

(The following supplementary statement was received by the committee:)

SUPPLEMENTAL STATEMENT SUBMITTED ON BEHALF OF CEMENT INDUSTRY ANTIDUMPING COMMITTEE

On June 14, 1968, Mr. John Mundt testified before the Ways and Means Committee on behalf of the Cement Industry Antidumping Committee. Mr. Mundt's oral testimony and his prepared statement were directed only to the Cement Industry's position on the International Antidumping Code. During his testimony, Mr. Mundt requested and was granted permission by the Chairman to file a supplemental statement for the record, reaffirming the Cement Industry's support for pending legislation to strengthen the Antidumping Act of 1921. Accordingly, this supplemental statement will set forth the reasons for the Industry's continuing support of this legislation.

The pending legislation to strengthen the Antidumping Act includes H.R. 1075 and other similar bills now pending before the Ways and Means Committee. This legislation has a counterpart in the Senate which has the sponsorship of forty-one Senators (S. 1726). The primary purpose of the legislation is to amend the Antidumping Act to ensure that it will provide meaningful and effective relief to domestic industries injured by the unfair trade practice of dumping. This statement will explain both the need for this legislation and the significance of its main provisions. The discussion will cover the following points:

- I. The Need for an Effective Antidumping Act.
- II. Provision for Time Limitation on Treasury Investigations.
- III. Provisions for Procedural Safeguards in Treasury Investigations.
- IV. Elaboration of Injury and Industry Standards for Guidance of the Tariff Commission.
- V. The Antidumping Act Under the Proposed Legislation Would Remain an Integral Part of the Unfair Trade Practice Laws.

I. THE NEED FOR AN EFFECTIVE ANTIDUMPING ACT

The Cement Industry has, of necessity, had more experience with the inadequacies of the present Antidumping Act than any other industry. For the past ten years there has been widespread dumping of foreign cement at unfair prices,¹ and the industry has suffered extensively from this unfair trade practice. Nineteen times the industry has been forced to invoke the machinery of the Act by filing formal complaints involving cement imports from fifteen different countries. The limited relief afforded in these proceedings has been wholly inadequate. These proceedings are summarized in Appendix B of the Cement Industry's statement filed with the Committee on June 14, 1968.

The good faith of the domestic Cement Industry in filing these complaints is demonstrated by the fact that in fourteen of the nineteen cases the Treasury Department found "reason to believe or suspect" that dumping was taking place. In five of these cases Treasury made a finding of dumping, but did not refer the matter to the Tariff Commission upon assurances by the importers involved that the dumping would be discontinued.² In several instances an initial finding of dumping was later excused because of quantity discount allowances which were not cost-justified. While this was Treasury's policy at the time, non-cost-justified quantity discount allowances are no longer recognized by Treasury unless the foreign producers actually use such a discount schedule in their home markets as well. In another seven cases a final determination of dumping was made, and the case was referred to the Commission for a determination whether the dumping was causing injury to the domestic Cement Industry. In four of these cases (Sweden, Belgium, Portugal and the Dominican Republic) the Commission found the requisite injury, and special dumping duties were imposed. These duties are still in effect.

It should be kept in mind in assessing this record that dumping has been condemned by Congress as an unfair trade practice for over fifty years. The

¹ See Table II entitled "Dumped or 'Tainted' Cement Imports, 1958-1967 (BBLS)" in the statement filed with this Committee by the United Cement, Lime & Gypsum Workers' International Union, AFL-CIO.

² The dismissal of complaints even though dumping has been found—because of price revisions—is a Treasury practice which is not permitted under the Antidumping Act. The Act requires that once dumping has been found the case must be automatically referred to the Tariff Commission for an injury determination.