

**Congress of the United States**  
Washington, DC 20515

**\*DRAFT COPY\***

May 12, 2021

The Honorable Katherine Tai  
United States Trade Representative  
600 17<sup>th</sup> St. NW  
Washington, DC 20508

Dear Ambassador Tai,

Congratulations on your unanimous Senate confirmation as U.S. Trade Representative. We look forward to working with you in advancing an ambitious trade policy that prioritizes American jobs and economic growth.

We are also writing to express our shared concern over reports of sharp increases in the cost of lumber. Fortunately, construction has remained an essential activity through the coronavirus crisis. However, this has resulted in an increased demand for lumber and shortages nationwide. Consequently, lumber prices have skyrocketed more than 300% since last spring.

This increase in lumber demand and cost has significantly and directly affected the housing market. In December 2020, the Federal Housing Finance Agency (FHFA) announced that, despite the severe pandemic-induced economic downturn, its index of house prices had risen 10.2 percent over the course of a year, and 1.5 percent in just the single month of October – which marks an 18 percent annualized increase.

Our economy struggles when businesses feel uncertainty in the market. With the economy stressed, as a result of the coronavirus pandemic, the US government should make every effort to help create certainty and predictability in our supply chains.

The 2021 Trade Policy Agenda acknowledges that “strong trade enforcement is essential to making sure our trading partners live up to their commitments and that U.S. trade policy benefits American workers, manufacturers, farmers, businesses, families, and communities.”

At present, the United States and Canada lack an agreement governing the trade of softwood lumber. Efforts to resolve this issue before the World Trade Organization (WTO) have stalled. The result is unnecessary cost increases to industries that use softwood lumber, such as residential home construction. We now call upon you to represent American interests on this critical issue by pursuing a balanced agreement with Canada. We, as Members of Congress, stand ready to discuss this issue and potential solutions with you. We consider such a balanced agreement to be in the interest of the United States because it would provide predictability for lumber producers and homebuilders so they can continue to help the economy recover from the events of the past year.

Thank you for your attention to this urgent matter and for considering our request.

Sincerely,

