

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Be Adopted
Vote:	10 - 0 - 0
Yeas:	Barton, Fagan, Holvey, Kennemer, Matthews, Thatcher, Thompson, Weidner, Witt, Doherty
Nays:	0
Exc.:	0
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	4/29, 5/13

WHAT THE MEASURE DOES: Urges U.S. Secretary of Commerce and U.S. Trade Representative to investigate extent of subsidies China provides to Chinese pulp and paper manufacturers, degree to which such subsidies violate World Trade Organization agreements and other trade agreements, and effects of subsidies on United States' pulp and paper industry.

ISSUES DISCUSSED:

- Formal complaint needed to spur World Trade Organization to take action
- Trans-Pacific Partnership Free Trade Agreement under negotiation
- Tying job losses to international trade policies
- Businesses certified to receive Trade Adjustment Assistance benefits
- Practice of selling logs overseas at expense of Oregon sawmills and paper mills

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: More than 445,000 people are employed in the paper and paper products industries in the United States. Over 105,000 jobs have been lost within the industry in recent years. Oregon employment in the paper manufacturing industry has steadily fallen over the decades, from 8,900 in 1990 to 4,800 in 2012.

The Economic Policy Institute estimates the government of China has supplied Chinese pulp and paper manufacturers with over \$33 billion in subsidies in the last ten years. Senate Joint Memorial 5 requests an investigation of these subsidies and their effects on the United States pulp and paper industry.