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OPINIONS

Lawmakers must work together to help boost ailing auto industry

Worker buyouts. Plant closings. Record quarterly losses.

Michigan's auto industry and the tens of thousands of working families who depend on it have not had much to cheer about in recent years.

JOE KNOLLENBERG

But General Motors Corp., Ford Motor Co. and DaimlerChrysler AG just scored a big policy win in Washington, D.C., that will provide a needed boost as they strive to regain profitability.

The International Trade Commission voted Dec. 14 to rescind tariffs on corrosion-resistant steel from Canada, France, Australia and Japan.

About 50 percent of corrosion-resistant steel ends up in cars, trucks and SUVs. The tariffs were put in place in 1993 to prop up the domestic steel industry.

But with the biggest U.S. steel companies now averaging annual profits of 12 percent, the tariffs could no longer be justified given the steep costs they were imposing on automakers and other manufacturing sectors of the economy.

Fueled by tariffs as high as 35 percent, the price of steel in the United States has increased by 68 percent over the past two years and saddled automakers and their suppliers with billions of dollars in additional costs.

Repealing the steel tariffs was a top priority for Michigan's auto industry and a topic of discussion when the heads of the Big Three recently met with President Bush.

As the representative from Michigan's 9th Congressional District, I led the fight on behalf of Michigan's auto industry to repeal these costly steel tariffs.

In October, I testified before the ITC about the need to rescind the tariffs, an instrumental role in ensuring that the voice of Michigan's auto industry was heard loud and clear on this issue of critical importance to our state's economy.

The victory on steel tariffs is a step in the right direction and just one example of how Washington can assist the Big Three.

Michigan's auto industry is not looking to the federal government for a bailout.

It is simply asking for Washington to adopt reforms that will help level the economic playing field.

In addition to fair trade policy, we need to enact energy reforms that will promote hybrids and other alternative fuel vehicles so we can reduce our dependence on foreign oil without imposing job-killing CAFE increases on the Big Three.

We need to lower the cost of health care by reducing the number of uninsured Americans and ending the frivolous lawsuits that force doctors to practice defensive medicine.

And we need to pressure the Chinese to get serious about respecting the intellectual property rights of domestic auto suppliers and cracking down on the counterfeiting of manufactured goods that is rampant in their country.

The new year will bring a new Democratic majority to Congress.

I look forward to working with my colleagues in the Michigan delegation to advance a bold agenda that responds to the needs of the auto industry.

We can make a difference if we work together and speak with one voice on auto issues. The stakes are simply too high for partisan politics to divide us.

Joe Knollenberg, R-Bloomfield Hills, is the representative from Michigan's 9th Congressional District. He was elected