



COALITION FOR FAIR LUMBER IMPORTS

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U.S. COALITION FOR FAIR LUMBER IMPORTS DEMANDS RELIEF FROM CANADIAN SUBSIDIES, DUMPING

WASHINGTON, D.C. A coalition representing U.S. lumber mills, timberland owners, loggers and their employees today joined Members of Congress in asking the U.S. government to take swift action against Canada's predatory practice of subsidizing softwood lumber and dumping it into the United States.

The U.S. Coalition for Fair Lumber Imports petitioned the Department of Commerce and the International Trade Commission to restore the conditions of fair trade in softwood lumber between the two countries.

"The U.S. softwood lumber industry is reeling under record imports dumped into our market that are fueled by subsidies that Canada gives to our competitors," said W.J. "Rusty" Wood, Chairman of the Coalition for Fair Lumber Imports and President of Tolleson Lumber Company of Perry, GA. "If Canada is allowed to continue the unfair practice of giving away its timber while we pay the market price for ours, many family businesses like mine will fail, many thousands of our employees will be out of work, and many woodland owners won't be able to afford the cost of reforestation."

The Coalition initiated legal action today that would impose duties to offset Canadian softwood lumber production subsidies and dumping of the product on the U.S. market. The Canadian provincial governments, which own 95 percent of Canada's timberland, provide standing trees to Canadian producers for a fee that is far below the market price for timber paid by U.S. producers. Moreover, said Coalition spokespersons, Canada's provincial governments require steady lumber production irrespective of market conditions in order to maintain full employment. The result: record-high levels of softwood lumber imports from Canada and collapsing lumber prices in spite of a U.S. housing boom.

March 31 marked the end of a five-year trade agreement with Canada on this issue, during which time Canada has refused to negotiate a long-term resolution to this long-standing dispute. "Canada's stubborn intransigence has left us with no choice but to pursue trade litigation," said Wood. Under terms of the agreement, the U.S. was prevented from filing trade litigation – despite a 35 percent drop in lumber prices over the past 15 months alone.

The Coalition for Fair Lumber Imports is comprised of major trade associations and individual lumber manufacturers. The petitions were supported by more than 75 percent of all softwood lumber produced in the U.S. (excluding companies that have major production in Canada); by 10 million private landowners; and by several labor unions which together represent more than 500,000 loggers, sawmill and paper workers nationwide. For more information, contact Scott Shotwell or Deborah Regan at FairLumber@cs.com.



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