



815 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006

RICHARD L. TRUMKA
PRESIDENT

ELIZABETH H. SHULER
SECRETARY-TREASURER

ARLENE HOLT BAKER
EXECUTIVE VICE-PRESIDENT

LEGISLATIVE ALERT!

(202) 637-5057

September 23, 2010

Dear Representative:

The AFL-CIO strongly urges you to support H.R. 2378, the Currency Reform for Fair Trade Act, as amended by Ways and Means Chairman Levin.

Through systematic and one-sided intervention in currency markets, the Chinese government has kept the renminbi approximately 40 percent undervalued with respect to the U.S. dollar for many years in support of its export strategy. Today China accounts for three-quarters of our non-oil goods trade deficit. These actions by the Chinese government have led other Asian nations to keep their currencies unfairly aligned with the renminbi because they want to stay competitive with China in key markets.

Currency manipulation has cost American workers and communities hundreds of thousands of good jobs while undermining this nation's technical and industrial capacity to make the things we consume and export. It uses our dollars to stimulate another nation's economy while racking up unsustainable trade deficits at home.

The Levin substitute to H.R. 2378 specifically addresses several important aspects of currency manipulation. First, the Department of Commerce (Commerce) has historically refused to find an export subsidy if the subsidy is not narrowly limited to specific industries in circumstances of export. The Levin substitute would reverse this antiquated practice and allow for Commerce to make findings that are compatible with both U.S. law and WTO disciplines.

The Levin substitute also requires Commerce to report on implementation of the legislation nine months following enactment.

Taking action to end currency manipulation will generate jobs and investments in the U.S. economy. We can create jobs by enforcing our trade laws consistently and proactively. The time for talk is over. On behalf of America's working families, I urge you to take action now and pass Chairman Levin's substitute to H.R. 2378, the Currency Reform for Fair Trade Act of 2010.

Sincerely,

William Samuel, Director
Government Affairs Department