

all of the production in that industry is sold in a particular regional area. The United States comprises a vast number of regional markets and it would be simply impossible to establish a concentration in sales of the kind called for by the Code in one of these regional markets. The effect of this restrictive provision would be, as a practical matter, to read the regional industry concept right out of the antidumping laws of this country.

3. *Simultaneous Consideration of Dumping and Injury.*—Article 5 of the Code states that a dumping investigation must not be initiated unless the Administrator finds both arithmetic dumping and injury to domestic industry. This concept is wholly inconsistent with the established procedures of the U.S. Antidumping Act wherein the Treasury Department makes an initial determination as to whether there have been sales at less than fair value and the Tariff Commission thereafter determines whether or not there is injury or the likelihood of injury to domestic industry. As the Report of the Tariff Commission observes: "Effective simultaneity [in making these two determinations] in any real sense is not procedurally feasible or logical." Here again, a new concept sought to be injected into administration of the antidumping laws in the United States appears calculated to frustrate enforcement of such laws, and, in effect, to render them meaningless.

4. *Permissive Assessment of Dumping Duties.*—Paragraph (a) of Article 8 of the Code provides that the assessment of dumping duties is permissive rather than mandatory. This provision is altogether inconsistent with the U.S. Antidumping Act under which the assessment of such duties is mandatory and the amount of the duties so assessed is required to be the difference between fair value and the lower price at which sales are found to have been made.

5. *Elimination of Interim Safeguards.*—Under the U.S. Antidumping Act, the Secretary of the Treasury is required to authorize the withholding of appraisement as to merchandise entered or withdrawn from warehouse for consumption, where he has reason to suspect that there are sales at less than fair value. Once appraisement reports are ordered withheld, the merchandise is not released from customs except under bond with surety guaranteeing the payment of dumping duties should such duties thereafter be assessed. The Code would prohibit imposing such provisional measures until the administrator has made a preliminary decision that there are in fact sales at less than fair value and is in possession of adequate evidence of injury. Adoption of this principle by preventing the use of interim safeguards, would open the floodgates to dumping of imported merchandise in the United States. The procedures employed by the Treasury Department and Tariff Commission to make the necessary preliminary determinations called for by the Code would take several years to run their course, and during that period of time importers could literally make a killing without being subjected to any penalties whatever. It is simply inconceivable that this country would even consider adopting a provision of this kind that would invite dumping and, at the same time, prevent our customs administrators from imposing any sanctions upon the importers responsible for the dumping.

In summary, it seems apparent that adoption of the International Antidumping Code by the United States would undermine the traditional notions of dumping in this country to such an extent that its ultimate effect would be to eliminate dumping prohibitions altogether. Even though the U.S. Antidumping Act has been only sporadically and timidly enforced over the last several decades, its very presence and the threat of enforcement has deterred importers from flagrant abuses. Adoption of the Code would eliminate this safeguard and invite massive dumping.

ENDORSEMENT OF QUOTA LEGISLATION

The domestic hardboard industry has become thoroughly disenchanted with current U.S. trade policy. Hardboard imports have increased, as the result of tariff concessions and lax enforcement of our antidumping laws to the point where they exceed \$17 million annually; yet no reciprocal concessions have been secured from any foreign countries to enable domestic industry to engage in any substantial amount of export trade. In short, insofar as our industry is concerned, U.S. trade policy has been a one-way street, inviting imports at the expense of domestic industry.

The fundamental unsoundness of this policy is starkly revealed in the dramatic decline in U.S. merchandise trade surplus, the persistent deficits in our balance of payments and the consequent weakness of the dollar. Much of the