

HEARING TESTIMONY OF SENATOR WYDEN BEFORE THE U.S. INTERNATIONAL
TRADE COMMISSION

Certain Crystalline Silicon Photovoltaic Products from China and Taiwan, Inv. Nos. 701-TA-511
and 731-TA-1246-1247 (Final)

December 8, 2014

Madam Chairman and Members of the Commission, thank you very much for this opportunity to testify today in support of the domestic crystalline silicon photovoltaic solar industry. I appreciate the time and attention the Commission has given to the issues before you today, which are so important to workers and families in my home state of Oregon.

In my role as Chairman of the Senate Finance Committee, I work very hard to make sure that trade benefits U.S. workers and companies. And a big part of my job is helping make sure that trade laws are enforced and our trading partners play by the rules.

The solar industry is an anchor of Oregon's manufacturing base and is a central driver of Oregon's innovation economy. It supports high skill, high wage jobs that are critical to helping attract investment and new economic opportunities for the 21st century economy.

Yet the solar industry has been under siege by its Chinese competitors for the last five years. It isn't that American solar can't compete; it is because China isn't playing by the rules.

Chinese solar producers were bankrolled by the Chinese government. So they overproduced and dumped solar panels into the U.S. market at prices that were below the cost of production.

China viewed SolarWorld as such a threat, and these jobs as so strategically important, they used military computer hackers to steal sensitive documents from the company, according to charges filed by the Justice Department.

In short, China cheated and Oregon workers and families suffered. Jobs were lost, capacity diminished, and opportunities were drying up.

When I visited SolarWorld three years ago, I sounded the alarm. I said that China was taking America's manufacturing jobs and the trade laws needed to be enforced.

After its own thorough investigation, this Commission found unanimously just two years ago that Chinese companies were injuring our industry by inundating the U.S. market with dumped and subsidized solar products. Trade remedies were imposed. I am grateful to this Commission for its efforts in the original investigation to redress unfair solar trade.

The trade laws worked, or so it seemed.

But even while the first case was going on, the Chinese producers switched to a different tactic — keep dumping and subsidizing, but source non-Chinese cells through Taiwan and elsewhere

to avoid paying the duties. Dumped and subsidized imports quickly returned, this time through the Taiwan loophole. The hard fought relief that the solar industry hoped to get from the original investigation was in jeopardy, and its fragile recovery in doubt.

The domestic industry was forced to defend itself again, filing the trade case that you are reviewing today. And this time, with the loophole closed, some improvement has started. Prices are no longer in free fall and solar companies like SolarWorld are starting to rehire for jobs that had once been lost. Just last month back in Oregon, I highlighted the role of your investigations in sparking hope that the industry might finally climb back from the brink.

I am back today to ask that this Commission secure the integrity of its original findings and conclude that Chinese and Taiwanese unfair trade has resulted in material injury and threatens additional material injury to U.S. producers, including those in Oregon. A strong determination from the Commission, coupled with antidumping and countervailing duties covering the full scope of unfair trade, will ensure the growth and resurgence of the domestic industry. U.S. innovation and efficiency started the world-wide growth of solar and will continue to fuel that growth so long as unfair trade practices are fully addressed. We can't allow the innovation economy to be undermined by innovative cheating on trade. Trade enforcement must keep pace with the times.

This Commission plays a critical role in ensuring that the trade rules are enforced as intended, that unfair trade is checked, and that American jobs and workers can compete on a level playing field. I again thank you for all of your hard work on this matter and urge you to fairly look at the facts and circumstances in this case, and apply the nation's trade laws accordingly, so that the American solar industry can finally obtain lasting relief that it so urgently needs.