



For Immediate Release
March 30, 2007

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BAUCUS APPLAUDS COMMERCE DECISION TO FIGHT CHINESE SUBSIDIES

Finance Chairman still wants Congress to back up legal authority to impose penalties

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today welcomed the Commerce Department’s decision to impose duties on certain kinds of Chinese paper imports because China is illegally subsidizing that industry. Until now, the Commerce Department has questioned its own authority to apply anti-subsidy duties, called “countervailing” duties, to countries like China that don’t have free-market economies, and has refused to do so. Even as they acted today, the department made clear that they are only reversing the policy with respect to China, not to all non-market economies. Baucus applauded today’s action, but said that Congress should still pass legislation to cement the department’s authority to impose anti-subsidy duties on offenders across the board.

“The Commerce Department has to stick up for U.S. industries that are hurt by unfair subsidies, no matter which of our trading partners is breaking the rules. I’m glad they’re using their authority in this paper case with China,” said Baucus. **“But I still want Congress to get it on the books, in law, that Commerce has the authority to impose countervailing duties on all non-market economies, not just China. We have to strengthen and enforce our trade laws for the sake of U.S. workers.”**

The Commerce Department’s investigation in this case covers coated free sheet paper and paperboard from China that is used for writing, printing, or other graphic purposes. The Department initiated an investigation in November 2006, after the NewPage Corporation of Ohio filed a countervailing duty petition.

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