

U.S. paper companies await House vote

The currency reform bill would make it easier to investigate Chinese firms that undercut prices.

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The U.S. House of Representatives is scheduled to vote today on international currency reform, which would be a boost to American paper companies, including Sappi Fine Paper, which has mills in Westbrook and Skowhegan.

The House Ways and Means Committee backed the legislation last week, setting the stage for today's vote.

The Currency Reform for Fair Trade Act would make it easier for the U.S. Department of Commerce to investigate alleged currency manipulation by China.

The alleged manipulation allows Chinese companies to "dump" paper on the U.S. market at prices lower than the cost to make the paper.

Sappi, along with NewPage Corp. of Rumford, Appleton Coated LLC of Wisconsin and the United Steel Workers Union, filed unfair-trade cases last year with the Department of Commerce and the U.S. International Trade Commission. The petitions assert that certain coated paper from China and Indonesia had been dumped on the U.S. market and subsidized by those governments.

Under the Fair Trade Act, the Department of Commerce can impose tariffs on a country's imports that have been found to be unfairly subsidized.

The Department of Commerce and the U.S. International Trade Commission must rule in favor of the paper companies to proceed with possible trade sanctions later.

The final decision by the International Trade Commission is expected Oct. 19.

The law could set off a trade war with China, which announced this week that it would impose stiff tariffs on U.S. chicken imports to combat what the Chinese government says are unfairly low prices, according to Xinhua, an English language news agency.

U.S. Rep. Mike Michaud, D-Maine, a leading proponent of the bill, requested that the House not adjourn before voting on the bill. He got his wish on Friday when Majority Leader Steny Hoyer said the House would take up the bill.