

U.S. TRADE LEGISLATION PROPOSALS
100th CONGRESS

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SUBJECT	CURRENT LAW	HOUSE	SENATE	ADMIN POSITION	CDN POSITION
III <u>IMPORT RELIEF</u>					
I. <u>Escape Clause</u> (Section 201)					
A. <u>Injury Criteria</u>					
(I) <u>Serious Injury</u>	ITC to consider all relevant factors, including significant idling of production, inability to operate at profit and significant unemployment.	Modifies the "inability to operate at profit" factor to include domestic facilities only.	Modifies the "inability to operate at profit" factor to include domestic facilities only.		Although not enshrined in law, Cdn practice similar to House/Senate proposals.
(II) <u>Threat of Injury</u>	ITC to consider all relevant factors, including decline in sales, growing inventories and a downtrend in production; profits, wages or unemployment.	Adds new factors: decreased market share, diversion of foreign exports to US and inadequate capital generation to modernize.	Adds new factors: decreased market share, coordination of foreign government action to become competitive in US; existence of dumping or countervail findings, inability of domestic firms to maintain R&D and diversion to US by reason of foreign trade restraints.	Objects to including existence of dumping or countervail findings as elements of injury.	Would include non-applicable factors, leg. A/D, CVD findings in injury determinations.
(III) <u>Causation</u>	Imports must be substantial cause of injury to domestic injury.	Non-aggregation of causes of declining demand associated with a recession to single cause of injury.	Non-aggregation of causes of declining demand associated with a recession to single cause of injury.		
B. <u>Definition of Domestic Industry</u>	i) May treat as part of domestic industry only domestic production (not imports). ii) May treat as domestic industry only that part producing article.	Changes may to shall in (i) and (ii).	Changes may to shall in (i).	Objects to disregarding imports as part of domestic industry.	Would make injury findings easier to obtain. Similar to Canadian practice.