FOR IMMEDIATE RELEASE February 29, 2012 Contact: Communications Office (Baucus), 202-224-4515 AshLee Strong (Thune), 202-228-5940

## BAUCUS, THUNE INTRODUCE BILL TO PROTECT U.S. JOBS, FIGHT UNFAIR CHINESE SUBSIDIES WITH COUNTERVAILING DUTIES

<u>Finance Members' Legislation Would Help Fight China's Unfair Subsidies that Undercut U.S.</u>
<u>Manufacturers</u>

**Washington, DC** – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Subcommittee on International Trade Ranking Member John Thune (R-S.D.) today introduced legislation that would protect American jobs and exports by ensuring the U.S. Commerce Department could continue to apply countervailing duties in cases involving non-market economy nations like China and Vietnam. The U.S. government began the practice of applying these duties in 2007, but a court ruled in December that Congress never explicitly authorized the Commerce Department to do so. Since 2007, these countervailing duties have protected an estimated 80,000 jobs across the country by holding non-market economies responsible for unfairly subsidizing billions of dollars of imports.

"This bill will guarantee our ability to hold China responsible for unfairly subsidizing imports. With American jobs on the line, this issue cannot wait," Baucus said. "Applying these countervailing duties has protected 80,000 jobs in the last five years, and we absolutely need to maintain that effort and protect U.S. jobs while our economy continues to improve."

"America's job creators, especially manufacturers, need to have the ability to challenge unfair practices by our trading partners in a manner that is consistent with World Trade Organization obligations," said Thune. "As we pursue new trade agreements that open foreign markets to American goods and services, including our agricultural products, we must also make certain that our trading partners are playing by the same rules and I believe this bill will help strike that importance balance."

The bill provides for the Commerce Department to make a reduction to antidumping duties in non-market economy cases where countervailing duties are simultaneously being imposed, if it can be demonstrated that domestic subsidies have inflated the dumping margin, and if the Commerce Department is able to reasonably estimate an adjustment.

The bill was co-sponsored by ten additional Senators: Sherrod Brown (D-Ohio), Mitch McConnell (R-Ky.); Debbie Stabenow (D-Mich.); Tom Coburn (R-Okla.); John D. (Jay) Rockefeller (D-W. Va.); Susan Collins (R-Maine); Bob Casey (D-Pa.); Rob Portman (R-Ohio); Tom Carper (D-Del.), and Jeff Sessions (R-Ala.). An identical bipartisan bill was introduced in the House of Representatives today as well.