

sole purpose of the Antidumping Act is to prevent this practice and the resulting injury to domestic industry by requiring foreign manufacturers who export to this market to observe the same standards of fair competition that competing domestic sellers must observe under the U.S. unfair trade practice and anti-trust laws. Furthermore, the only relief available under the Antidumping Act is the imposition of a dumping duty which is intended to eliminate the unfair competitive advantage obtained through the dumping. The domestic industry, therefore, even when successful in obtaining the maximum relief under the Antidumping Act, gains no competitive advantage over the foreign industry. The only result is that the foreign manufacturer must surrender the unfair advantage which it has gained through dumping, and fair competition is restored.

The injury suffered by the domestic Cement Industry through foreign dumping has been extensive. *First*, there have been sales lost directly to dumped imports. These have been sizable because of the drastic competitive effect in the cement market of the price cutting which illegal international price discrimination makes possible. Since cement is a homogeneous, non-differentiated product made to standard specifications, no brand can claim any consumer loyalty or any price premium. Thus, if dumping makes possible a price for imports only a few cents below the domestic product, the dumped cement will be purchased at the expense of competing domestic products. *Second*, lost sales by the U.S. Cement Industry are immediately and directly reflected in lost jobs and wages for American workers.³ *Third*, the dumped imports have a depressing effect on general cement prices in all areas where domestic cement must constantly compete for sales with the lower-cost dumped imports. Thus, the American producers have been able to maintain their sales which are not taken over by dumped imports only at prices which have been forced substantially downward by the dumped imports.

Fourth, the dumped imports have contributed to keeping the domestic Cement Industry operating far below capacity. This results in higher domestic costs because of the inefficient use of the productive assets which the industry purchased in proper anticipation of a tremendous growth in all types of construction in the United States during the 1960's. *Fifth*, through a "ripple" effect the dumped imports result in an extension of the lower domestic price, reduced in order to meet the dumped price of the importers, to other areas which the importers do not reach. Contractors in areas not served by the importers often compete with contractors within this area who are purchasing cement at the lower domestic price, forced down by the dumped imports. These companies, in turn, demand that the domestic cement producers extend the lower price to them to permit them to compete on equal terms with the contractors within the area served by the importers. Thus, dumped imports force the price of domestic cement downward in some areas beyond the area served by dumped imports. *Finally*, experience shows that, once the price is reduced by the domestic companies as a result of the dumped imports, it becomes impractical to return to the higher price after dumped imports have been counteracted by the imposition of the special dumping duties.

The Cement Industry has suffered considerable injury from the unfair trade practice of dumping. Its attempts to obtain relief under the Antidumping Act have met with, at best, limited success. The industry feels that it is imperative that the Act be revised to provide more effective relief and to bring it more in line with U.S. unfair trade practice and antitrust laws. The pending antidumping legislation has been introduced to accomplish these objectives. The main features of this legislation and the inadequacies of the present Act which they are intended to remedy will be discussed below.

II. PROVISION FOR TIME LIMITATION ON TREASURY INVESTIGATIONS

It is essential that a time limit be placed upon the Treasury Department's investigation and determination of whether dumping has occurred. Final determinations have been inordinately delayed in the past. This uncertainty has injured importers while the provisional measure of withholding of appraisement was in effect. Treasury investigations of Cement Industry dumping complaints,

³ See Tables IV and V entitled "Man-Hours Lost" and "Equivalent Wages Lost" from dumped cement, in the statement filed with this Committee by the United Cement, Lime & Gypsum Workers' International Union, AFL-CIO.