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SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP



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World Trade Organization sides with lumber producers

U.S. Reps. Peter DeFazio and Greg Walden this month applauded the decision by a World Trade Organization (WTO) dispute settlement panel to uphold U.S. anti-dumping measures against unfairly subsidized Canadian softwood lumber imports, which affect mills and other timber producers in the Pacific Northwest.

“Today’s ruling gives the U.S. softwood lumber industry the chance to continue to compete on a level playing field against the Canadian industry,” DeFazio said. “The panel’s decision to reject prior WTO findings is a critical win against unfair practices and will allow the U.S. to continue its fight to protect manufacturing jobs in the Pacific Northwest.”

Since the expiration of the most-recent Softwood Lumber Agreement, negotiations between the U.S. and Canada to regulate softwood trade have been unsuccessful, leaving the U.S. market unprotected against the increasing flood of illegally subsidized Canadian imports.

After no new agreement was reached by late 2016, representatives from the U.S. timber industry had to petition the U.S. Department of Commerce and the U.S. International Trade Commission to file antidumping and countervailing duties against Canadian lumber producers. Under long-standing U.S. trade law, U.S. industries have a right to offsetting duties against illegally subsidized and dumped imports that threaten to put domestic producers out of business.

The U.S. Department of Commerce in 2017 investigated the softwood lumber market and found that the Canadian government heavily subsidizes their softwood lumber production, artificially lowering production costs for Canadian mills and ultimately allowing them to dump softwood lumber products into the U.S. at below fair-value prices, putting at-risk the 350,000 jobs directly and indirectly associated with the U.S. sawmill and wood preservation industry.



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New duties enforced by the Commerce Department have helped counteract Canada’s unfair trade practices by enforcing antidumping and countervailing duties of between 9.92 and 23.76 percent on Canadian softwood imports.

“The ruling from the World Trade Organization affirms our efforts to stand up for the hardworking Oregonians at lumber mills across our state,” said Walden. “This unfair trade practice undermined the softwood lumber market and threatened good, family-wage jobs in our state. The U.S. industry went through the process, proved their case, and duties were put in place to help level the playing field.”

Oregon is the largest producer of softwood lumber in the United States.

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