

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

Thank you very much, and thank you to the members of the Commission for allowing me to testify today in support of the domestic lightweight thermal paper industry. The time and focus that the Commission has spent on this important issue is much appreciated.

Madam Chairman and members of the Commission, as you know from my previous testimony before the ITC, I am here as a Senator and former State Auditor General and Treasurer who fully supports fair trade and the many economic benefits that can come from it. These benefits can easily be eliminated, however, if our competitors engage in practices that distort the natural tendencies of the market. Our trading partners must be held accountable to the rules of fair play, which has, to date, been lacking in the domestic paper industry.

I represent a state with a skilled, hard-working labor force known for manufacturing well-made products. Unfortunately, in August of this year, 372,000 Pennsylvanians were unemployed. That was an increase of 31,000 workers from the previous month and 97,000 from one year earlier. The unemployment rate in Pennsylvania now stands at 5.8 percent, up 1.4 percent so far in 2008. As we deal with the current economic downturn, we cannot ask our workers to compete if the playing field is uneven, and that is why I am here today.

I urge you to recognize that part of the paper industry, our lightweight thermal paper manufacturing sector, is in great danger as a result of unfair trading practices being employed by certain German and Chinese manufacturers. We have already seen firsthand the negative impact that unfair imports can have on an industry, as evidenced by the struggle of our domestic steel producers. Now, the paper industry is threatened with a similar fate brought about by unfair imports entering the U.S. market

In Pennsylvania, Appleton's Spring Mill, which is located in Roaring Spring, employs nearly 500 employees. The majority of these workers own a personal stake in the company through Appleton's employee stock ownership plan (ESOP). The employee-owners' retirement futures are uniquely tied to the future of this company, and as a result, they have fought hard to ensure its long term survival through annual investments in their facilities. Some of these employee-owners, all members of the United Steelworkers Local # 422, traveled here today from Pennsylvania to demonstrate just how deep their commitment to Appleton is. These jobs are of critical importance for these workers, who depend on them not only for a good-paying salary, but also for their retirement savings.

As you prepare for your upcoming determination in the lightweight thermal paper case, I hope you consider, as the Commerce Department noted in its prior findings, that these goods are being sold in U.S. markets at prices significantly lower than fair market values. I believe that these pricing strategies are intended to force market share away from the hands of the domestic industry. We simply cannot allow our domestic producers to languish at the hands of global competitors who refuse to play by the rules. When the facts of a case demonstrate such behavior, it is critically important that we step forward and call on our trade laws to stop such tactics.

Madam Chairman, I hope that as you weigh the case before you, you and your fellow commissioners will note the clear evidence before you that German and Chinese products are infiltrating the U.S. market in a threatening and damaging manner, and vote to stop such dumping. Please know that the future of our domestic industry is dependent upon your taking action and finding that Appleton and others are indeed being injured by these practices.

Robust trade is vital to our economic growth. However, that trade must be conducted on a level playing field. Workers in Pennsylvania and across the country are anxious about their job security. I hope that the Commission will carefully review the facts and decide to give our workers a chance. This case is very important to the state of Pennsylvania and to the country as a whole.

I appreciate very much the opportunity to appear before you today and look forward to your continued work in leveling the playing field for all employees.