

U.S. TRADE LEGISLATION PROPOSALS
100th CONGRESS

Revised

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Page 25

SUBJECT	CURRENT LAW	HOUSE	SENATE	ADMIN POSITION	CDN POSITION
6. <u>Government Imports</u>	No provision.	"Trade and International Economic Policy Reform Act of 1987" (HR3) [passed April 30, 1987]	"Omnibus Trade and Competitiveness Act of 1987" / [H.R.3(S.1420)] [passed July 21, 1987]	Supports exemptions in Senate bill.	Canada objects to House version in particular.
7. <u>Countervail</u>					
A. Actionable Subsidies	List of actionable subsidies: (i) provision of capital, loans or loan guarantees on terms inconsistent with commercial considerations. (ii) provisions of goods or services at preferential rates. (iii) grants of funds or forgiveness of debt to cover losses. (iv) assumption of costs or expenses.	Definition of countervailability based on actual effect of subsidy on industry or group of industries rather than on nominal nature of program. Use of external benchmarks in commerciality test to determine existence and measurement of subsidy.	Definition of countervailability based on actual effect rather than nominal nature of program. CVD law expanded to include international consortia (cumulation of subsidies provided by multiple countries). Adds leases to CVD law.	Totally opposed to aspects of House proposal. Senate provision codifies current Commerce practice which Admin. could accept. Administration particularly opposed to use of external benchmarks.	Canada regards as unilateral departure from generally accepted international practice on what constitutes and how to measure actionable subsidies. Inclusion of leases mirrors Cdn law.
8. <u>Dumping</u>					
A. Input Dumping	No provision.	Expands scope of dumping law to imports using components already subject to dumping finding where import of inputs have declined and imports of manufactured product have increased. Mandates investigation and determination.	No provision.	Opposed to any proposal other than including dumped imports shipped through third markets in order to circumvent.	Clearly inconsistent with the GATT which strictly defines dumping.