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JOINT RESOLUTION MEMORIALIZING THE UNITED STATES DEPARTMENT OF COMMERCE AND THE UNITED STATES INTERNATIONAL TRADE COMMISSION TO ENSURE THAT OUR TRADE LAWS ARE ENFORCED

WE, your Memorialists, the Members of the One Hundred and Twenty-fourth Legislature of the State of Maine now assembled in the Second Regular Session, most respectfully present and petition the United States Department of Commerce and the United States International Trade Commission as follows:

WHEREAS, the economic downturn is having a critical impact on ordinary Americans who are struggling to maintain or find jobs in an increasingly difficult environment; and

WHEREAS, a vibrant manufacturing sector is critical to an immediate economic recovery and to the long-term health of the State of Maine and the United States, and free trade cannot occur unless our trade laws are strictly enforced; and

WHEREAS, over 2,000,000 manufacturing jobs have been lost nationwide since the start of the recession in December of 2007, and well over 5,000,000 jobs and over 50,000 factories have been lost in the last 10 years; and

WHEREAS, in a December 2, 2009 USA Today/Gallup poll, Americans were asked what should be done to create more jobs in this country and the most frequent response was to "keep manufacturing jobs in the United States"; and

WHEREAS, a strong industrial base is important to our Nation's economic and national security, demonstrated by the following:

1. American manufacturing directly employs nearly 12,000,000 Americans and directly supports 8,000,000 additional jobs in other sectors;
2. American manufacturing pays, on average, 20% higher wages than other sectors of the economy;
3. American manufacturers are responsible for 2/3 of research and development investment in the United States; and
4. Nearly 80% of all patents filed come from the manufacturing sector; and

WHEREAS, our coated paper industry is the most efficient in the world and its workers can compete with any foreign competition that does not enjoy the benefit of illegal government assistance; and

WHEREAS, on September 23, 2009, Appleton Coated LLC, NewPage Corporation, Sappi Fine Paper North America and the United Steelworkers of America initiated a trade investigation with respect to certain unfair trade practices, including dumping and subsidization, conducted by Chinese and Indonesian producers of coated paper; and

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WHEREAS, dumping occurs when a foreign producer sells into the United States domestic market for less than the price that producer charges in its home market or when its United States prices are below the cost to produce the product, and foreign government subsidization is a form of financial assistance that benefits foreign production, manufacture or exportation of goods; and

WHEREAS, the United States has trade laws that allow domestic industry and its workers to petition for relief from unfair trade practices that create what are considered an unlevel playing field and lead to plant closures and job loss in communities throughout America; and

WHEREAS, the United States International Trade Commission and the United States Department of Commerce are reviewing the trade investigation and will make determinations as to whether dumping and subsidization have occurred and whether domestic producers and the domestic workforce have been materially injured as a result; and

WHEREAS, paper imports from China and Indonesia grew by roughly 40% in the first 6 months of 2009, as compared to the same period in 2008, and domestic shipments dropped by roughly 38%; and

WHEREAS, Chinese and Indonesian producers have captured almost 30% of our market in coated paper products, double the amount from the previous year; and

WHEREAS, since 2002, roughly 60,000 jobs have been lost in the paper sector in America; and

WHEREAS, the trade investigation affects 6,000 workers whose jobs are at risk from unfair trade competition and in a preliminary determination, the United States Department of Commerce has sided favorably with the American paper companies; and

WHEREAS, both the Chinese and Indonesian governments have long-standing policies to encourage the development of their paper industries and have provided a host of illegal subsidies to paper producers to give them an advantage over American-produced goods; now, therefore, be it

RESOLVED: That We, your Memorialists, on behalf of the people we represent, take this opportunity to reaffirm the commitment of the State of Maine to the importance of manufacturing to our local economy and throughout the United States, and we express support for strong enforcement of our trade laws and for the domestic coated paper industry and its workers who have been injured by unfair trade practices by foreign producers; and be it further

RESOLVED: That We, your Memorialists, respectfully urge and request that the United States Department of Commerce and the United States International Trade Commission hold Chinese and Indonesian producers accountable for unfair trade practices that distort markets and devastate production and employment in the United States; and be it further

RESOLVED: That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to the Honorable Gary Locke, the Secretary of Commerce, to the 6 Commissioners of the United States International Trade Commission and to each Member of the Maine Congressional Delegation.