

Over the years the enforcement of the Act has become quite ineffective and the efforts to establish a finding of dumping under regulations implementing the Act, a frustrating and futile experience. The available record of dumping cases (1934-1967) illustrates this discouraging situation:

|                                       |     |
|---------------------------------------|-----|
| Total cases disposed of.....          | 496 |
| Imports negligible or ceased.....     | 117 |
| Complaint withdrawn.....              | 6   |
| No sales at less than fair value..... | 295 |
| No injury.....                        | 59  |
| Total.....                            | 477 |
| Finding of dumping.....               | 19  |

Either a law against dumping is not needed because this unfair practice is really rare (which many injured industries will certainly dispute!) or the law as administered has been ineffective.

The brass mill industry has had two painful instances of how ineffective the antidumping procedures can be, even when the Treasury Department has established presumptive evidence of the price discrimination involved. In one case, for example, copper tube was being sold in this country by a Canadian company at a special discount not available to its Canadian customers. After several years of investigation based on extensive evidence furnished by the domestic industry, during which time, of course, the dumping continued, the Treasury Department confirmed that dumping had occurred. It dismissed the complaint, however, on the company's assurance that dumping had ceased and relied on its promise that it would not be resumed. There is evidence that dumping has since recurred, although somewhat more subtlety managed. But no further action appears practicable under present interpretation of the law and regulations.

A second case involved sheet copper from Yugoslavia, sold in this country at a price offered regularly at ten percent below the competition. Its result was a disastrous price demoralization in the concentrated markets in this country where the Yugoslavian product was sold. As far as the domestic mills were concerned, the prices which they had to lower drastically in a vain attempt to meet this local competition, however, had to be generally offered in a far wider market to avoid alleged price discrimination under our domestic laws. The Treasury again made a preliminary finding of dumping, but ultimately dismissed the case because it could not satisfy itself as to the price in Yugoslavia and had to depend on prices in certain free countries abroad. Also, it reasoned that the quantity involved was relatively small; related to the national market this was true, but the Treasury disregarded the chain effect of the dumping on the entire domestic market.

It was because of experiences of this kind that the brass mill industry strongly supported the efforts of Senator Hartke and Congressman Herlong and more than 100 fellow senators and congressmen in bills successively introduced in the Congress since 1965, to make government action against dumping reasonably effective without opening the door to its possible misuse as a non-tariff barrier. When in 1964 the Treasury did issue new regulations in apparent recognition of the ineffectiveness of the antidumping procedure, these fell considerably short of requirements. The conclusion still remains that remedial legislation is needed. We must, therefore, repeat our urgent request that S. 1726 and the companion bills in the House be passed and so make the Antidumping Act what it should be, an effective weapon against an exceedingly unfair trade practice.

Despite the fact that the Trade Expansion Act of 1962 gave our Kennedy Round negotiation team no authority to deal with dumping, and notwithstanding the adoption in 1966 of S. Con. Res. 100, stating it was the sense of the Congress that no agreement or other arrangements applicable under the laws of the United States should be entered into under the Trade Expansion Act of 1962 except in accordance with prior legislative authority delegated by the Congress, the so-called International Antidumping Code was agreed to in the Kennedy Round, with an effective date of July 1, 1968. In view of a general complaint that the Inter-