about this for many years.

For example, it takes China about 1 month to produce as much steel as they produce in the United States in an entire year, because we've closed down so much capacity. Plants closed all over the United States, and some plants—I see massive plants from 40 years ago, and they're working now in a little corner of the building. Well, we're going to get those buildings open again and producing again. And that's going to be a great thing for our country. And this is only the first stop.

Aluminum imports now account for more than 90 percent of the primary American demand. Over the last two decades, nearly two-thirds of American raw steel companies have gone out of business. More than one-third of the steel jobs have disappeared. Six primary aluminum smelters—which is a big deal—have permanently shut down since just 2012. The actions we're taking today are not a matter of choice, they're a matter of necessity for our security.

We're already seeing the national security benefits of this order. Yesterday, in anticipation that we'd be here today, U.S. Steel announced it's reopening a mill in Illinois, a big one, and recalling 500 workers immediately. That's going on all over the country. And by the way, it went on with solar panels, which we did 3 months ago, and washing machines, where they were dumping washing machines all over our country. And now they're expanding plants to make washing machines. We put the tax on it; a lot of you were here.

A skilled, trained workforce in steel is a crucial element of America's national security and must be protected. After the signing of this proclamation, Century Aluminum in Kentucky—Century is a great company—will be investing over $100 million to restart and upgrade their idled military-grade, high-quality aluminum production, which is also critically important to our national security. That's 150,000 additional tons of aluminum. And think of it: This is a closed plant, and now they're doing 150,000 tons production, and an additional 300 workers, and ultimately many more hired in the great State of Kentucky—a package of, sometimes, $90,000 per worker.

Our greatest Presidents all understood, from Washington to Lincoln, to Jackson, to Teddy Roosevelt, that America must have a strong, vibrant, and independent manufacturing base. Has to have it. President McKinley, who felt very, very strongly about this—the country was very, very successful. We actually operated out of cash flow, if you can believe it. "The protective tariff policy of the Republicans," he said, ". . . has made the lives of the masses of our countrymen sweeter and brighter" and brighter and brighter. It is the best for our citizenship and our civilization, and it opens up a higher and better destiny for our people.

Many politicians lamented the decline of our once-proud industries, and many countries denounced global excess capacity, but no one took action. All of our politicians, they saw what was happening to our country. I've seen it. For 25 years, I've been talking about it. Talked about Japan, talked about China. But the politicians never did anything about it. But now they are.

Our factories were left to rot and to rust all over the place. Thriving communities turned into ghost towns. You guys know that, right? Not any longer. The workers who poured their souls into building this great Nation were betrayed, but that betrayal is now over.

I'm delivering on a promise I made during the campaign, and I've been making it for a good part of my life. If I ever did this—I never really thought I would—I said, "Let's run for President," and look what happened. And part of the reason it happened is you and my message having to do with you and other messages also: security, military, the wall, the border. A lot of good messages. But this was one of the most important.

My most important job is to keep American people safe. And as you know, we just had approved a $700 billion military budget—the largest ever—$716 billion next year. That means not only safety, but it means jobs. It also means the use of steel from our country.

But if the same goals can be accomplished by other means, America will remain open to modifying or removing the tariffs for individual nations, as long as we can agree on a way to ensure that their products no longer threaten our security. So I've put Ambassador Lighthizer—great gentleman—in charge of negotiating with countries that seek an alternative to the steel and aluminum tariffs.

The fact is, we've been treated—really, I mean, we've been treated so badly over the years by other countries. I think, really, we've been treated very badly by our politicians, by our Presidents, by people that represented us that didn't, frankly, know what they were doing.

And we lose $800 billion a year on trade. Every year, $800 billion. It's been going on for a long time: $300 billion, $400 billion, $500 billion. It got up to $600 billion, and it keeps going. But it's going to start changing; it has to change.

We're negotiating now with China. We're in the midst of a big negotiation. I don't know that anything is going to come of it. They have been very helpful. President Xi, I have great respect for, a lot of respect. But I don't know that anything is going to come of that.

But we're going to cut down the deficits one way or the other. We have a deficit with China of at least $500 billion. And when you add intellectual property, it's much higher than that. That's a year.

At the same time, due to the unique nature of our relationship with Canada and Mexico, we're negotiating, right now, NAFTA. And we're going to hold off the tariff on those two countries to see whether or not we're able to make the deal on NAFTA. National security—very important aspect of that deal. And if we're making the deal on NAFTA, this will figure into the deal, and we won't have the tariffs on Canada or Mexico.

If we don't make the deal on NAFTA, and if we terminate NAFTA because they're unable to make a deal that's fair for our workers and fair for our farmers—we love our farmers—and fair for our manufacturers, then we're going to terminate NAFTA, and we'll start all over again, or we'll just do it a different way. But we'll terminate NAFTA, and that will be it.

But I have a feeling we're going to make a deal on NAFTA. I've been saying it for a long time: We either make a deal, or we terminate. And if we do, there won't be any tariffs on Canada, and there won't be any tariffs on Mexico.

One other thing: Some of the countries that we're dealing with are great partners, great military allies, and we're going to be looking at that very strongly. The tariffs don't go effective for at least another 15 days. And we're going to see who's treating us fairly, who's not treating us fairly. Part of that is going to be military: who's paying the bills, who's not paying the bills. We subsidize many rich countries with our military. They pay not a 100 cents on the dollar, in some cases, not 50 cents on the dollar, and they're massive wealthy countries. So we have to stop that. And that will enter into the equation also.

Very interesting, I saw a tweet—it just came in from Elon Musk, who's using our wonderful space facilities and did a great job 3 weeks ago—he said, "For example, an American car going to China pays 25-percent import duty, but a Chinese car coming to the United States only pays 2.5 percent, a tenfold difference." So an American car going to China—think of that—pays 25-percent import duty. So we send our car over there, pay 25 percent. They send their car over here, 2.5 percent. Ten point—that's from Elon, but everybody knows it. They've known it for years. They never did anything about it. It's got to change.

We're going to be doing a reciprocal tax program at some point so that if China is going to charge us 25 percent, or if India is going to charge us 75 percent, and we charge them nothing—if they're at 50 or they're at 75 or they're at 25—we're going to be at those same numbers. It's called reciprocal. It's a mirror tax. So they charge us 50; we charge them 50. Right now they'll charge us 50; we charge them nothing. Doesn't work.

So that's called a reciprocal tax or mirror tax. And we're going to be doing a lot of that. It's—we've really—the first year, we've really set the stage. A lot of it had to do with—structurally, we had to go through certain procedures in order to get to this point. But now we're at this point.

American companies have not been treated fairly. And some American companies, frankly, have taken advantage of it and gone to other countries and developed in Mexico massive automobile plants, taking our jobs away and taking our companies down to Mexico to make the cars. And then, they send them right across the border without tax, without anything. So we lose the jobs. They make the cars. They get all the benefits. Then, they sell the cars back into the United States.

So we're changing things, and we're going to have a lot of great relationships. I think companies are going to be very happy in the end. I think that countries are going to be very happy. We're going to show great flexibility. And again, many of the countries that treat us the worst on trade and on military are our allies, as they like to call them.

So we just want fairness. We just want fairness. We want everything to be reciprocal. And I think, in the end, we're going to have a lot of great jobs, we're going to have a lot of great companies, all coming back into our country. You see it—the other day, Chrysler announced they're leaving Mexico, and they're coming back into Michigan with a big plant. You haven't seen that in a long time, folks. You haven't seen that in a long time.

So because I sort of grew up with this group of people—I know a lot about the steel industry and I know lot about the aluminum industry; we've got to bring them back—I thought maybe a few of you might like to say a couple of words. And there's only about 25 million people watching, so don't worry about it. You want to say something? Come on up.

How are you? Right there. Please.

Century Aluminum, Inc., Potline Superintendent Dusty Stevens. My name is Dusty Stevens. I work at Hawesville, Kentucky. Right now we're running at 40-percent capacity. Two years ago, we shut down 60 percent of the capacity when we had a downturn in the market. My father worked in the industry and worked at that plant for 40 years, so this hits home for all of us at Hawesville.

By these tariffs going into place, this gives us the ability to come back to 100-percent capacity, investing over $100 million to our plant, and over 300-and-some-odd jobs will be brought back to the communities. So I'd like to say thank you.

The President. Thank you very much. Thank you very much.

Come on over. The one thing also: The quality of our steel is really much higher. It's of a much better quality, which especially for certain things is very, very important.

Please.

United Steelworkers Union Local 2227 President Scott H. Sauritch. Thank you, Mr. President. Hello, everybody. My name is Scott Sauritch. I'm president of Local 2227. And I'd like to tell you a story about my father during the eighties. He lost his job due to imports coming into this country. And I just want to tell you, what that does to a man with six kids is devastating. So I never forgot that—looking into his eyes, in my household—what that does to a family. You hear about it, but when you're actually involved and it impacts you, it will never leave you.

So with that being said, for Herman Sauritch, your story didn't end. And for all the people that I represent at my union, I never want to see it happen again. And for these workers and these folks, I appreciate the opportunity. And I'm very humbled with this.

So it's very important to us, so I never want to see it happen again. And I say that from—sincerely from my heart. And I thank you for the opportunity, for what you do.

The President. Thank you. Your father is Herman?

Mr. Sauritch. Herman Sauritch. Yes, sir.

The President. Yes. Well, your father Herman is looking down. He's very proud of you right now.

Mr. Sauritch. Oh, he's still alive. He's——

The President. Oh, he is? [*Laughter*] Well, then, he's—hey, then he's even more proud of you. Then he's even more proud.

Anybody else? Please. Come on up. Let's arm wrestle. Come on.

ArcelorMittal steelworker Ron Davis. How you doing? My name is Ron Davis, a steelworker from ArcelorMittal steel in Conshohocken. I just wanted to say, in 2009, my plant supplied a majority of the armor for the Humvees and all the vehicles in theatre. And it's sad to say, because all these imports coming into our country, our plant is going to be idled in September.

So at one time, our plant had 400 members. We're going to be down to about 71. So these tariffs definitely have an impact, and maybe not for our plant, but for the other plants out there. So appreciate what you're doing on this.

The President. Thank you very much. Appreciate it. Both of you. Thank you.

Anybody else? Anybody else? You're okay? You're just going to accept great jobs. Right? You're going to be very happy. You're going to see things changing very rapidly.

So it's really my honor to start this process. It's going to be a very fair process. It's going to be very fair to other countries, especially those that treat us well. And we look forward to it. And we look forward to having lots of mills opening up, lots of plants opening up, both steel and aluminum and other things. We'll be doing other things—very positive things.

But you are great people. Would you like to take a picture in the Oval Office? I assume you've all been many times into the Oval Office? [*Laughter*] Come on. Let's go and do that. Let's go and do that.

Secretary of the Treasury Steven T. Mnuchin. [*Inaudible*]—signing over there.

The President. Yes, I'm going to do. We'll go into the Oval Office. We're going to sign this up. We'll go into the Oval Office. We'll have a picture. Okay?

Okay, thank you.

[*At this point, the President signed the proclamation titled "Adjusting Imports of Steel Into the United States."*]

The President. Steel.

Aluminum. Are you shocked? About time, right?

Mr. Sauritch. Yes, sir.

The President. You've been waiting for a long time.

[*The President signed the proclamation titled "Adjusting Imports of Aluminum Into the United States."*]

The President. Here you go. Let's pass them around.

Mike—get up here, Mike. Come on up. Let's go take a picture in the Oval Office. Okay?

Mr. Sauritch. Yes, sir.

The President. Thank you very much, everybody. Thank you. It's going to be a great day.

Trade/China

Q. Mr. President, how do you plan to combat transshipping? How do you plan to combat transshipping of steel and aluminum from other countries——

The President. We're going to the transshipping, or we're going to let it happen, but they got to pay. So transshipping, frankly, is a big deal. China says it's got 2 percent, but it sends much more. We're going to have a great relationship, hopefully, with China. But we have to do something.

We're losing with China $500 billion a year. We have to do something. And they transship. And we're going to accept their product, but it's going to cost a lot of money from the standpoint of the transshipping. Okay?

Thank you very much everybody.

NOTE: The President spoke at 3:39 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to U.S. Trade Representative Robert E. Lighthizer; Secretary of Commerce Wilbur L. Ross, Jr.; Director of the Office of Trade and Industrial Policy Peter K. Navarro; and Elon Musk, founder, chief executive officer, and lead designer, Space Exploration Technologies (SpaceX).

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