

U.S. Senator Tammy Baldwin: Introduces legislation to combat unfair trade with a targeted approach

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WASHINGTON, D.C. – Following President Donald J. Trump’s imposition last week of blanket tariffs on steel and aluminum, U.S. Senators Tammy Baldwin and Jeff Merkley (D-OR) introduced legislation with a smarter path forward on trade. The Level the Playing Field in Global Trade Act of 2018 takes a targeted approach to crack down specifically on countries that are unfairly subsidizing their products through rock-bottom wages and substandard environmental practices.

“Bad actors like China are not playing by the rules on steel, aluminum and paper. We need the new tools provided in this legislation to take on China’s cheating,” said Senator Baldwin. “As the nation’s leading paper producer, when China cheats, our Wisconsin workers and manufacturers lose. This legislation will help level the playing field and support Wisconsin workers.”

The Level the Playing Field in Global Trade Act would ensure that when other countries undercut American manufacturers by selling products produced under conditions where workers are paid sub-standard wages, or where workplace safety practices and environmental protections aren’t maintained, those failures are

treated as unfair subsidies and their imports are penalized.

The bill would require that new free trade agreements include binding, enforceable requirements that manufacturers operating in foreign countries pay adequate wages, maintain workplace safety standards, and abide by environmental standards. Companies or countries that fail to do so would have to pay anti-dumping penalties as they do for any other subsidy under current law. The bill also rewards companies that meet high standards on a global basis in wages, workplace safety and environmental compliance with streamlined trade and protection from enforcement actions.

Over the last 15 years, countries who have cut costs for manufacturers by allowing sub-standard labor and environmental practices have reaped the benefits of trade deals without upholding their end of the bargain. This lack of accountability has contributed to the shuttering of tens of thousands of American factories and the loss of millions of American manufacturing jobs.

U.S. companies and workers are presently at a trade disadvantage against companies and countries that do not pay adequate wages or maintain safety standards and environmental controls. This results in countries and companies engaging in a “race to the bottom,” which puts U.S. manufacturing jobs at risk and is fundamentally unfair to American working families. It’s also terribly destructive to workers around the world, many of whom are forced to work in unsafe conditions for meager wages.

Current American law and trade agreements prohibit “dumping” of products, where companies export products at prices below the cost of production or cheaper than they sell for in the home country, and allow the U.S. to impose duties to make the sale price in America reflect what the true cost would be without cheating. The Level the Playing Field in Global Trade Act would, for the first time, require that any new trade deals considered under Trade Promotion Authority recognize egregious environmental and labor practices as a form of illegal subsidy that can be remedied by U.S. duties. It would also reward companies that adhere to high global standards by creating new trade enforcement incentives.

The bill is supported by the United Steelworkers (USW) and the AFL-CIO.