



PRESS RELEASE

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Chairman Conaway Applauds Initiation of Enforcement Action Against China's Agricultural Subsidies

Today, House Agriculture Committee Chairman K. Michael Conaway (R-TX) joined U.S. Trade Representative Michael Froman, U.S. Secretary of Agriculture Tom Vilsack and a bipartisan group of Members of Congress in announcing the U.S. has launched a new trade enforcement action against China at the World Trade Organization (WTO) as a result of China's excessive government support for corn, rice, and wheat production.

Chairman Conaway convened two full committee hearings last year ([June](#) and [October](#)) to review foreign agricultural subsidies and their detrimental, trade-distorting impact on American agricultural producers. Conaway has long raised concerns about the actions of foreign competitors and has frequently called on the Obama Administration to initiate WTO challenges against the high and rising foreign subsidies, tariffs, and non-tariff trade barriers. In announcing the enforcement action today, USTR noted that China has exceeded its allowable subsidy limits on corn, rice, and wheat by \$100 billion in 2015 alone. In contrast, it is worth noting that the United States abides by the limits agreed to in the WTO.

The Chairman's remarks as prepared follow:

"I appreciate Ambassador Froman and Secretary Vilsack's work to begin to draw attention to—and to challenge—high and rising foreign subsidies, tariffs, and other barriers to trade, and particularly those of China. I also want to thank Ambassadors Darci Vetter and Michael Punke for their tireless work on these important issues.

"Even as U.S. support for American farmers and ranchers declines, we have seen a tremendous and steady rise in foreign barriers to trade which is troubling. Foreign subsidies and tariffs make it very difficult for American farmers and ranchers to make a living and support their families. They also undermine support for trade.

"I am grateful that the U.S. government has opened a case concerning China's treatment of corn, rice, and wheat. And, I do believe that this must only be a start because I believe that this is really just the tip of the iceberg in terms of the predatory practices going on around the world that harm our producers.

"As just one example, I am very hopeful that beyond the challenges announced today, that the U.S. government will also vigorously pursue a case against China concerning its cotton policy which has wreaked havoc on our domestic producers. Absent this, I fear that our domestic cotton production and all that it means to our nation's economy will be lost in much the same way we forfeited our textile industry, once the largest manufacturing sector of our economy.

"In any case, once again, I am very pleased that the U.S. is beginning to stand up and challenge the predatory trade practices of China. It is long overdue, and I appreciate the leadership of Ambassador Froman and Secretary Vilsack in getting the ball rolling."

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