

November 18, 2005

Secretary Carlos M. Gutierrez Department of Commerce Office of the Secretary 14th and Constitution Ave. N.W. Washington, D.C. 20230

Dear Mr. Secretary:

We write to urge you to implement a recent NAFTA panel ruling in the softwood lumber dispute in a manner that preserves duties on imports of subsidized Canadian lumber. In an effort to implement this NAFTA decision, the Commerce Department requested clarification from the NAFTA panel regarding certain inconsistencies it found in its decision. On Wednesday, the NAFTA panel refused to provide such clarifications and instead just ordered the Commerce Department to implement its ruling.

As repeatedly found by the Department, the International Trade Commission, and the World Trade Organization, Canadian lumber producers enjoy tremendous subsidies that continue to threaten serious harm on the domestic industry, its workers, and its communities.

It concerns us greatly that a misstep at this point would result in an outcome directly contrary to the Department's meticulous work and documented conclusions. To that end, twenty-one Senators sent a letter to you last month making just this point.

We strongly urge the Department to keep these duties in place, as required by U.S. law.

Sincerely,

Larry Craig

Chairman

Senate Subcommittee

on Public Lands and Forests

Max Baucus

Ranking Member

Saxby Chambl

Chairman

Senate Committee on Finance

Senate Committee on Agriculture

Gordon H. Smith

Chairman

Senate Subcommittee

on Trade, Tourism and

Economic Development

Conrad Burn Chairman ,

Senate Subcommittee

On Interior Appropriations