

United States Senate

WASHINGTON, DC 20510

July 19, 2016

The Honorable Michael Froman
United States Trade Representative
600 17th Street, N.W.
Washington, DC 20508

Dear Ambassador Froman,

We commend you for the work that you and your team are doing on behalf of the domestic lumber industry to negotiate an effective, sustainable solution to the longstanding challenge presented by unfairly traded softwood lumber from Canada. A strong lumber industry is essential to the U.S. economy, and securing fair trade in lumber is of critical importance to domestic lumber manufacturers and their workers, as well as tree farmers and landowners, and the communities they support. In that regard, we in particular welcome the outcome of the most recent discussions between Canada and the United States, and specifically the recognition that any new agreement be “designed to maintain Canadian exports at or below an agreed U.S. market share.”


The adverse impacts of Canada’s subsidized lumber on U.S. producers, workers, and communities have been well-documented for decades. Subsidized and unfairly traded lumber imports continue to severely harm United States mills, workers and communities. Indeed, current import data show that Canadian imports are capturing an ever larger market share, displacing domestic manufacturing.

A negotiated solution provides one path to addressing these longstanding concerns. However, such a solution will only be acceptable if it is both effective in addressing Canadian timber policies and sustainable in the long term. The now-expired 2006 trade agreement became an ineffective framework for managing subsidized Canadian lumber trade as market realities changed since that agreement was put in place. A truly durable solution cannot be based on an outmoded framework that does not offset the harmful effects of subsidized Canadian lumber in the U.S. market or allow the U.S. industry to invest and grow to its natural size without being impaired by unfairly traded imports. To fully address these impacts, any new agreement must establish border measures that are effective in all market situations and that disallow further divergences between U.S. and Canadian timber costs created by Canadian subsidies.

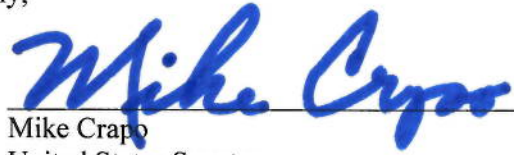
Should Canada and the United States be unable to reach an agreement that meets these conditions, the U.S. industry has made clear that it is prepared to exercise its rights under U.S. trade laws. It is critical that U.S. trade laws be fully enforced against unfairly traded imports, including softwood lumber.

We look forward to continued close consultations and engagement in the months ahead.

Sincerely,



Ron Wyden
United States Senator



Mike Crapo
United States Senator



Jon Tester
United States Senator



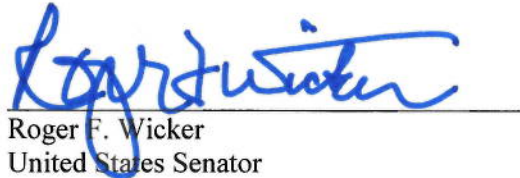
Thad Cochran
United States Senator




Debbie Stabenow
United States Senator



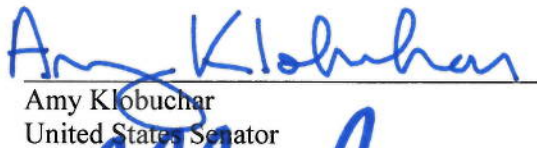
Al Franken
United States Senator



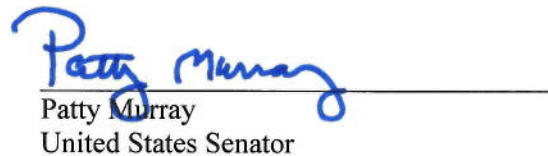
Roger F. Wicker
United States Senator



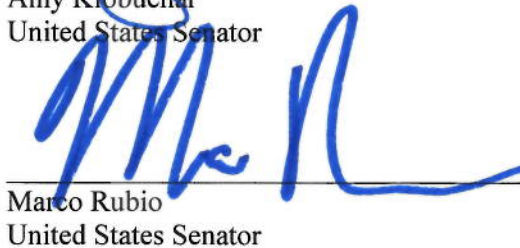
James E. Risch
United States Senator



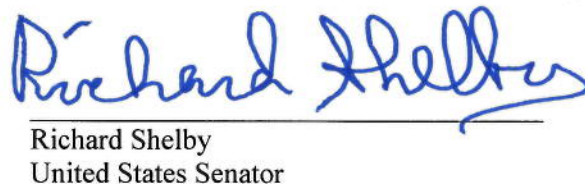
Amy Klobuchar
United States Senator



Patty Murray
United States Senator



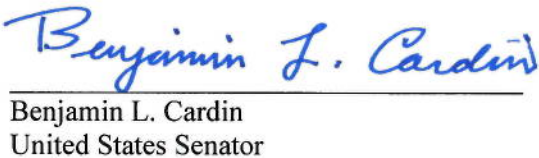
Marco Rubio
United States Senator



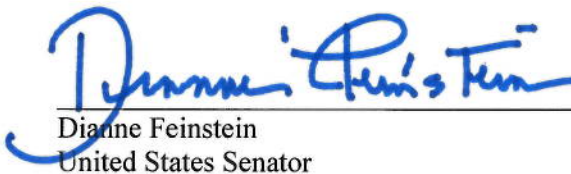
Richard Shelby
United States Senator



Steve Daines
United States Senator



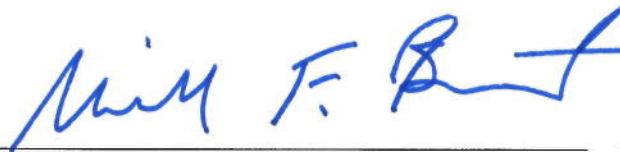

Benjamin L. Cardin
United States Senator



Dianne Feinstein
United States Senator

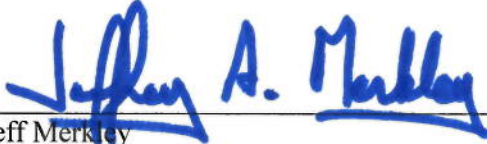


Kelly A. Ayotte
United States Senator

Michael Bennet
United States Senator

Bill Nelson
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Jeff Merkley
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Barbara A. Mikulski
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David Perdue
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Tim Scott
United States Senator



Jeanne Shaheen
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John Boozman
United States Senator



Johnny Isakson
United States Senator