

Softwood Lumber Testimony
Senator Steve Daines
September 12, 2017

RE: Certain Softwood Lumber Products from Canada, Inv. Nos. 701-TA-566 and 731-TA-1342

Thank you Chairman Schmittlein, and members of the Commission, for the opportunity to testify regarding Softwood Lumber Products from Canada.

I come before you to testify on behalf of the Montana wood products industry and the Montana communities that are dependent upon the jobs and tax revenue that are created by sustainably harvesting our forests.

The softwood lumber case before you is of utmost importance to Montana's wood products industry, thousands of Montana jobs, and the state's economy as a whole. The lack of substantive forest management reform and the wildfires that are currently devastating Montana, and much of the West as well, only exacerbate the negative impacts of subsidized imports of softwood lumber from Canada.

As an example, Mineral County in Montana was founded in 1914 and has a long history of being a community that thrives off of the abundant resources surrounding them. The county is home to just over 4,000 Montanans. The first of many sawmills came to the area around the turn of the 20th century. For decades, the timber industry thrived - Montanans worked hard and earned good money in the timber industry, but in the early 1990's things changed.

A community that once thrived on the abundant resources surrounding them now sits with one of the highest unemployment rates in our state. Today, Mineral County has just a single lumber mill and folks there today are watching the very resources be mismanaged and are facing unfair competition from subsidized Canadian lumber.

I appreciate the Commission's unanimous decision earlier this year to maintain the countervailing duty and anti-dumping duty investigation on softwood lumber imports from Canada and urge you to act in an expeditious manner to ensure that Montana mills are able to compete on a level playing field.

Montana's forests and lumber mills create some of the highest quality lumber in the world, and if they are provided with a level-playing field and the enforcement of U.S. trade law, there is great potential for maintaining our manufacturing base and providing for economic growth in the state and across the country.

Canadian producers have already been found by the Department of Commerce in a preliminary determination to have been dumping into the U.S. market and injuring U.S. producers. For too long, unfairly subsidized Canadian softwood lumber has had a significant negative impact on Montana jobs. It is critical that Canada plays by the same set of rules that Montanans do.

I support the ongoing negotiations currently taking place to reach a new softwood lumber agreement. That being said, an agreement is not an end in and of itself. It needs to be a fair and effective agreement that creates a level-playing field for Montana producers and supports Montana jobs. Until such an agreement is reached, the U.S. should enforce all existing and appropriate U.S. trade laws.

I urge the Commission to work in a prompt manner to level the playing field for Montana and U.S. lumber mills and mitigate the negative impacts subsidized Canadian lumber has had on the industry and the communities dependent on them.

Thank you for the opportunity to testify on this important matter.