

10.1 Canadian Government Activity

Wire rod was imported into the United States from a number of countries. Canada was a significant supplier of wire rod imports during the period under review. During the last three years of the period under review, Canada accounted for 21.9% of total imports. However, imports from Canada had fallen relative to total imports into the United States during those three years. Two ITC Commissioners therefore found that imports from Canada were not contributing significantly to serious injury or threat thereof caused by imports, and they recommended that Canada should be excluded from any relief action. The other Commissioner decided that Canada's wire rod imports did contribute significantly to serious injury or threat thereof, and that Canada should be included in any relief action. The Government of Canada had submitted both pre-hearing and post-hearing briefs to the ITC, arguing that imports from Canada did not contribute significantly to any injury suffered by the U.S. industry.

On August 22, 2001, the ITC made an affirmative determination in a precedent-setting investigation of whether previously excluded imports of steel wire rod from Canada were undermining the effectiveness of the safeguard action imposed on imports under section 201 of the Trade Act of 1974, as announced by President Clinton. In late November, President Bush declined to extend relief to Canada.

11 Circular Welded Carbon Quality Line Pipe (Line Pipe)

Following receipt of a petition filed on June 30, 1999, on behalf of seven industries and one labour representative, the ITC initiated a safeguard investigation, under section 202 of the Trade Act of 1974, to determine whether circular welded carbon quality line pipe was being imported into the United States in such increased quantities as to be a substantial cause of serious injury or threat thereof to the domestic industry producing a like or directly competitive product.

In December 1999, the ITC determined that circular welded carbon quality line pipe was being imported into the United States in such increased quantities as to be a substantial cause of serious injury or threat thereof to the domestic industry producing an article like or directly competitive with the imported article. However, pursuant to section 311(a) of the NAFTA Implementation Act, the ITC made a negative finding with respect to imports of line pipe from Canada and Mexico.

With line pipe imports increasing since 1995 and reaching their highest annual level in 1998, the ITC concluded that there were increased imports. It also found serious injury to the domestic industry. The factors supporting this finding were the declines in capacity utilization, domestic production, domestic sales and