law requires that the ITA, when calculating the foreign market prices that will be compared with U.S. market prices, completely disregard foreign market sales that have been made below the cost of production "over an extended period of time and in substantial quantities."[47] In practice, when such sales are disregarded, the average foreign market price is higher than it would be otherwise, thereby increasing the chances of a finding of dumping. The ITA could possibly eliminate application of the below-cost-sales rule in antidumping cases involving Canadian exports. This modification could be justified on the grounds that currently

- Companies located in the United States could sell their products in the U.S. at below the cost of production without penalty,[48] and

- Canadian companies that make sales below cost in both markets could potentially be subject to antidumping duties even though they had not engaged in price discrimination.

EXEMPT

sec. 15(1)

[47] 19 U.S.C. § 1677b(b).

[48] Such sales, of course, would be subject to the U.S. law prohibiting "predatory pricing."