



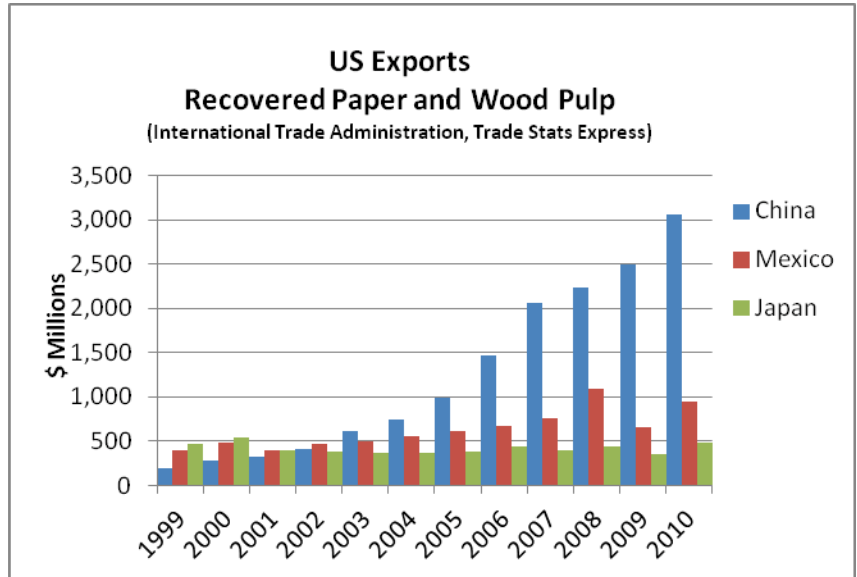
Save Family Wage Green Jobs in Oregon's Paper Mills

Protect our Recycled Paper Industry

The problem: Many of Oregon's paper mills have converted to making recycled paper from recovered paper waste. Now the rising cost of recovered waste paper, driven largely by U.S. exports to fill Chinese demand, is destroying Oregon's once vibrant paper making industry. Mills in Oregon rely on a paper supply that is sourced both locally and from across the country. While the majority of waste paper collected in Oregon stays in Oregon, mills

supplement their supply by purchasing paper from other states. As exports of recovered paper skyrocket across the country, mills at home struggle in an environment of high prices and dwindling supply. The rise of commingling as part of curbside recycling programs has also contributed to higher levels of contamination and increased disposal and maintenance costs for mills. Declines in print advertising, newspaper sales, mail volumes, and the continued offshoring of manufacturing have resulted in pay cuts, layoffs, and mill closures across the state. In 1980, paper mills employed over 10,000 workers in Oregon, paying them family wages and benefits with effective union representation. Today Oregon paper mills employ approximately 3,300 workers and the jobs that remain are in danger. In March, 2011, after more than a century of operation, the Blue Heron Paper Company closed, laying off over 200 employees. In November, 2011, SP Newsprint, Oregon's largest recovered paper mill, filed for bankruptcy protection. The mill's fate, along with that of its 300 employees, remains uncertain. As the economic downturn continues, Oregon cannot afford the continued loss of well-paid manufacturing jobs. Mills at home should not close while China's industry booms.

Why We Should Care: Oregon citizens dutifully separate recyclable material for curbside pickup each week across the state. Along with the help of a highly productive waste recovery system, Oregonians divert over 600,000 tons of waste paper from landfills each year. The paper manufacturing industry in Oregon, and in the United States, is one of the most sustainable paper making industries in the world. In contrast, China's paper industry has been accused of causing more pollution than the pulp and paper industry of the rest of the world combined. Oregonians that care about sustainability and jobs would not want their recovered paper to leave the state only to arrive in China's dirty mills. Just as Oregon has taken a leadership role in reducing greenhouse gas emissions through its recycling system, the state should recognize *emissions embedded in trans oceanic trade* and the role that local production can play in climate protection. Unlike



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most states on the west coast, Oregon has maintained an industry organized around waste paper reuse. Our workers are highly skilled, having benefited from an industry dating back over a century. Paper making can be a competitive advantage for Oregon once again. Every dollar spent circulating in the waste paper supply chain, from haulers and sorting facilities to paper mills, is a boon to our state's economy and a step toward economic recovery.

The Solution:

State legislation: Recycling in Oregon should create jobs and protect the environment. It is time for our leaders to do more than pay lip service to creating new green jobs and recognize the paper making industry for its contribution to a sustainable economy. We need to save the family wage, green jobs in our paper mills. To maintain and create jobs for Oregonians, we call upon the Oregon State Legislature to insure that to the maximum extent possible, recovered paper waste be recycled by mills closest to the source of collection.

There is a bill in the 2012 Oregon Legislative session (**HB4142**), sponsored by Co-Speaker Arnie Roblan, the Republican and Democratic chairs of the Business and Labor Committee, and many other Representatives, which will begin to address this problem by expanding the state's preference for procurement of recycled products which is already written into law (ORS 279A.125), to include a preference for paper manufactured at paper mills located in the state as long as the cost of that paper does not exceed the cost of non-recycled paper or paper manufactured outside Oregon by more than 10%.

This provision will directly and positively impact several of the problems leading to the bankruptcy and closure of Oregon's paper mills: **1.** The increased cost of obtaining recovered paper waste for the manufacture of recycled paper due to competition from China's subsidized paper industry; **2.** The increased cost of manufacturing recycled paper due to the commingling of paper waste with other recycled products resulting in a "dirty" materials stream at the paper mills and the resultant need to sort and pay to haul mingled waste (plastics, metals, etc) to landfills; and **3.** The dwindling market for paper.

Federal Action Needed: We need to ban the export of our paper waste ("recovered paper") to China. This recovered paper is a public resource and should be used to create jobs here at home. It is difficult for a single state to take meaningful action on exports; it requires federal action. Senator Wyden has already sought an investigation under trade rules of China's illegal subsidy of its paper industry. Our congressional delegation needs to take this to the next level and demand a ban on the export of paper waste from the US.

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