

prices and under cut competitors. The existence of a differences is essential to the injury. The injury is an effect of the discrimination.

This is obviously very much the philosophy of the anti-dumping system; in the anti-dumping system it is assumed the high home market price makes possible the lower export price, and it therefore follows that the alleged dumping can be terminated, and anti-dumping duties avoided by reducing home market prices (as Canadian firms dumping in the United States, their principal market, may choose to do). The logic of the anti-dumping system, as originally expounded by Viner, is very much in accord with the concept that it is the high prices charged in the home market which make possible the dumping in the export market, that the high domestic prices are made possible by high tariffs or other restrictive measures, or by the exercise of market power.

Extent of Discrimination

Another area where "standards" as between anti-dumping and anti-trust appear to differ is in the calculation of the margin of discrimination or margin of dumping. There are two important components here: rules regarding quantities, and rules regarding selling below cost. In anti-dumping systems, there are usually rules (highly detailed ones in the U.S. and Canadian systems) for determining when a discount for quantity is, or is not, a disguised price discrimination. The Canadian rules contain two elements: first, the discount is determined by reference to the largest quantity sold in the home market: "if the quantity sold to the importer is larger than the largest quantity sold for home consumption, (those sales that) are in the largest quantity sold for home consumption", and second: the "normal value" found by reference to such sales may be reduced if the administering officials are "satisfied that a quantity discount is warranted on the basis of savings specifically attributable to the quantities of the goods involved."¹⁸ This is, in U.S. anti-trust terms, accepting a quantity discount if it is cost-justified, and takes into account the fact the sales for export may well be in larger quantities than any domestic sales. (A similar reverse test is applied, in the Canadian system, when the quantity of sold for export is less than the smallest quantity sold in the home market.)

In the Canadian domestic price discrimination provision, the test is whether the discounts are made available "to all competing purchases who buy the same quantity or volume",¹⁹ and need not be cost-justified.

In the EEC anti-dumping system, the issue of quantities being sold for export being greater than the largest quantity sold in the domestic market is dealt with in a fashion analogous to the Canadian system. The exporter can get a larger quantity discount accepted if he can show "that the difference is due to savings directly attributable to savings in the cost of producing the larger quantities".²⁰

In the U.S. anti-dumping system the regulation on quantities is carefully drawn; in the event that the discount for quantity is for a quantity greater than that sold in the home market (which means in regard to sales equal to at least 20 per cent of sales in the domestic market, and for a period of six months prior to the date of the dumping complaint) then the exporter must "demonstrate that